

EXECUTIVE MANAGEMENT BENEFITS SCHEDULE

(Effective July 2, 2022)

The positions of Executive Management Team can be found in the current Classification and Salary Schedule – Executive Classifications. Excerpts from relevant State statutes, Council Resolutions, and Administrative Policies are found in this document, and are organized alphabetically by subject matter.

ADMINISTRATIVE LEAVE:

Each fiscal year thereafter, Employee will be allotted eighty (80) hours of Administrative Leave away from the office to be scheduled and used throughout the year. These days off do not accrue, are not subject to carry over, are not subject to any cash-out option, and will not be paid out upon separation of service.

AUTOMOBILE ALLOWANCE:

Employee shall be responsible for providing all necessary liability insurance for the use of their personal vehicle for City business and shall provide proof of such insurance to the City upon request. Employee shall also be responsible for all maintenance, repair, and replacement costs associated with the use of their personal vehicle. Finally, Employee shall comply with all vehicle laws and City policies related to safe operation of a motor vehicle when operating their vehicle for a business-related purpose.

The City shall provide the Employee with a Six Hundred Dollar (\$600) monthly automobile allowance to cover all official travel within San Bernardino, Riverside, Orange, and Los Angeles Counties, with the exception of travel covered under the City's Travel Policy. Travel outside of these areas will be reimbursed at the rate paid per mile to other City employees, except in no case shall the mileage reimbursement for any one trip exceed the cost of round-trip coach airfare between the Ontario Airport and the destination.

OR

With the commencement of the City Manager's approval, an automobile can be elected for use while conducting official City business and responding to City emergencies and urgent matters during non-business hours as needed. Employee understands that the vehicle shall be used for official City business and may be used for incidental personal use. Further, said vehicle shall not be operated by persons other than Employee. The City shall be responsible for providing liability insurance (bodily injury and property damage) for Employee's use of said vehicle. In addition to those restrictions above, Employee agrees to abide by any additional restrictions on the use of said vehicle imposed by the insurer. The City shall also provide for maintenance, repair and replacement costs of said automobile, in accordance with City policy.

BEREAVEMENT LEAVE:

Employees may be allowed up to three (3) days of bereavement leave depending on need, which is not chargeable to personal leave, to be utilized in the event of a death of an employee's spouse, child, brother, sister, parent, grandparents or other relative, subject to the approval of the City. The absence shall not exceed three days from the date of notification. In the event of a death of an employee's relative, as listed above, who's

permanent residency was outside of California, the employee may be allowed up to four (4) days of bereavement leave depending on need (not chargeable to personal leave). The absence shall not exceed four (4) days from the date of notification.

The value of such leave will be based upon the employee's previously scheduled work hours for that day (i.e., if the employee was on a 4/10 work schedule, the employee would be eligible to receive up to 30 or 40 hours of paid bereavement leave, depending on where the relative resided). The City may request reasonable verification of the need for such leave if abuse of leave is reasonable suspected.

CAFETERIA PLAN:

The City of Fontana has a Section 125 Cafeteria Plan which allows Employee to enroll in health and welfare benefits. These benefits are eligible to extend to cover Employee's spouse or registered domestic partner and/or their legal child dependents through age 26. Employee shall have a monthly Cafeteria Plan allotment that is equivalent to 31.4% greater than the cafeteria allotments provided to the Mgmt./Confidential Unit employees of the City. These allotments are adjusted annually based on premium increases/decreases.

Mandatory benefits include a Group Life Insurance policy, Short- & Long-Term Disability insurance (see disability below), Medical and Dental insurance. Employee may elect to waive Medical and/or Dental insurances by providing annual documentation of outside coverage through an equivalent plan as a dependent under a Parent or in a Spouse/Registered Domestic Partner's Group Plan.

COMPENSATION:

Employee shall be compensated at the rate of pay as outlined in their employment agreement which shall be payable in installments at the same time as other employees of the City are paid, pursuant to the procedures regularly established, and as they may be amended by the City.

The City may annually assess Employee's performance and salary. The Employee shall be eligible, if warranted in the City Manager's sole discretion, to receive a salary increase at the conclusion of such annual assessment.

