

**Exhibit A**

**COMPENSATION AND BENEFIT PLAN  
FOR EXECUTIVE MANAGEMENT EMPLOYEES**

**EXECUTIVE MANAGEMENT EMPLOYEES:**

The Executive Management Employee group (Employee or Employees) shall be comprised of the following classifications and positions employed by the City of Chino (City):

- City Manager*  
*Assistant City Manager*  
*Director of Community Services, Parks & Recreation*  
*Director of Development Services*  
*Director of Finance*  
*Director of Human Resources/Risk Management*  
*Director of Public Works*

**BASE COMPENSATION:**

In addition to the two percent (2%) cost-of-living adjustment wage increase (COLA) previously provided to all Executive Management Employees through City Council Resolution No. 2025-039, adopted on July 15, 2025 and made effective July 21, 2025, all Executive Management Employees shall be provided an additional one percent (1%) COLA wage increase effective the pay period beginning on November 24, 2025, as reflected in the updated Classification Plan and Compensation Schedule set forth below:

<b>Classification Title</b>	<b>Range</b>	<b>Base</b>		<b>Midpoint</b>	<b>Maximum</b>
Assistant City Manager	E11	Hourly	\$ 92.41	\$ 108.58	\$ 127.58
		Monthly	\$ 16,017.25	\$ 18,820.33	\$ 22,113.83
		Annually	\$ 192,207.00	\$ 225,844.00	\$ 265,366.00
City Manager	1000	Hourly	\$ 172.41		
		Monthly	\$ 29,883.75		
		Annually	\$ 358,605.00		
City Treasurer	N/A	Monthly	\$ 500.00		
Director of Community Services, Parks & Recreation	E8	Hourly	\$ 85.81	\$ 100.83	\$ 118.47
		Monthly	\$ 14,873.67	\$ 17,476.50	\$ 20,534.92
		Annually	\$ 178,484.00	\$ 209,718.00	\$ 246,419.00
Director of Development Services	E8	Hourly	\$ 85.81	\$ 100.83	\$ 118.47
		Monthly	\$ 14,873.67	\$ 17,476.50	\$ 20,534.92
		Annually	\$ 178,484.00	\$ 209,718.00	\$ 246,419.00
Director of Finance	E8	Hourly	\$ 85.81	\$ 100.83	\$ 118.47
		Monthly	\$ 14,873.67	\$ 17,476.50	\$ 20,534.92
		Annually	\$ 178,484.00	\$ 209,718.00	\$ 246,419.00
Director of Human Resources/Risk Management	E8	Hourly	\$ 85.81	\$ 100.83	\$ 118.47
		Monthly	\$ 14,873.67	\$ 17,476.50	\$ 20,534.92
		Annually	\$ 178,484.00	\$ 209,718.00	\$ 246,419.00
Director of Public Works	E8	Hourly	\$ 85.81	\$ 100.83	\$ 118.47
		Monthly	\$ 14,873.67	\$ 17,476.50	\$ 20,534.92
		Annually	\$ 178,484.00	\$ 209,718.00	\$ 246,419.00

Effective the beginning of the pay period that includes July 1, 2026, the Classification Plan and Compensation Schedule for Executive Management Employees shall reflect a three percent (3%) COLA as follows:

Classification Title	Range		Base	Midpoint	Maximum
Assistant City Manager	E11	Hourly	\$ 95.17	\$ 111.83	\$ 131.40
		Monthly	\$ 16,497.75	\$ 19,384.92	\$ 22,777.25
		Annually	\$ 197,973.00	\$ 232,619.00	\$ 273,327.00
City Manager	1000	Hourly	\$ 177.58		
		Monthly	\$ 30,780.25		
		Annually	\$ 369,363.00		
City Treasurer	N/A	Monthly	\$ 500.00		
Director of Community Services, Parks & Recreation	E8	Hourly	\$ 88.38	\$ 103.85	\$ 122.03
		Monthly	\$ 15,319.92	\$ 18,000.83	\$ 21,151.00
		Annually	\$ 183,839.00	\$ 216,010.00	\$ 253,812.00
Director of Development Services	E8	Hourly	\$ 88.38	\$ 103.85	\$ 122.03
		Monthly	\$ 15,319.92	\$ 18,000.83	\$ 21,151.00
		Annually	\$ 183,839.00	\$ 216,010.00	\$ 253,812.00
Director of Finance	E8	Hourly	\$ 88.38	\$ 103.85	\$ 122.03
		Monthly	\$ 15,319.92	\$ 18,000.83	\$ 21,151.00
		Annually	\$ 183,839.00	\$ 216,010.00	\$ 253,812.00
Director of Human Resources/Risk Management	E8	Hourly	\$ 88.38	\$ 103.85	\$ 122.03
		Monthly	\$ 15,319.92	\$ 18,000.83	\$ 21,151.00
		Annually	\$ 183,839.00	\$ 216,010.00	\$ 253,812.00
Director of Public Works	E8	Hourly	\$ 88.38	\$ 103.85	\$ 122.03
		Monthly	\$ 15,319.92	\$ 18,000.83	\$ 21,151.00
		Annually	\$ 183,839.00	\$ 216,010.00	\$ 253,812.00

**CITY TREASURER:**

The Director of Finance shall receive five hundred dollars (\$500) per month for being appointed as the City Treasurer.

