

Salary and Benefits Resolution

for

***UNREPRESENTED EXECUTIVES, MANAGEMENT,
CITY MANAGER, HUMAN RESOURCES & CITY
ATTORNEY EMPLOYEES***

Effective July 1, 2015

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1.00 COMPOSITION

The employee classifications subject to this Resolution are categorized into three groups: Unrepresented-Executive, Unrepresented Exempt, and Unrepresented Non-Exempt, which are comprised of the classifications of employment listed in Appendix A to this Resolution and any other classification of employment which may hereafter be assigned by the City Manager in accordance with the provisions of the City of Hayward Personnel Rules governing unit determination and modification.

2.00 PROBATIONARY PERIOD

2.01 Appointments Not Subject to Probationary Period

All employees in positions identified in Appendix B as being members of the unclassified service are not subject to this Section 2.00. Employees in the unclassified service are “at-will” employees who can be separated from employment at any time, with or without cause. Employees who move from positions in the classified service to positions in the unclassified service will be required to sign a notification and acknowledgment that the position is at- will.

2.02 Appointments Subject to Probationary Period

All employees in positions identified in Appendix B as being part of the classified service shall serve a probationary period as provided in this Section. The probationary period shall be regarded as a part of the selection process and shall be utilized for closely observing the employee's work and for securing the most effective adjustment of a new employee to their position.

All appointments to the classified service (other than temporary and provisional appointments or appointments to part-time positions that are regularly scheduled to work less than twenty (20) hours per week) shall be subject to a probationary period. The regular period of probation shall be one (1) year, but longer periods may be specified in individual classification descriptions and shall apply to all positions in the classification. An extension of the probationary period up to a maximum of six (6) months may be approved by the City Manager or designee in individual cases.

2.03 Release of Probationer

During the probationary period, an employee in the classified service may be released at any time without right of appeal. Written notice of release designating the effective date of such action shall be furnished to the probationer. Persons employed in part-time positions scheduled for less than twenty (20) hours per week are excluded from the classified service and may be released at any time without right of appeal.

2.04 Release Following Promotion

Any employee in the classified service may be released during the probationary period following promotion to another position in the classified service. The employee released shall be reinstated to the employee's former position or to a position in the class from which the employee was promoted, unless the reason for the release is cause for dismissal. The employee will be reinstated to the salary step held before the promotion. If no vacancy exists in this former class, the employee with the least amount of time in this class shall be demoted to the most recent class in which that employee has satisfactorily served. If any employee is released by such action, such employee shall be placed on a reemployment register for the classification from which the employee was released.

Any employee who is released during a probationary period following promotion to another position in the classified service and whose release is cause for dismissal shall retain appeal rights to the dismissal from City employment, but not the right to appeal the employee's release from the position from which the employee was demoted.

2.05 Effect of Leaves on Probationary Period

Periods of time on paid or unpaid leave of one (1) week or more shall automatically extend the probationary period of any employee on probation. The length of the extension shall be equal to the length of the individual's placement on paid or unpaid leave.

2.06 Effective Date of Regular Status

Upon attaining regular status as a member of the classified service, the effective date shall revert to the date of initial probationary appointment.

3.00 LAYOFFS, RESIGNATIONS & TERMINATIONS

3.01 Layoffs

Whenever there is a lack of work or a lack of funds requiring reduction in personnel in a department or division of the City government, the required layoffs shall be made as the City Manager may designate in accordance with the following procedures:

- A. Employees shall be laid off in inverse order of their length of service within the affected job classification. A layoff out of the inverse order of seniority may be made if, in the City Manager's judgment, retention of special job skills is required.
 1. Length of service for the purpose of this Section shall mean an employee's continuous, uninterrupted service in the classification affected by the layoff. Length of service is determined based on the date of appointment in the affected classification and includes time spent as a probationary or part-time employee in that classification.

Length of service includes all days of attendance at work and authorized leaves of absence. Length of service does not include unauthorized absences or periods of suspension or layoff. Length of service shall not include time spent in a provisional or acting appointment in the affected classification unless such provisional or acting appointment was contiguous with appointment to such classification in a probationary or part-time status.