Increases to employees' base wages/salary ranges for any executive classifications are as follows:

- Effective the first pay period including July 1, 2023: 3%

Other Compensation:

Cell Phone Allowance:

Employee shall receive monthly cell phone allowance of \$85 for the use of their personal cell phone for work related purposes.

Uniform Allowance:

The annual uniform allowance for the Chief of Police is \$1,250.00. The allowance shall be paid in semi-annual increments equal to 50% of the annual allowance in October and April of each year.

Effective July 2022, a uniform allowance in the amount of \$48.08 per pay period (approximately \$1,250 per year) will be paid. The uniform allowance is intended for the purchase and maintenance of uniforms. A newly hired Chief of Police will receive the full uniform allowance at the end of their first pay period following their start of employment.

P.O.S.T. Certificate Pay (Chief of Police):

The Chief of Police is eligible to receive annual compensation for attaining the P.O.S.T. certificate as follows:

- Supervisory or Management Certificate = In accordance with Police Management Association, MOU.
- Executive Certificate = \$10,000.00

DEFERRED COMPENSATION - 457(b)/401(a):

A deferred compensation plan is available to all employees, providing tax-deferred savings to serve as a retirement supplement. Employee may contribute to the City's designated deferred compensation plan up to the maximum annual amount allowed by federal and state law through a payroll deduction.

City Contribution

The City shall contribute one percent (1%) of Employee's annual salary per year on Employee's behalf into a qualified 401(a) plan established by the City. Such payment shall be made to Employee's account effective the first pay period covering July 1, 2022. The City's contribution shall increase to two percent (2%) of Employee's annual salary effective the first pay period starting July 1, 2023.

Contributions to deferred compensation will be discontinued while an employee is receiving Workers' Compensation payments.

DIRECT DEPOSIT:

All employees have the opportunity to setup their funds to be directly deposited into an account established for deposit of any payroll check.

DISABILITY LEAVE:

The City of Fontana does not participate in disability insurance from the State of California. Employee will be enrolled in both Short-Term and Long-Term disability insurance through the City's designated provider. This coverage is mandatory and may not be waived with outside insurance.

In the event the Employee is unable to work due to their own illness/injury/disability, they will be able to apply for disability benefits to be paid during their absence. Employees will continue to use any available leave in order to maintain their benefits.

Continuation of Benefits

Except as otherwise provided below, an employee taking leave shall be entitled to continue participation in pension and retirement plans to the same extent and under the same conditions as apply to unpaid leave taken for any other purpose. In order to continue coverage under employee benefit plans, including life, short-term or long-term disability insurance, or other similar plans, the employee will be required to submit timely payments

of premiums, at the group rate, during the period of leave not covered by any accrued paid leave.

The City will continue the employee's normal group health care benefits during the period of leave on the same terms and conditions as applied prior to the commencement of family leave. Therefore, in order to continue group health benefits during any unpaid period of leave, the employee should make arrangements, in advance, for the payment of the employee's share, if any of group health premiums.

The City may be entitled to reimbursement of any premiums paid during a period of unpaid family leave if the employee fails to return after the period of leave has expired, unless: (1) the reason for the employee's failure to return is due to the condition, recurrence, or onset of a serious health condition of the employee, the employee's child, spouse, or parent; (2) other circumstances beyond the control of the employee as set forth in applicable law and regulations.

During any period of leave which is unpaid, the City shall discontinue payments made on behalf of the employee to employee retirement plans and the leave period shall not be counted for purposes of time accrued under the plan.

HOLIDAYS:

The following eleven (11) holidays shall be observed as paid holidays:

New Year's Day	Martin Luther King, Jr. Day	President's Day
Memorial Day	Independence Day	Labor Day
Veteran's Day	Thanksgiving Day	Day After Thanksgiving
Christmas Eve	Christmas Day	

Employee shall also be entitled to use three (3) optional "Floating Holidays" to be used as additional administrative leave days. Employee's leave account will receive credit for the two "Floating Holidays" on January 1st and credit for one "Floating Holiday" on November 1st. "Floating Holiday" time not used by June 30th of each fiscal year will be forfeited. Holidays and "Floating Holidays" shall have the same hour equivalent as Employee's regular work schedule. Floating holidays must be used within the fiscal year earned, and may not be carried over from year to year. Floating holiday time not used by June 30 of each year will be forfeited by the employee.