**RETENTION PAY:**

All Executive Management Employees still employed by the City as of November 24, 2025 shall receive a one-time, lump sum retention payment in the amount of 0.90% of their annual base pay, as Off-Salary-Schedule Pay per section 571(a) of Title 2 of the California Code of Regulations, to be issued through Payroll and subject to applicable taxes and withholdings, and shall not be considered earnable or pensionable compensation under the California Public Employees' Retirement System.

**DIRECT DEPOSIT:**

All Employees will have funds directly deposited into an account they established for deposit of their payroll checks.

**LONGEVITY PAY:**

Employees are eligible for longevity pay as a one-time lump sum payout as follows:

- ❖ 10 years of service - \$500 paid in a lump sum at time of anniversary.
- ❖ 15 years of service - \$1,000 paid in a lump sum at time of anniversary.
- ❖ 20 years of service - \$1,500 paid in a lump sum at time of anniversary.
- ❖ 25 years of service - \$2,000 paid in a lump sum at time of anniversary.

- ❖ 30 years of service - \$2,500 paid in a lump sum at time of anniversary.
- ❖ 35 years of service - \$3,000 paid in a lump sum at time of anniversary.
- ❖ 40 years of service - \$3,500 paid in a lump sum at time of anniversary.
- ❖ 45 years of service - \$4,000 paid in a lump sum at time of anniversary.

**ACTING PAY:**

The City will grant Acting Pay after an Employee has worked in a higher classification for twenty (20) consecutive work days or for twenty (20) non-consecutive work days in a ninety (90) calendar day period. To receive Acting Pay, an Employee must be formally assigned the duties of the higher classification. This assignment must be confirmed by the processing of a Personnel Action Form (PAF). Acting Pay will be five percent (5%) above the Employee's current base salary rate or "A" Step of the Acting position Classification, whichever is greater, unless otherwise authorized by the City Manager.

Subject to the conditions noted above, a qualifying Employee will receive Acting Pay for all days worked in an Acting position, i.e., after twenty (20) consecutive work days or twenty (20) non-consecutive work days in a ninety (90) calendar day period. The Employee will then receive Acting Pay retroactive to the first day of serving in the acting capacity.

**ADDITIONAL DUTY PAY:**

Afforded to an Employee who takes on a significant number of extra assignments in an area different than their regularly assigned responsibilities. An Employee performing this type of work for a period of time greater than two (2) weeks may be afforded a percentage increase in salary to compensate for performing dual functions at the discretion of the City Manager.

**BILINGUAL PAY:**

Employees are eligible to receive one hundred and sixty dollars (\$160) per month (paid over 24 pay periods) for verbal fluency in any language other than English that the City Manager deems necessary including sign language, under the following conditions:

- a. Certification: A competency examination will be administered by the Human Resources/Risk Management Department to determine Employees' proficiency. Testing and its frequency are at the discretion of the City. An Employee must pass the City's competency examination to be eligible for Bilingual Pay.
- b. City Manager Approval: To be eligible to take the City's competency examination, an Employee must be recommended by the City Manager. Eligibility for the opportunity to test for Bilingual Pay is solely at the City Manager's discretion and is not subject to administrative appeal or challenge. The City Manager will make their recommendation based on an assessment of the need for the Employee to use bilingual skills on-the-job. If an Employee is approved for Bilingual Pay, then later changes assignment, classification, job duties, or is transferred or promoted, a determination may be made by the City Manager that bilingual skills are no longer required for use on-the-job and this benefit will be removed from the Employee with no right of appeal.

**DEFERRED COMPENSATION PLAN:**

A deferred compensation plan is available to all Employees, providing tax-deferred savings to serve as a retirement supplement. An 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 program.

Department Director and Assistant City Manager – The City-paid contribution to deferred compensation is seven hundred dollars (\$700) per month. The contribution will be placed in a deferred compensation account, 401(a), selected by the City.

#### **“Catch-up” Provision**

Pursuant to federal and state law, Employees attaining the minimum age of 47, who are within three (3) years of their planned retirement date, may take advantage of the 457 Deferred Compensation Plan "Catch-up" provisions and allowances as defined in federal and state law. To the extent allowed by federal and state law and the City's deferred compensation plan administrator, the City will allow, during the three (3) years prior to an Employee's planned retirement date, the conversion of accrued Sick, Vacation, Floating Holiday, Sick Leave Conversion, Management Leave hours to cash contribution at the Employee's base rate of pay in effect at the time of conversion. Leave conversion contributions for the “457 Catch-up” shall normally be distributed over an Employee's last three (3) years prior to their planned retirement date. However, based on the total amount of “457 Catch-up” contributions available to the Employee, accumulated sick leave hours, and the Employee's designated retirement date, “457 Catch-up” contributions may occur over a shorter period of time prior to retirement. To be eligible to participate, the Employee must be within three (3) years of their planned retirement date, have "457 Catch-up" privileges available to them, be enrolled in the City-sponsored 457 Deferred Compensation Plan.

#### **“Catch-up” – Sick Leave**

Employees are not entitled to 100% cash-out of Sick Leave until completion of five (5) years of service with the City as the final employer and either a qualified service or disability retirement. The City will advance Employees 47 years of age or older a cash-out of their accrued Sick Leave up to the indexed amount if they choose to utilize the “Catch Up” provision provided through the City’s 457 plan.