2. An interruption in length of service within a classification shall occur as a result of any one of the following:
 - a. Discharge for cause.
 - b. Voluntary resignation.
 - c. Retirement for service or disability.
 - d. Absence from work for twenty-four (24) consecutive months because of layoff.
 - e. Failure to return from layoff as provided in Section 3.02, Right of Return Following a Layoff.
 - f. Failure to return from an approved leave of absence upon the date specified for return at the time said approval was granted.
 3. Whenever the effective date of appointment to a classification is the same for two (2) or more employees, the original date of hire as a probationary or part-time employee with the City shall be used to determine which employee has greater length of service within the classification. The employee with the earlier original date of hire with the City shall be considered to have the greater length of service within the classification in this situation.
 4. Whenever the effective date of appointment to a classification and the original date of hire as a probationary or part-time employee with the City is the same for two (2) or more employees, actual hours worked shall be used to determine which employee has greater length of service within the classification. The employee with more hours worked in the classification shall be considered to have the greater length of service within the classification in this situation.
- B. Within each affected job classification, employees will be laid off in the following order, unless retention of special job skills is required: all provisional employees shall be laid off before probationary employees and all probationary employees shall be laid off before any regular employees provided, however, that part-time employees whose length of service is less than any probationary or regular employee shall be laid off before such probationary or regular employee. Thereafter, if additional reductions in personnel are required, those employees with the least length of service within the affected classification shall be laid off.

- C. Any regular, probationary, or part-time employee in the classified service who is designated to be laid off and who has held regular status in a lower or equal classification within the City may displace an employee in the lower or equal classification provided that the employee exercising the displacement privilege has greater classification length of service than the incumbent in the class to which the employee is bumping. If the employee in the higher classification has not held status in a lower classification in the department, then no displacement rights accrue to that individual.
1. Bumping rights afforded to an employee in the classified service pursuant to this Section shall include bumping rights to those classifications in which the employee has previously served and which may since have been re-titled but where, as determined by the City Manager or designee, no substantive changes have been made in the duties or qualifications for the classification(s) in question.
 2. Prior to employees being laid off, the Human Resources Department shall furnish to affected employees, upon request, status registers for all affected classifications in this group. Said lists shall include the names of all present employees who have held these classifications, their appointment dates, and their length of service thereto.
 3. An employee eligible to bump into another classification pursuant to this paragraph (C) shall have five (5) calendar days after notice of assignment by the City Manager or designee to a position in that classification in which to accept such assignment. If the affected employee fails to accept such assignment within said five (5) calendar day period, the employee shall be laid off. An employee so assigned shall be placed at a salary step in the range for the classification to which the employee bumps which is closest to the employee's former rate of pay but which does not exceed the salary step held by the employee in the classification from which the employee was displaced.
 4. In the event an employee bumps to an occupied or vacant position that is "flexibly" staffed as reflected in the Positions and Salaries Resolution, assignment to said position shall be at the level the employee previously held.
- D. Employees scheduled for layoff will be given at least fourteen (14) calendar days advance notice, if possible. The City shall attempt, in so far as is possible, to accomplish any contemplated reduction in personnel by attrition rather than by layoff.
- E. In the event employees are scheduled to be laid off, other employees with greater length of service within the same classification may elect to be laid off in lieu of those employees scheduled for such layoff.

3.02 Rights of Return Following a Layoff

As position vacancies in the classified service occur, employees on layoff and those occupying positions to which they have bumped shall be afforded return rights in the order of their length of service in the classification(s) in which such vacancies occur.

- A. An employee shall have ten (10) calendar days from the mailing by certified mail of a notice of return to work to the employee's address of record on file in the Human Resources Department to indicate acceptance of such return and the employee's agreement to report for work as specified in the notice.
- B. Employees in layoff status shall retain all credited sick leave earned but unused at the time of layoff less any amounts paid out. An employee who is laid off shall not earn vacation leave credit while in layoff status.
- C. Employees who are displaced from positions in the classified service by virtue of layoff shall be placed on a reemployment register for the classification they held at the time the layoff occurred, hereinafter referred to as the "primary" register. They shall also be placed on reemployment registers for classifications in which they previously served, hereinafter referred to as "secondary" registers. If an employee fails to respond to a notice of return within the prescribed time period or declines to return from layoff to a secondary register classification, the employee's name shall be removed from said secondary register, and the employee shall no longer be eligible for recall to that classification. If an employee fails to respond to a notice of return within the prescribed time period or declines return to the primary register classification, the employee will be considered to have voluntarily resigned from employment with the City. Notices will be sent to the employee's last address on record with the City.
- D. Full-time employees who have bumped to a part-time position or who have been recalled from layoff to a part-time position shall be afforded an opportunity to return to full-time status as position openings become available. Such right of return shall be subject to the "length-of-service" and "service within classification" requirements provided in this Section and Section 3.01, Layoffs, of this Resolution.
- E. Employees who request and are granted a voluntary demotion to a vacant position in lieu of layoff shall be afforded the same rights of return as employees who have exercised bumping rights.
- F. An employee who, in lieu of layoff, was transferred to another position within the same classification shall be notified of an opening in the employee's previous position and shall be afforded an opportunity to apply for reinstatement to that position.
- G. Primary and secondary registers shall be valid for a period of two (2) years.