Employees retiring from the City, employees resigning/separating from employment will have Floating Holiday Time paid out on their final paycheck.

Eligibility for Holidays

In order to be eligible for a paid holiday, employees must be in a paid status both the day before and the day after the holiday. For example, if a holiday fell on a Monday, and the employee was on a 4/10 work schedule with Fridays off, the employee would be required to be in a paid status on the Thursday before the holiday and the Tuesday following the holiday.

Winter Holiday Closure

In accordance with the Management/Confidential group, the City mutually agrees to the closure of the City for business during the winter holiday period (e.g. Christmas Eve through New Year's Day).

JURY DUTY:

Any employee of the City who is called for jury duty shall immediately notify their supervisor. During such jury duty services, employees shall be paid their regular salary received from the City but only if such employee turns over to the City all monies which are received for their service less the actual mileage expense reimbursement. Employees shall not be required to report to work while on jury duty unless they would be able to complete at least one full hour of work, either before or after fulfilling their jury service obligation.

LIFE INSURANCE:

The City enrolls members of the Executive Management Team in a life insurance policy equivalent to three (3) times their annual salary to a maximum of \$500,000. This policy is coverage for both Accidental Death and Dismemberment. The policy monthly premium shall be paid in accordance with the City's Cafeteria Plan and allotment received. Group policies are term to the Employee's employment however, they can be ported upon separation or retirement at the Employee's individual cost.

This life insurance coverage is payable to beneficiary on file in Human Resources at time of death.

Additional Death Benefits:

In the event of an employee's death, their beneficiary will receive payment of all remaining hours worked, any unused personal leave, floating holiday and Administrative Leave hours.

Additional beneficiary payments and survivor benefits are available through CalPERS. See Retirement.

LONGEVITY PAY:

Longevity pay shall be paid to all Executive employees who complete a minimum of ten (10) years of service based on the employee's anniversary date (date of initial hire into a regular full-time position). Employee shall be eligible to receive Longevity Pay consistent with the rates for Management/Confidential Unit employees hired post July 1, 1990, with continuous service as follows:

- 10 years or more - \$2,250
- 15 years or more - \$2,750
- 20 years or more - \$3,250
- 25 years or more - \$3,750

This longevity payment will be made in the month of December via direct deposit and will be based upon the Employee's anniversary date.

Employees hired after July 1, 2021, will receive these Longevity payments on a bi-weekly pro-rated basis with their normal paycheck.

Longevity will cease upon termination of employment. These longevity payments shall be reported to CalPERS as compensation earnable for the purpose of calculating retirement benefits and contributions.

MILITARY LEAVE:

Military leave shall be granted in accordance with the provisions of state and federal law. Employees must notify their Department Head as soon as they become aware of the need for such leave and give the appointing power an opportunity within the limits of military regulations to determine when such leave shall be taken.

PERSONAL LEAVE:

Employee will receive Personal Leave as outlined in the Management/Confidential MOU. The City of Fontana does not separate out Vacation and Sick leave hours. Hours earned on a pay period basis shall be earned based on years of service as follows:

<u>Years of Service</u>	<u>Hours Assigned</u>	<u>Pay Period Accumulation</u>
0 – 2 Years	224 Hours	8.615
2-4 Years	240 Hours	9.230
4-6 Years	256 Hours	9.846
6-8 Years	264 Hours	10.154
8-10 Years	272 Hours	10.462
10-14 Years	280 Hours	10.769
14-18 Years	296 Hours	11.385
18 + Years	312 Hours	12.000

Chief of Police will receive Personal Leave as outlined in the Police Management Association MOU. Hours earned on a pay period basis shall be earned based on years of service as follows:

<u>Years of Service</u>	<u>Hours Assigned</u>	<u>Pay Period Accumulation</u>
0 – 2 Years	224 Hours	8.62
2-4 Years	240 Hours	9.23
4-6 Years	256 Hours	9.85
6-8 Years	264 Hours	10.15
8-10 Years	272 Hours	10.46
10-14 Years	280 Hours	10.77
14-18 Years	296 Hours	11.38

18 + Years

312 Hours

12.00

The numbers of personal leave hours which can be accrued in their leave bank at any given time is a maximum of one thousand (1,000) hours. The application of the maximum accrual limit will be made on a pay period by pay period basis. Once the maximum accrual limit is met, employees will cease to accrue personal leave time until the next pay period in which they have reduced their personal leave below their accrual limit.