In the event an Employee separates for any reason other than service or disability retirement from the City prior to being eligible to receive 100% Sick Leave pay, said Employee will be required to reimburse the excess amount of Sick Leave previously paid out. The reimbursement will be deducted by the City from any or all earned funds available to the Employee on separation, without it being necessary for the City to seek a civil judgment for the monies.

In order to participate, the Employee will select the amount of Sick Leave they want transferred into deferred compensation at the beginning of each of the three (3) years. The amount can be a selected number of hours or a percentage of Sick Leave remaining at the end of the year. The Employee’s Sick Leave balance would then decrease commensurately with the amount of funds withdrawn.

The Employee will continue to accrue Sick Leave hours at the normal rate while participating in this program. “Catch-up” hours advanced will be counted towards to the Employee’s Sick Leave bank for the Sick Leave Program calculation.

#### **“Catch-up”– Vacation Leave**

In order to participate, the Employee will select the amount of Vacation Leave they want transferred into deferred compensation at the beginning of each of the three (3) years. The amount can be a selected number of hours or a percentage of Vacation Leave remaining at the end of the year. The Employee’s Vacation Leave balance would then decrease commensurately with the amount of funds withdrawn.

The Employee maintaining their Vacation Leave maximum would still be eligible for Vacation Leave incentives, such as Vacation Leave Conversion. The Employee will continue to accrue Vacation Leave hours at the normal rate while participating in this program.

**“Catch-up”– Other Leave Banks**

In order to participate, the Employee will select the amount of other leave (this may be Floating Holiday, Sick Leave Conversion and/or Management Leave) to be transferred into deferred compensation at the beginning of each of the three (3) years. The amount must be a selected number of hours of leave. The Employee’s leave balance would then decrease commensurately with the amount of funds withdrawn.

**“Age 50+ Catch-up”**

In the calendar year an Employee reaches age 50 (or older), they may contribute an additional amount over the normal maximum contribution limit (per the IRS limit). The “Age 50 Catch-up” and “Pre-Retirement Catch-up” provisions may not both be used in the same calendar year. Employees may use accrued Sick, Floating Holiday, Sick Leave Conversion, Management and/or accrued Vacation Leave contribute this additional amount.

**Defined Contribution Plan - 401(A):**

This plan, offered in addition to the existing 457 Deferred Compensation Plan, allows Employees to defer additional income (beyond what is allowed in the 457 Plan) as a means of accumulating greater savings for retirement. Participation is voluntary. Employees who elect to enroll in the 401(a) Plan contribute pre-tax contributions in one of the established amounts: 1% - 20% inclusive, 25%, or 100%. The City contributes \$1 per pay period per participating Employee. An Employee’s election to enroll in the 401(a) Plan is irrevocable. Loans are permitted.

Contributions to the deferred compensation plan will be discontinued while an Employee is receiving Workers’ Compensation payments.

**ANNUAL PHYSICAL/WELLNESS:**

Up to one thousand, two hundred dollars (\$1,200) may be provided to Employees each fiscal year for reimbursement toward the cost of gym membership, an annual physical, or related out-of-pocket medical expenses as approved by the City Manager. Employees must submit an invoice from the medical provider or proof of gym membership to receive reimbursement.

**BENEFIT BANK:**

Employees are provided with a Benefit Bank for the purchase of medical, dental and/or vision insurance for themselves and their eligible dependents. The Benefit Bank total will be equal to the premium cost of HMO medical (at the Kaiser rate), dental and vision coverage for family coverage. The Benefit Bank amount will be adjusted annually when new rates become effective December 1<sup>st</sup>. Unused portions of the Benefit Bank will be paid out in the Employee’s regular paychecks as earned.

Any Employee opting out of health coverage will be required to submit an affidavit attesting that they have other qualifying group health coverage and provide supporting documentation. For example, a letter from the employer of a spouse, domestic partner, or parent.

### New Hires:

Failure to provide the required documentation within sixty (60) days of hire may result in the City enrolling the Employee in the lowest cost medical plan. Such enrollment will remain in effect until the Employee provides valid opt-out documentation during the next Open Enrollment period.

### Recertification:

Failure to provide the required documentation during the annual Open Enrollment period may result in the City enrolling the Employee in lowest cost medical plan. Such enrollment will remain in effect until the Employee provides valid opt-out documentation during the next open enrollment period.

### **BEREAVEMENT LEAVE:**

A non-accruing bank of five (5) days (50 hours) for bereavement of a qualified family member is provided. A “qualified family member” is defined as spouse, domestic partner, parent, step-parent, sibling, child, step-child, mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, grandparent, step-grandparent, grandchild, or any other relative residing within the Employee’s home.

The five (5) days of bereavement leave do not need to be taken consecutively; they can be used intermittently. If the leave is used intermittently, it must be used within three (3) months of the qualified family member’s date of death.

The Employee within thirty (30) days of the first day of the leave shall provide documentation of the death of the qualified family member, if requested by the City Manager. Documentation may include, but is not limited to a death certificate, a published obituary, a written verification of a death, burial or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency.