3.03 Resignations

Any employee wishing to leave the employ of the City in good standing shall file with the employee's Department Director or designee or, in the case of a Department Director, with the City Manager, a written resignation stating the effective date and reasons for leaving. The written resignation must be filed at least two (2) weeks before the planned separation date unless the City Manager or designee waives such time limit. A resignation becomes final when accepted by the person receiving the resignation. Once the resignation is accepted, it cannot be withdrawn. A statement as to the resigned employee's service performance and other pertinent information shall be forwarded to the Human Resources Department. Failure to submit a written resignation as provided in this Section shall be entered on the service record of the employee and may be cause for denying future employment with the City.

3.04 Terminations

An employee in the unclassified service may be terminated or discharged from employment at any time by the City Manager. Whenever it is the intention of the City Manager to discharge an employee, the Director of Human Resources shall be notified.

Discipline of employees in the classified service, including termination or discharge, shall be subject to the City's Personnel Rules.

4.00 WORK SCHEDULES

4.01 Work Schedules

The normal schedule for all full-time employees shall consist of eighty (80) hours during each bi-weekly period. The City reserves the right to implement business closures during the calendar week in which the Thanksgiving holiday is observed and on those days between the City's observance of Christmas and New Year's Day, with the discretion to extend the closure through the calendar week in which New Year's Day is observed. If the City exercises the right to implement business closures during these times, employees will be permitted to use available accrued vacation or management leave balances. Employees who do not have sufficient leave balances for the entire period will be in an unpaid status. No leave balances will be advanced.

In lieu of using accrued leave balance, employees may elect to be in an unpaid status during any business closure. For purposes of business closures only, employees who elect to take time off unpaid during City designated business closures shall continue to accrue seniority, sick leave, and vacation leave, and will be eligible for holiday pay as if they were in a paid status. In exercising the right to implement business closures, the City Manager or designee has sole discretion in determining which departments and/or positions will be affected by the closure.

4.02 Overtime

It is the policy of the City that overtime work is to be kept to a minimum, consistent with the protection of lives and property of its citizens and the efficient operation of activities of the City, and it shall be authorized by the Department Directors or their designees. Overtime-eligible employees are not permitted to work overtime except as the Department Director or designee authorizes or directs. No employee may work overtime without receiving prior approval from the appropriate supervisor prior to performing the work. Working overtime without advance approval is grounds for discipline.

Overtime is all hours an overtime-eligible employee actually works over forty (40) hours in the employee's workweek. Overtime is compensated at 1.5 times the Fair Labor Standards Act (FLSA) regular rate of pay. Only actual hours worked shall be counted toward the forty (40) hour threshold for purposes of calculating overtime owed under the FLSA.

For purposes of computing overtime, the regular workweek for an employee shall be a seven (7) day cycle as established by the Human Resources Director. All overtime entitlements shall be computed to the nearest tenth of an hour (6-minute increments).

Employees may request and, subject to approval of the Department Director or designee, receive compensatory time in lieu of overtime pay. The compensatory time accrual cap shall be one hundred twenty (120) hours. The compensatory time cap shall be maintained on a continuous, per pay period basis.

An employee's eligibility to receive overtime compensation for services performed shall be determined in accordance with the FLSA. Those employees who are classified as "exempt" under the FLSA shall not be eligible to receive overtime.

4.03 Work Performed During Disaster

Overtime exempt employees who are required to work during a declared civil emergency shall not receive additional compensation for hours worked in excess of their regular workday or workweek. All employees shall have the duty and obligation to perform emergency work upon request of proper authority declaring such emergency.

4.04 Fiscal Year 2021 Furlough Obligation

Between July 1, 2020 and June 30, 2021, all full-time employees (excluding the Director of Finance, Fire Chief, Deputy Director of Human Resources, and Human Resources Administrative Assistant) were required meet a furlough obligation of eighty (80) furlough hours. Part-time employees who regularly work twenty (20) or more hours per week were required to take a pro-rated number of furlough hours based on their regular scheduled hours.