Annual Leave Cash Out

Employee may cash out up to 160 hours maximum of personal leave, subject to the limits on accrued leave cash out time available in accordance with the leave accrual cash out as established for Management/Confidential Unit employees. All accrued personal leave is payable upon separation from service.

RETIREMENT:

The City of Fontana participates in the California Public Employees' Retirement System (CalPERS). There are three retirement tier benefits for each Miscellaneous and Safety Member categories.

Miscellaneous Members (Non-Sworn):

Tier I

All Miscellaneous Members hired prior to July 1, 2011, will have the 2.5% at 55 Plan Full Formula for Local Miscellaneous Members and upon retirement an employee's "final compensation" will be based on the highest one-year salary. Employees will pay three percent (3%) of the Employees' portion of the CalPERS retirement system. The City shall pay the remaining employee contribution five percent (5%); however, said payments shall not exceed the full employee portion of 8%. These payments are not salary increases but are the City's payment of employees' retirement contributions in accordance with Section 414(h)(2) of the Internal Revenue Code.

Tier II

All Miscellaneous Members hired on or after July 1, 2011, will have the 2.0% @ 55 PERS Plan for Local Miscellaneous Members and upon retirement an employee's "final compensation" will be based on the highest consecutive 36-month average for determining retirement benefits. Employees in this group (post 7/1/2011) will pay the full employee portion of the CalPERS retirement system.

Tier III

All Miscellaneous Members hired on or after January 1, 2013, as is mandated by the Public Employee's Pension Reform Act of 2013 (PEPRA), all new miscellaneous members, will have a retirement formula based on 2.0% @ 62 Plan Full Formula for Miscellaneous Members and upon retirement an employee's "final compensation" will be based on the highest consecutive 36-month average. An employee in Tier III will pay 50% of Normal Costs. The amount is approved by CalPERS each year and is subject to change.

Safety Members (Sworn):

Tier 1

Classic Safety Members hired prior to July 1, 2011, will have a retirement formula that is based on 3.0% @ 50 Plan Full Formula for Safety Members and upon retirement an employee's "final compensation" will be based on the "highest one (1) year" salary.

For Tier 1 above, the City shall pay up to one hundred percent (100%) of each employee's required retirement contributions pursuant to the retirement plan maintained by the City through PERS. Said payment shall not exceed nine percent (9%) of the employee's "PERSable" compensation. These payments are not salary increases but are the City's payment for employees' retirement contribution in accordance with Section 414(h)(2) of the Internal Revenue Code.

Tier II

All Safety Members hired on or after July 1, 2011, will have a retirement formula that is based on 3.0% at 55 Plan Full Formula for Safety Members and upon retirement an employee's "final compensation" will be based on the highest consecutive 36-month average for determining retirement benefits. Employees in Tier II will pay the full employee portion.

Tier III

All Safety Members hired one or after January 1, 2013, as is mandated by the Public Employee's Pension Reform Act of 21013 (PEPRA), will have a retirement formula based on 2.7% @ 57 Plan Full Formula for Safety Members and upon retirement an employee's "final compensation" will be based the highest consecutive 36-month average. An employee in Tier III will pay 50% of Normal Costs. This amount is provided by CalPERS each year and is subject to change.

EPMC Conversion

The City will report as compensation for retirement purposes the Employee Paid Member Contributions of 9% for Tier I employees ONLY that were hired prior to July 1, 2011.

Cost Sharing (per section 20516 of the CA Public Employee's Retirement Law)

All Tier I (as defined above), Classic Safety Member in the Classification of Police Chief will contribute three percent (3%) towards the City's Employer CalPERS costs. Such contributions shall be tax-deferred and shall be credited to the member's account.