### **COMPUTER LOAN PROGRAM:**

All executive Employees are eligible to participate in a Computer Loan Program managed by the Finance Department. Participants must agree to comply with the requirements of the program as listed below:

- ❖ Maximum amount financed is two thousand, five hundred dollars (\$2,500).
- ❖ Any computer system may be purchased under the plan as long as it complies with Administrative Policy Employee PC Lottery Loan Program.
- ❖ Minimum of one (1) business software package must be purchased (i.e. spreadsheet, data base manager, word processor, etc.).
- ❖ System components must be manufactured by an established, brand name company and be compatible with City data processing equipment. For example, Dell, HP, etc.
- ❖ No game or entertainment software will qualify under this program.
- ❖ Loans to participants will be for a term not to exceed thirty-six months (36) and no interest will be charged during that time.
- ❖ Payments on the loan will be made through payroll deduction on a bi-weekly basis.
- ❖ Loans are due and payable in full upon termination of employment for any reason. (i.e. resignation, retirement, etc.).
- ❖ The City must approve in advance all purchases for equipment under this program.
- ❖ A written agreement between the City and participant is required to participate in this program.

The City intends to offer this program on an annual basis, but the Plan's continued availability will be dependent upon its effectiveness and availability of funds. Should limitations on funds occur, participants buying new systems will be given first consideration and then a lottery for any participants upgrading their current system will be held.

**DEATH BENEFIT:**

Employees are provided with \$250,000 in life insurance coverage, payable to beneficiary on file in Human Resources/Risk Management at time of death.

In the event of an Employee's death, their beneficiary will receive payment of all unused Leave Time at 100% except Sick Leave. Sick Leave Time will be paid out at the rate established by years of service. If the Employee would have been eligible for retirement using CalPERS definition, Sick Leave will be paid out to the Employee's beneficiary(ies) at 100% cash out of the Employee's accrued Sick Leave on record.

In the event of an Employee death, and such death is defined by the Workers' Compensation system as an industrial death, the Employee's beneficiary(ies) will receive 100% cash-out of the Employee's accrued Sick Leave on record.

**DISABILITY:**

The City will pay all premiums for a Short/Long Term Disability Program and provide it to all Employees, with a buy-down program to be effective on the 41<sup>st</sup> calendar day of disability, with a provision to continue regular benefits and benefit accruals during the "buy-down" and Term Disability coverage periods. Salary continuation effective on the 41<sup>st</sup> consecutive calendar day of disability will be at a rate of 100% of the Employee's base salary. Effective on the 61<sup>st</sup> consecutive calendar day of disability, salary continuation will be made at a rate of 66-2/3% of the Employee's base salary. The entire benefit period will not exceed five (5) years.

**FLEXIBLE BENEFITS SPENDING PLAN:**

A Section 125 – Flexible Benefits Spending Plan is available for Employee contributions in accordance with IRS regulations.

**FLOATING HOLIDAY TIME:**

Employees are provided with thirty-five (35) hours of Floating Holiday Time in July of each year (prorated for new hires following completion of six (6) months of full-time/continuous service). This time off is used by the Employee with the approval of the City Manager.

Employees may cash-out up to thirty-five (35) hours of Floating Holiday Time, one (1) time per fiscal year, in a set number of hours, payable at the Employee's existing base rate of pay at the time of request. Payment will be made with the regular payroll check run nearest the request of the cash-out (requires minimum of ten (10) working days prior to request). Any remaining Floating Holiday Time will be paid out in the final payroll check of each fiscal year.

Except for Employees retiring from the City, Employees resigning/separating from employment will have Floating Holiday Time credited on a prorated basis (2.916 hours per month), and amounts used/cashed out in excess of those they qualify for are owed back to the City upon separation. The difference will be deducted from the Employee's final check(s), or in the event that sufficient funds are not available, the Employee will be responsible to pay back the City within fourteen (14) calendar days from the date of separation.

**HOLIDAYS:**

The City has designated twelve (12) ten-hour holidays as follows:

New Year's Day	Martin Luther King
Presidents Day	Memorial Day
Independence Day	Labor Day
Veterans Day	Thanksgiving Day
Day following Thanksgiving	Christmas Eve
Christmas Day	New Year's Eve

Employees must be paid for the regularly scheduled workday which immediately follows a holiday in order to receive pay for that holiday. When a holiday falls on a Saturday, the preceding Friday will be the holiday. When a holiday falls on a Sunday, the following Monday will be the holiday.

**HOLIDAY CLOSURE:**

The City reserves the right to close non-safety facilities between Christmas Eve and New Year's Day. Employees may use accrued Vacation, Floating Holidays, Compensatory Time, Sick Leave Conversion or remain in an unpaid leave status during this period.

The City shall have the discretion to advance Vacation time, which will be earned by the Employee in the future, to those Employees who request it and who do not have any current Vacation, Floating Holiday, Compensatory Time, or Sick Leave Conversion and do not wish to be in an unpaid leave status during the closure.

Based on the organizational needs, certain classifications may be required to work during the holiday closure. This determination will be made by the Department Director.

**HOLIDAY TIME COMPENSATION BANK:**

When a City-designated holiday is observed on an Employee's scheduled day off, then said holiday hours will be deposited within a holiday time compensation bank. Any holiday hours remaining in the holiday time compensation bank by the end of the fiscal year will be converted to cash at the Employee's current hourly rate.

Should the Employee separate from City employment (for any reason) and has one (1) or more accumulated holidays on account on the effective date of the separation, the accumulated holiday will be converted to cash at the hourly rate existing at the time of separation and in an amount equivalent to the number of hours constituting a "workday" at the time of separation.