Furlough Impacts

Vacation accrual caps will not be enforced through calendar year 2021. Employees must reduce their vacation leave balances to the vacation leave cap prior to the end of the final pay period in calendar year 2021. Employees who are above their vacation accrual cap in the pay period including December 31, 2021 shall forfeit any hours in excess of the cap. If an employee separates from City service, any vacation leave hours in excess of their cap shall be forfeited.

Furlough Payback

On June 22, 2021, City Council approved an amendment to the Salary and Benefits Resolution to issue a one-time lump sum payment to Unrepresented employees who participated in the FY 2021 Furlough Program in an amount equal to the furlough hours each employee took. This amendment would make employees who participated in the Program whole.

5.00 BENEFIT PLANS

5.01 Medical Insurance

The City currently contracts with the Public Employees' Retirement System (PERS) for the purpose of providing medical insurance benefits for active employees and their eligible dependents, eligible retired employees, and eligible survivors of retired employees. Eligibility of a dependent to participate in this program shall be in accordance with the terms of the Public Employees' Medical and Hospital Care Act (PEMHCA). Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with those provisions of the PEMHCA providing for participation by "annuitants."

The City's employer contribution towards medical insurance benefits for each eligible employee shall be the minimum contribution amount required by Government Code Section 22892. Contributions provided under this Section are required only to the extent mandated by the PEMHCA.

Because PERS may change carriers and plans, the City shall not be required to provide a specific insurance coverage and shall only be required to provide those benefits as described in this Section so long as the City contracts for benefits with PERS for medical insurance benefits.

The City will provide each eligible annuitant, as defined by the PEMHCA, with an employer contribution towards medical insurance benefits that is equal to any contribution provided to an active employee under this Section.

5.02 Flexible Benefits Allowance

The City shall continue to provide a Flexible Benefit Allowance for each full-time employee in regular or probationary status who is enrolled in one of the PERS medical insurance plans offered by the City.

The allowance provided shall be equal to eighty percent (80%) for eligible Executives and Exempt employees and ninety percent (90%) for eligible Non-Exempt employees of the premium cost for health insurance coverage based on the employee's plan selection and participation level (e.g., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the amount of any contribution provided under Section 5.01, Medical Insurance, of this Resolution.

Effective January 1, 2019, the allowance provided shall be equal to eighty percent (80%) for eligible Executives and ninety percent (90%) for eligible Exempt and Non-Exempt employees of the premium cost for health insurance coverage based on the employee's plan selection and participation level (e.g., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the amount of any contribution provided under Section 5.01, Medical Insurance, of this Resolution.

For Executives, the City's maximum contribution shall not exceed the cost of eighty percent (80%) of the premium for the second most expensive benefit plan as determined by the employee's participation level, less the City's contribution towards medical benefits under PEMHCA. For Exempt and Non-Exempt employees, the City's maximum contribution shall not exceed the cost of ninety percent (90%) of the premium for the Kaiser benefit plan as determined by the employee's participation level, less the City's contribution towards medical benefits under PEMHCA. In no event shall the sum of the City's contributions pursuant to the provisions of this Section and Section 5.01, Medical Insurance of this Resolution exceed eighty percent (80%) for Executives and ninety percent (90%) for Exempt and Non-Exempt employees of the premium cost for the PERS medical insurance plan in which the employee is enrolled.

The City shall continue to provide Flexible Benefit Allowances as provided in this Section unless amended or repealed by the City Council.

Contributions to an employee's Flexible Benefit Account shall be used only for payment of those benefits that are available through the City's Flexible Benefits Plan. The City will not treat any contributions made to the Flexible Benefits Plan as compensation subject to income tax withholding unless the Internal Revenue Service and/or Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any federal, state, or local tax liability of the employee that may arise out of the implementation of this Section or any penalty that may be imposed therefore.

Each employee shall file an election in writing during the month of open enrollment for medical insurance each year as to how the monies in the employee's Flexible Benefits Account are to be expended during the ensuing year. Thereafter, no changes to designations so made shall be allowed until the enrollment of the following year, except for changes due to an eligible qualifying event.