1959 Survivor's Benefits

The City provides the Level 4 1959 Survivor's Benefit for all employees enrolled in CalPERS. The cost of this benefit will be paid by the City.

PERS Military Buy-Back

The agreement between the City and PERS shall allow for the buy-back of time served by the employee in the Military for additional service credit.

AT-WILL EMPLOYMENT STATUS AND SEVERANCE PAY:

A. Nature of Employment. Employee expressly agrees that the employment relationship is “at will” and that Employee serves at the will and pleasure of the City Manager. Nothing in this Agreement, any Resolution, Statute, Ordinance, Rule, or Policy shall prevent, limit or otherwise interfere with the right of the City Manager to terminate the services of Employee at any time without cause or right of notice, Skelly conference, hearing, appeal or grievance. Employee waives any rights to the contrary, including but not limited to those set forth in Fontana Municipal Code Sections 20-31 and 20-32.

B. By the Employee. The Employee will give written notice to the City Manager and shall endeavor to give two (2) weeks’ prior notice. The City shall have the complete discretion to terminate the Employee any time prior to the end of such notice period, provided the City pays the Employee all compensation due and owing through the last day actually worked, plus an amount equal to the base salary the Employee would have earned through the remainder of the notice period.

C. By the City, Without Cause. At any time, the City may terminate the Employee’s employment for any reason without cause. In the event the City exercises its right under this provision to terminate employment without cause, the Employee will be entitled to one of the following two options, at the City’s discretion: (1) nine (9) months’ notice of termination of employment; or, or, (2) a combination of notice of termination of employment and salary in lieu of notice of termination of employment, not to exceed a total of nine (9) months or an amount equivalent to the remainder of the term of this Agreement pursuant to the requirements of Government Code § 53260, whichever is less.

Further, per Government Code sections 53243 to 53243.4, if Employee is convicted of a crime involving an abuse of their office or position, whether before or after release from employment, Employee shall fully reimburse the City for any severance pay, paid leave salary disbursed pending an investigation related to the crime, or legal criminal defense funds relevant to the crime.

A. By the City, For Cause. At any time, and without prior notice, the City may terminate Employee for Cause (as defined below). The City shall pay Employee all compensation then due and owing; thereafter, all of the City’s obligations under this Agreement shall cease. Termination shall be for “cause” if Employee: (1) acts in bad faith and to the detriment of the City; (2) refuses or fails to act in accordance with any specific direction or order of the City; (3) exhibits in regard to their employment unfitness or unavailability for service, misconduct, dishonesty, habitual neglect, or incompetence; (4) is convicted of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; or (5) failure to adhere to the authority of a municipal code. Any dispute between the City Manager and Employee regarding whether the Employee’s conduct constitutes cause for termination shall be resolved conclusively by the City Council, in its discretion, without right of appeal.

DISCIPLINARY ACTION APPEAL PROCEDURE CONSISTING OF A WRITTEN REPRIMAND OR LESS (CHIEF OF POLICE):

The following Appeal procedure will be utilized by the Chief of Police for the purpose of appealing disciplinary action consisting of a Written Reprimand or less. This will be the

sole and exclusive procedure afforded to the Chief for appealing disciplinary action consisting of a Written Reprimand or less.

The Chief having received a disciplinary action consisting of a Written Reprimand or less will be entitled to the following appeal procedure pursuant to the Public Safety Officers Procedural Bill of Rights Act at California Government Code § 3304(b) and 3304.5.

Within five (5) workdays of the time the written or verbal reprimand is issued, the Chief will be entitled to a non-evidentiary meeting with the City Manager. The purpose of this administrative appeal is to afford the Chief an opportunity to be heard by the City Manager as to why the Chief believes the discipline should be revoked or modified. The Chief may be heard verbally or in writing. The City Manager will have 10 workdays to respond to the Chief. If the City Manager does not respond within 10 workdays from the date of the administrative appeal to respond to the employee, the original disciplinary action will be deemed unchanged.

The determination of the City Manager will be final, binding and conclusive. There will be no other administrative method to appeal the determination of the City Manager.