**JURY DUTY:**

The policy of the City is no Employee will be compensated for jury service in excess of ten (10) working days during any fiscal year. A "working day" will be defined as a regularly scheduled day of work for the affected Employee.

For all jury service, Employees are required to deliver a jury duty certification form at the end of the required jury duty to verify such service. Employees required to serve on a jury must report to work before and after jury duty provided there is an opportunity for at least one (1) hour of actual work time.

**LICENSING RENEWAL FEE FOR REGISTERED ENGINEERS:**

The City will pay the Employee cost of the renewal fee for Registration as a Professional Engineer in the State of California. If the Employee who has been provided with fee payment resigns prior to the expiration of the license, the fee must be refunded to the City.

**LIFE INSURANCE:**

Employees are provided with a total of \$250,000 in life insurance coverage.

See also Death Benefits section in the Compensation and Benefit Plan.

**MANAGEMENT LEAVE:**

Employees are provided with ninety (90) Management Leave hours in the first pay period of July of each fiscal year. Management Leave is non-accruing and will not be carried from one fiscal year to the next. Newly hired management Employees or current Employees promoted into management will receive a prorated management leave benefit.

Time taken as management leave must be pre-approved by the City Manager prior to its use. Employees may cash out up to seventy (70) hours of Management Leave per fiscal year at their current base rate of pay at any time throughout the fiscal year by making notification of request to cash out to the Finance Department. Any unused Management Leave on record at the ending date of the final payroll in June will be cashed out, up to seventy (70) hours maximum. Any remaining Management Leave at that time will be removed from the Employee's leave bank.

Up to an additional sixty (60) hours of Management Leave may be granted by the City Manager with a corresponding ability to cash out these hours for any Employee who demonstrates committing an extraordinary amount of time beyond their normal work schedule to the job.

Except for Employees retiring from the City, Employees resigning/separating from employment will have Management Leave credited on a prorated basis (7.5 hours per month), and amounts used/cashed out in excess of those they qualify for are owed back to the City upon separation. The difference will be deducted from the Employee's final check(s), or in the event that sufficient funds are not available, the Employee will be responsible to pay back the City within fourteen (14) calendar days from the date of separation.

**MEDICARE CONTRIBUTION:**

The City will pay the cost of the Employee portion of the Medicare Tax.

**MILITARY LEAVE:**

Under certain conditions, Employees ordered to active duty may receive wage continuation and benefits for up to one year. Cost-of-living adjustments will be received and leave accruals will continue during the first year of ordered active duty.

**PERFORMANCE EVALUATION:**

Employees will receive an annual performance evaluation and consideration of a salary adjustment within the Merit Zone and the Outstanding Zone established by the date of hire. Salary adjustments will be based on individual performance and contribution.

**PERSONNEL FILE (RESPONSE TO DOCUMENTS PLACED WITHIN):**

Employees, during City Hall business hours, with advance notice to Human Resources have the right to have access to and copies of any document in their official personnel file. Employees may

be charged for cost of duplication of any materials in the personnel file for which they request copies.

An Employee shall have the right to respond in writing to adverse documents placed in their personnel file by submitting a written response to the Human Resources/Risk Management Department. The written response will be filed with the original document.

**PROFESSIONAL MEMBERSHIP DUES AND RELATED MEALS:**

Each fiscal year, the City shall reimburse each Department Director for dues and for related meeting attendance meals for one (1) of the following organizations:

- ❖ Chino Valley Lions Club
- ❖ Rotary Club of Chino Valley
- ❖ Kiwanis Club of Chino
- ❖ Soroptimists Chino Valley

**RECRUITMENT INCENTIVES:**

For recommendation resulting in Sworn Officer hire:

- ❖ \$2,000 at hire + \$500 upon completion of probation for entry level.
- ❖ \$4,000 at hire + \$1,000 upon completion of probation for lateral.

For recommendation resulting in hire of Public Safety Dispatcher or Public Safety Dispatch Supervisor:

- ❖ \$2,000 at hire + \$500 at time of completion of probation.

***NOTE:** The City Manager and Director of Human Resources/Risk Management are not eligible for this benefit.*

**REHIRE POLICY:**

Any Employee who resigns from City employment and at the time of resignation is noted as being subject to rehire, and who is in fact rehired later than six (6) months after the effective date of resignation and then employed in their former classification, or in a position within the classification series held at the time of resignation and in a comparable or lower rank, will serve the same probationary period that any new hire would otherwise serve and will be subject to all terms and conditions of employment applicable to any newly hired Employee. The only exception will be that any Employee rehired will have their leave accrual rates determined based upon the number of years of service with the City of Chino prior to their resignation.

Any Employee rehired by the City under the City's Rehire Policy will be allowed to buy back any time cashed out at time of separation from employment. Said buy back will be at the hourly base pay rate existing upon rehire. Sick Leave on record at the time of separation that was not compensated for, will be reinstated.

**RETIREMENT:**

The City has a three-tier retirement benefit as follows:

- A. Employees hired before the contract amendment with the California Public Employees' Retirement System (CalPERS) effective October 16, 2011 will continue to be eligible for the 2.7% at age 55 Plan, with the single highest year final compensation.
- B. Employees hired on or after the contract amendment with CalPERS effective October 16, 2011 will be enrolled in the 2% at age 55 Plan, with a 3-year average final compensation.
- C. Employees hired on or after January 1, 2013, will be enrolled in the 2% at age 62 (PEPRA) Plan, with a 3-year average final compensation.