Each employee shall be responsible for providing immediate written notice to the Director of Human Resources or designee of any change to the number of the employee's dependents, which affects the amount of the City's payment to the Flexible Benefits Account. An employee who, by reason of failing to report a change in dependents, receives a City payment greater than the amount to which the employee is entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to the employee's Flexible Benefits Account in subsequent months. Changes to flexible benefit contributions associated with changes in an employee's number of dependents shall take effect at the start of the first pay period in the month following the month in which notice of the change is received by the Human Resources Department. No retroactive increases to the Flexible Benefit Allowance provided by the City shall be allowed.

5.03 Federal or State Health Plan

If, pursuant to any federal or state law which may become effective subsequent to the effective date of this Resolution, the City is required to pay contributions or taxes for hospital, medical, dental care, prescription drug, or other health benefits to be provided to employees under such federal or state act, the City's obligation to furnish the same benefits under the Hospital Medical-Surgical-Dental Care and Prescription Drug Plans shall be suspended, and the contributions agreed to be paid monthly hereunder by the City under Sections 5.01, Medical Insurance, 5.02, Flexible Benefits Allowance, and 5.05, Supplemental Retirement Benefit, of this Resolution shall be reduced each month by the amounts the City is required to expend during any such month in the form of contributions or taxes to support said federal or state health plan.

If, as a result of such a law, the level of benefits provided by such law for any group of employees or their dependents is lower in certain categories of services than that provided under Sections 5.01, 5.02, and 5.05, the City shall, to the extent practicable, provide a plan of benefits supplementary to the federal or state benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under said Sections 5.01, 5.02, and 5.05. The City need only expend for this purpose the actual amount required to achieve parity between the benefits provided under Sections 5.01, 5.02, and 5.05 and the benefits provided under any federal or state plan as supplemented in the manner hereinabove described.

If the benefits provided under the federal or state act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution in pursuance of this Section. In the event that the federal or state government enacts a health care program requiring contributions by employees, the City shall reimburse employees for such contributions in the amount by which said employee contribution reduces the City contribution required by the terms of this Resolution.

5.04 Alternate Benefits

- A. An alternate benefit in the form of a cash payment is available to those full-time employees in regular or probationary status who: (1) elect to opt-out of receiving City contributions under Section 5.01, Medical Insurance, and 5.02,

Flexible Benefits Allowance, and (2) provide proof of medical insurance coverage from a plan other than a City-sponsored plan.

Any cash payments provided under this Section shall be reported to the Internal Revenue Service (IRS) and the California Franchise Tax Board as compensation subject to income tax withholding. Each employee shall be solely and personally responsible for any tax liability that may arise out of the implementation of the alternate benefits. The amount of alternate benefit provided to an employee is based on the level of insurance coverage that the employee could have received if the employee had enrolled in a City-sponsored health insurance plan, as follows:

Employee only\$210.00 per month
Employee and one (1) dependent.....\$380.00 per month
Employee and two plus (2+) dependents.....\$500.00 per month

- B. A full-time employee who does not receive a City contribution under Section 5.01, Medical Insurance, and 5.02, Flexible Benefits Allowance, and who is enrolled in a City-sponsored health insurance plan as the dependent of another City employee may be eligible to receive an alternative benefit as provided in this Subsection. If the cost to the City of providing an employee with benefits as the dependent of another is less than the cost of enrolling the employee separately in a City-sponsored health insurance plan, then the individual enrolled as a dependent may receive an alternative benefit. The amount of any alternative benefit shall be equal to the amount of savings to the City for enrollment of the employee as a dependent, up to a maximum alternative benefit of \$150 per month.

The following examples illustrate how alternative benefits will be provided to employees who are enrolled as a dependent in a City-sponsored health insurance plan. For purpose of these examples, assume the following amounts as the City's total costs towards providing benefits under Section 5.01, Medical Insurance, and 5.02, Flexible Benefits Allowance:

Employee only - total cost of \$500 per month

Employee and one (1) dependent – total cost of \$1,000 per month

Employee and two (2) or more dependents – total cost of \$1,400 per month

Example 1. Employee A and B are spouses who both work for the City of Hayward. Employee A participates in City-sponsored health insurance at the Employee plus 1 level (City cost of \$1,000 per month), with Employee B enrolled as Employee A's one dependent. If each employee was to participate in a City-sponsored plan as individual employees, then the City's cost would be \$500 per month for each employee (or a total of \$1,000 per month for two people, each enrolled individually at the employee only level). Since there is no cost savings to the City for enrolling Employee B as a

dependent of Employee A, and vice-versa, then neither employee is eligible to receive an alternative benefit.