### **Member Contribution to CalPERS**

Members will contribute the Employee rate of contributions each payroll. All Employee paid contributions to CalPERS will be made on a pre-tax basis, in accordance with IRS Section 414 (h)(2) and CalPERS guidelines:

- A. 2.7% at 55, if hired before October 16, 2011:
  - 1) Employee contribution rate – 8% of reportable compensation.
- B. 2% at 55, if hired on or after October 16, 2011:
  - 1) Employee contribution rate – 7% of reportable compensation.
- C. 2% at age 62 (Public Employees' Pension Reform Act of 2013) (PEPRA) if entering CalPERS membership on or after January 1, 2013:
  - 1) Employee contribution rate – 7.25% of reportable compensation (subject to change).

### **RETIREMENT HEALTH SAVINGS (RHS) PLAN:**

#### **Department Director and Assistant City Manager**

A Retirement Health Savings Plan is established in accordance with IRS regulations, consisting of Employee contributions only.

Beginning January 1, 2021, Employee will contribute \$25 per pay period on a pre-tax basis. Upon separation or retirement, Employees will contribute 50% of all qualifying accrued Sick Leave to the plan.

### **SALARY ADJUSTMENTS (Overpayments, Recovery, and Underpayments):**

All adjustments to an Employee's salary will be made at the start of the pay period in which the salary adjustment becomes effective.

#### **A. Overpayments**

- 1. In situations involving overpayment to an Employee by the City, the Employee shall be obliged to repay by payroll deduction the amount of the overpayment. The repayment shall occur within the same time frame the overpayment was received by the Employee or sooner. For example, if the overpayment was made over the course of six (6) months, the employee shall be given six (6) months to repay the overpayment.
- 2. Written documentation showing the calculations of the overpayment will be provided to the Employee. A meeting may be requested by the Employee with the Human Resources/Risk Management and Finance Departments to review the documentation and to discuss the recovery schedule. The repayment schedule, biweekly repayment amount or alternative repayment method will be documented in writing.
- 3. Extensions to the period for repayment of the overage or an alternative repayment method may be requested by the Employee and are subject to the Approval of the Director of Human Resources/Risk Management or their designee. Extensions will be approved only in the case of extreme hardship, and the extended period for repayment will not be longer than one and one-half (1 ½) times as long as the overpayment period.

#### **B. Recovery**

- 1. If the Employee leaves employment prior to the repayment of the overage, the City shall recover the amount owed from the Employee's final pay. If the amount owed is greater than the Employee's final pay, the City may initiate a collections process against the Employee.

**C. Underpayments**

1. In situations involving underpayment to an Employee by the City, the Employee shall receive the balance due within the next pay period for which the adjustment can be made, following timely submission of appropriate documentation and necessary approval of the compensation change.

**SEPARATION FROM CITY:**

At the discretion and approval of the City Manager, Employees may be allowed to extend their last day of employment using leave time (vacation, holiday, or management) one (1) pay period beyond that day on which the Employee actually reports to work. Sick leave may not be used for extension unless accompanied by a physician’s orders.

**SEVERANCE:**

Should the City Manager elect to terminate employment without cause, the City shall, upon effective date of such termination, and with signature on Waiver and Release Agreement pay to the Employee, severance in the amount equal to four (4) months of base monthly salary, less applicable deductions and excluding deferred compensation or the value of any other benefits.

**SICK LEAVE:**

Upon hire, Employees will be credited with thirty (30) hours or three (3) days of Sick Leave, whichever is greater, which can be used following the completion of ninety (90) days of continuous full-time employment. Following the 90<sup>th</sup> day of employment, for each calendar month in which the Employee is paid for more than two-thirds (2/3) of the working days in such month, Employees accrue ten (10) hours of Sick Leave per month up to a maximum accrual of one thousand eighty hours (1,080) hours.

If an Employee changes status (e.g. changes from full-time to part-time employment), or separates from this Employee unit, the Employee will be subject to the new bargaining group’s MOU or Compensation and Benefit Plan.

Upon notice of resignation or retirement from the City, any Sick Leave usage requested will require a doctor’s note or certification. If documentation is not received, the Employee will not receive payment of any Sick Leave hours for time missed from work.

**SICK LEAVE BUY BACK:**

At separation of employment the City may buy back a percentage of the Employee’s accrued Sick Leave hours, at the hourly base rate of pay at the time of separation. This benefit is contingent upon non-retirement, non-disciplinary separation, and completion of a minimum of five (5) years full-time employment with the City. The percentage of Sick Leave Buy Back is:

Completed Years of Service	% of Sick Leave
5 years	30%
10 years	35%
15 years	40%
20 or more years	45%

The City shall buy back 100% of the Employee’s accrued Sick Leave hours for a service or disability retirement following five (5) years of full-time employment with the City as the final

employer. The percentages may be adjusted in accordance with the Retirement Health Savings Plan elections and provisions for affected individuals, per IRS regulations.

**SICK LEAVE CONVERSION TO COMPENSATION:**

Employees who have accrued in excess of three hundred and twenty (320) hours of Sick Leave as of the final pay period in June of each year will have the option of annually converting up to forty (40) hours to compensation, for hours in excess of three hundred and twenty (320) hours, calculated at their base rate of pay. Sick Leave Conversion is paid in the final payroll check of each fiscal year.

**SICK LEAVE CONVERSION TO PERSONAL LEAVE:**

For Employees who have earned Sick Leave accrual benefits for one (1) full fiscal year, Sick Leave may be converted to Personal Leave in accordance with the following schedule:

A Sick Leave Days (10 hours) Earned	B Annual Sick Leave Days (10 hours) Used	C Personal Leave Days (8 hours) Conversion	D Up to 56 hours of Sick Leave in excess of 960 hours limit Converted to Pay
12 days (120 hrs)	0	8 days (64 hrs)	0 + 64 + 56 = 120 hrs
11 days (110 hrs)	1 day (10 hrs)	7 days (56 hrs)	10 + 56 + 54 = 120 hrs
10 days (100 hrs)	2 days (20 hrs)	6 days (48 hrs)	20 + 48 + 52 = 120 hrs
9 days (90 hrs)	3 days (30 hrs)	5 days (40 hrs)	30 + 40 + 50 = 120 hrs
8 days (80 hrs)	4 days (40 hrs)	4 days (32 hrs)	40 + 32 + 48 = 120 hrs
7 days (70 hrs)	5 days (50 hrs)	3 days (24 hrs)	50 + 24 + 46 = 120 hrs
6 days (60 hrs)	6 days (60 hrs)	2 days (16 hrs)	60 + 16 + 44 = 120 hrs

Personal Leave may not be carried from one fiscal year to the next. Converted Personal Leave that is not used will be credited to Sick Leave at the end of a fiscal year if credited hours do not exceed the one thousand eighty (1,080) hours Sick Leave limit.

**SICK LEAVE HIRING INCENTIVE:**

New Employees may be eligible to be credited with up to two hundred (200) hours of Sick Leave from their prior employer so long as the prior employer did not compensate the Employee for these Sick Leave hours at the amount proposed or greater. New Employees will be required to provide proof that the sick leave hours were not cashed out by presenting their last pay stub or written verification from their prior employer’s Payroll Division.

**SICK LEAVE PROGRAM:**

Employees having in excess of nine hundred and sixty (960) hours of accumulated Sick Leave on the last pay period in June will be paid in the final paycheck of the fiscal year, an amount computed at the then existing hourly rate for each hour in excess of nine hundred and sixty (960) hours, up to a maximum of fifty-six (56) hours.

**TUITION ADVANCE PROGRAM:**

Employees who desire to enroll in an accredited college/university degree program or professional development course, are eligible for tuition advancement up to a maximum of three thousand, five hundred dollars (\$3,500) per fiscal year. A Tuition Advancement Form must be received by the Human Resources/Risk Management Department for review and approval before and advance will

be provided. Budgeted funds must be available to cover tuition advance and no expenditure beyond the approved budget allocation will be authorized to cover any amount of any Employee's educational expenses.

Affected Employees are required to complete one (1) year of service with the City from the date of completion of course work to be eligible for this benefit. Individuals voluntarily separating from the City prior to completion of one (1) year of service with the City from date of completion of course work will be required to reimburse the City for funds advanced to them under this program. Said reimbursement shall be deducted from any separation check to be distributed to the Employee, no matter what the nature of the funds, without the necessity of a judgement being mandated on behalf of the City.

A college or university shall be defined as an institution accredited by the Western Association of Schools and Colleges Senior College and University Commission (WASC), the Accrediting Commission of Community and Junior Colleges (ACCJC), Northwest Commission on Colleges and Universities (NWCCU), Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), Middle State Commission on Higher Education (MSCHE), New England Association of Colleges and Schools (NEASC) or an institution listed on the Higher Learning Commission (HLC). Other accreditations may be eligible upon review by the Human Resources Department.

Advanceable expenses will include books, tuition, parking and registration/enrollment fees. All required fees such as health-related fees, "gym" fees and other miscellaneous fees, whether billed as "tuition" or otherwise required of the institution are eligible. Items such as paper, pens, notebooks, and printing fees will not be eligible.

Employees agree that upon accepting a tuition advance from the City, the Employee is responsible to provide the City with verification of completion of class(es), grade(s) and receipts for expenses within sixty (60) calendar days from the date of final course work (as indicated on the request for tuition advance form submitted by the Employee). If the educational institution attended does not provide the Employee with verification of completion or grades or receipts within this sixty (60) calendar days timeframe, the Employee is responsible to notify the Director of Human Resources/Risk Management, in writing, of such and an additional sixty (60) calendar days extension will be granted. In the event that an Employee does not provide verification of completion of class(es), grade(s) and receipts for expenses at the end of either the initial sixty (60) calendar days or at the end of the extension of an additional sixty (60) calendar days (to 120 calendar days total), the City will have the right to automatically make a payroll deduction from the Employee's next regular payroll check in an amount equal to the amount of tuition funds advanced.

**TUITION REIMBURSEMENT – ENHANCED PROGRAM:**

Employees who have incurred otherwise reimbursable tuition cost in an amount greater than the maximum amount available shall be eligible to receive additional reimbursement to the extent that tuition reimbursement funds are available at the end of each fiscal year. No such distribution will be made until the conclusion of the fiscal year to verify the number of Employees making application for the enhanced benefit. Employees must submit a tuition reimbursement invoice to the Human Resources/Risk Management Department no later than May 1<sup>st</sup> of each year to participate in this Enhanced Program.