Example 2. Employee A and B are spouses who both work for the City of Hayward. They have one child. Employee A participates in City-sponsored health insurance at the Employee +2 or more level (City cost of \$1,400 per month), with Employee B and the child enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A's participation was modified to the Employee +1 (City cost of \$1,000), the City's total cost for providing benefits to both employees would increase from \$1,400 to \$1,500 per month. Since the City realizes a \$100 savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$100 per month.

Example 3. Employee A and B are spouses who both work for the City of Hayward. They have two children. Employee A participates in City-sponsored health insurance at the Employee + 2 or more level (City cost of \$1,400 per month), with Employee B and the two children enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A continued to participate in Employee +2 or more benefits with the two children as dependents (City cost of \$1,400), the City's costs for providing benefits to both employees would increase from \$1,400 to \$1,900 per month. Since the City realizes a \$500 savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$150 per month (the maximum alternative benefit available to employees enrolled as dependents of another employee).

- C. Enrollment in alternative benefits must be elected each year during open enrollment. Benefit eligibility and alternative benefit amounts may vary from year to year depending on plan premiums.
- D. The provisions of this Section shall be administered in accordance with regulations issued by the City Manager or designee which shall include, but not be limited to, the method and frequency of reimbursement to employees for the alternate benefits program(s) selected, the frequency with which employees may exercise the option to change alternate benefits programs, and appropriate procedures for the verification of payments made in pursuance of this Section.

5.05 Supplemental Retirement Benefit

Employees who retire from the City are eligible to receive a supplement retirement benefit. This benefit shall be equal to \$237.31, less the amount provided for under Section 5.01, Medical Insurance, above. This Supplemental benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the employee must begin receiving pension benefits within one-hundred twenty (120) days

of leaving City employment. Retirees are solely responsible for any tax consequences associated with the receipt of benefits under this Section.

5.06 Dental Insurance

The City shall contribute towards dental insurance coverage for full-time employees, other than temporary and provisional employees, and their eligible dependents as provided in this Section.

The City's contribution on behalf of an eligible employee participating in a City-sponsored dental plan shall be equal to eighty percent (80%) of the monthly premium for dental insurance, as determined by the employee's enrolled participation level in the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

Currently, the City provides insurance coverage through a Delta Dental plan or United Concordia plan. Details regarding benefits and covered services for each plan may be found in the current Delta Dental or United Concordia benefits summaries for the City of Hayward respectively.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees or through a program of self-insurance. In the event the City exercises this option, the alternate coverage shall be substantially equivalent to the coverage in effect when a change in carriers takes effect.

5.07 Life Insurance

The City shall pay the cost of providing each employee with a group term life insurance policy equivalent to the employee's annual gross salary. The policy shall include accidental death and dismemberment coverage and the right to conversion at the time of termination of employment to a form of permanent coverage without medical restrictions and without the requirement to demonstrate evidence of insurability.

5.08 Disability Insurance

The City shall continue in effect, at no cost to the employee, the Short Term/Long Term Disability Insurance policy with CIGNA or any other such successor program which provides benefits comparable to those available under the CIGNA policy. This program shall provide short-term disability benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$1,390/week, after a fourteen (14) day waiting

period. Beginning in the fourth month, the long-term disability plan shall provide benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$7,000/month.

5.09 Vision Care

The City shall contribute towards vision care insurance for full-time employees and their eligible dependents. Currently, the City provides vision insurance coverage through VSP under a plan that provides for a \$15.00 deductible, an eye examination, and lenses and frames once per year.

For eligible employees who enroll in a City sponsored vision plan, the cost of the monthly premium shall be shared equally (50/50) between the employee and the City.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

The City reserves the right to provide vision care benefits under a self-funded plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing vision care benefits for employees, or through a program of self-insurance. In the event the City exercises its option to move to a self-funded plan or to change insurance carriers, any new benefit plan shall provide coverage that is substantially equivalent to the coverage available at the time this option is exercised.