It shall remain the individual Employee's responsibility to apply for and receive written authorization to participate in a tuition reimbursable course prior to any such enrollment.

**VACATION LEAVE:**

Maximum accrual of Vacation is four hundred (400) hours. Upon termination of employment, accrued Vacation will be paid at the Employee's then existing hourly rate of pay. New Employees with less than six (6) months of City service are ineligible to receive Vacation Leave buy back. It is the responsibility of Employees to schedule Vacation time off for rest and recuperation in order that earned Vacation time in excess of four hundred (400) hours will not be removed from the records.

<b>Months of Completed Service</b>	<b>Annual Vacation Accrual</b>
6 – 24	12 days p/year (10.0000 hours p/month)
25 – 48	15 days p/year (12.5000 hours p/month)
49 – 108	18 days p/year (15.0000 hours p/month)
109 – 120	19 days p/year (15.8333 hours p/month)
121+	20 days p/year (16.6666 hours p/month)

Vacation leave will be taken at a time approved by the City Manager with due regard for the wishes of the Employee and particular regard for the needs of the City. Unless otherwise provided by Department rules, Employees must submit vacation requests to their supervisor at least seven (7) calendar days prior to the intended start of vacation. No person will be permitted to work for compensation for the City during his/her vacation except with prior approval of the City Manager or designated representative. If one or more City holidays fall within an annual vacation leave, the holidays will not be charged as vacation leave; however, extension of the vacation leave for the period of such holiday(s) is subject to approval of the City Manager.

A temporary increase in the total Vacation hours accrued (in excess of 400 hours) may be approved by the City Manager and notification to the Finance Department to affect this temporary exception.

Newly hired Department Directors are eligible to accrue vacation hours based on their years of service in prior public agencies. Newly hired Department Directors will be required to provide documentation from their prior employer(s) or retirement system such as CalPERS, SBCERA, LACERA, etc. verifying their years of service.

The City Manager can authorize newly hired Department Directors up to one hundred and twenty (120) Vacation hours to be available immediately upon hire.

**VACATION LEAVE BUY BACK:**

At separation or retirement, 100% of accrued Vacation Leave, to a maximum of four hundred (400) hours, will be paid at the Employee's existing base rate of pay. New Employees with less than six (6) months of service are ineligible to receive Vacation Leave Buy Back. The percentages may be adjusted in accordance with the Retirement Health Savings Plan elections and provisions for affected individuals, per IRS regulations.

**VACATION LEAVE CONVERSION:**

Employees may convert a maximum of one hundred and twenty (120) hours of Vacation Leave to pay per fiscal year. Employees may convert leave to pay in April and/or November of each year, calculated at the Employee's hourly base rate of pay at the time of conversion. Six (6) months

prior to date of conversion, half\* the number of accrued leave hours requested, excluding Sick Leave, must have been taken as time off.

\*This usage requirement is waived for “active” military personnel.

**VEHICLE ALLOWANCE:**

Employees not assigned a City vehicle will be provided with five hundred dollars (\$500) per month for vehicle allowance.

**WORKERS’ COMPENSATION PROGRAM:**

Whenever any Employee of the City is disabled whether temporarily or permanently by injury or illness arising out of, and in the course of, his/her duties the Employee will be compensated as follows: On the first, second, and third day of the injury Employees will use accrued Sick, Vacation, Floating Holiday and/or Management Leave for full salary continuance.

Commencing the fourth day of the injury, the City will continue the Employee’s salary at a rate of 66-2/3% of the current monthly salary, less any applicable deductions (i.e., credit union, health insurance coverage), for a period not to exceed twelve (12) months. If the disability extends for a period beyond fourteen (14) calendar days the City will credit the Employee for the first three (3) days of Sick Leave used. If hospitalization is required the first, second, and third days salary is paid by the City through the Workers’ Compensation program.

**WORKERS’ COMPENSATION PREMIUM PAYMENT:**

In the event of a work-related illness or injury, which results in a permanent disability settlement, the City will provide a 10% premium benefit payment provided the following occurs:

- ❖ That the Workers’ Compensation Appeals Board approves the total settlement, including the 10% premium benefit.
- ❖ That neither a “Notice of Claim” nor “Application for Adjudication of claim” will have been filed or served against the City of Chino.
- ❖ That the injured Employee has diligently sought medical attention as prescribed by the treating physician(s) approved by the City.
- ❖ That the injured Employee and the City have employed the guidance of the State Department of Industrial Relations Office of Information and Assistance to resolve any outstanding issues or misunderstandings.

Representation is a legal right recognized by statutory law. Nothing precludes an Employee from retaining legal counsel or representation; however, the premium benefit offered is only available in cases handled without the involvement of legal counsel. This is done in recognition of the cost savings that result in non-litigated cases that can be passed on to the ill or injured worker.

**SAVINGS CLAUSE:**

Should any clause in this Compensation and Benefit Plan be held invalid by law and/or by a court of competent jurisdiction, then only that clause will be stricken and the remainder of the Compensation and Benefit Plan will remain in full force and effect.

**IMPLEMENTATION:**

These compensation and benefits are subject to consideration and approval by the City Manager of the City of Chino and will only be implemented upon adoption by the City Council.