5.10 Medical, Dental, Vision, Flexible and Alternate Benefits for Certain Part-Time Employees

Employees who are hired in a part-time status and full-time employees who voluntarily assume part-time status shall be entitled to participate in group medical, dental, and vision insurance programs, and to receive a payment from the City to be applied to such plans subject to the following conditions:

1. Except as provided in paragraph 2 below, only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be entitled to coverage under group medical and dental plans.
2. The City's contributions towards medical insurance for part-time employees who are eligible to participate in a CalPERS health insurance plan as an "employee" shall be equal to the contribution provided to full-time employees in Section 5.01, Medical Insurance.
3. The City will provide those part-time employees who regularly work more than twenty (20) hours per week (at least a 0.5 FTE) with a Flexible Benefit Allowance. The amount of any allowance provided shall be determined in accordance with the formulas contained in Section 5.02, Flexible Benefits

Allowance, except that the sum of the contribution provided to a part-time employee who works more than 20 hours per week under Section 5.01, Medical Insurance, plus the amount provided as a Flexible Benefit Allowance shall be based on the total number of hours worked each month by the part-time employee.

For new employees, the City contribution for medical insurance shall be based upon the employee's estimated work schedule during the first month of coverage. Thereafter, the actual number of hours worked by the employee each month shall be used to determine the amount of City contribution toward medical insurance premiums in the following month. However, the amount provided shall never be less than the amount required by applicable government codes.

4. The City's payment for dental insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.06, Dental Insurance, of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this Section.
5. The City's payment for vision insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.09, Vision Care, of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this Section.
6. The City's payment for alternate benefits shall be based upon scheduled hours of work and shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.04, Alternate Benefits, of this Resolution. The calculation of proportionate payments shall be based upon the hours budgeted for the position.

As an exception to the foregoing, those employees who assume part-time status as a result of a City imposed reduction in hours will continue to receive City payment of medical, dental, and vision insurance premiums and will continue to participate in the Flexible Benefits Plan on the same basis as for full-time employees.

5.11 Deferred Compensation Plan

A Deferred Compensation Plan has been established for the benefit of City employees. Employees may contribute to the Plan as provided by the Plan terms.

Except for those changes which are necessary or desirable to obtain or maintain the favorable tax status of the plan, any changes in the written plan document governing the implementation and administration of the Deferred Compensation Plan adopted by the Hayward City Council on May 12, 1981 with respect to termination or modification of the plan will be jointly decided upon by the Administrative Committee as defined in Section 13.00 of the plan document.

5.12 Defined Benefit Retirement Program

The City will continue to contract with the Public Employees' Retirement System (PERS) to provide a retirement program for employees. Benefits shall include:

1. CalPERS Retirement Benefit Formula:
 - a. Classic Members: 2.5% at 55
 - b. New Members: 2.0% at 62
2. Fourth Level of 1959 Survivor's Benefits
3. One (1) Year Final Compensation
4. Military Service Credit as Public Service
5. Continuation of Pre-Retirement Death Benefit after Remarriage of Survivor.
6. \$500 Retired Death Benefit
7. 2% Annual Cost-of-Living Allowance Increase

These benefit plans require an employee contribution of eight percent (8%). Employees shall pay the full employee contribution of eight percent (8%), which shall be paid by the employee on a pre-tax basis in accordance with the IRS Section 414(h)(2) method of reporting retirement payments.

For Unrepresented public safety employees, benefits shall include 3% @ 50 for Classic public safety employees and 2.7% @ 57 for New members, as well as those PERS contract options applicable to the respective public safety-represented bargaining units. These benefit plans require an employee contribution of nine and three-fourths percent (9.75%) by unrepresented fire safety and twelve percent (12%) by unrepresented police safety employees. Unrepresented police safety employee shall pay the full employee contribution of twelve percent (12%) and fire safety employees shall pay the full employee contribution of nine and three-fourths percent (9.75%), which shall be paid by the employee on a pre-tax basis in accordance with the IRS Section 414(h)(2) method of reporting retirement payments. In addition, unrepresented public safety employees shall pay the same percentage of the employer contribution paid by other employees in the same CalPERS membership classification in accordance with any CalPERS contract amendments entered into by the City under the provisions of Government Code Section 20516, subsection (a).

An employee, who is not eligible for enrollment in the Public Employees' Retirement System and who, in accordance with the federal Omnibus Budget Reconciliation Act of 1990, is required to be covered by Social Security or an alternate system, shall be enrolled in the Public Agency Retirement System (PARS). The City shall contribute three and three-fourths percent (3.75%) of covered earnings into the employee's PARS account.

5.13 Car Allowances and Mileage Reimbursement

Except as specifically provided under the terms of an employment agreement, employees are not eligible to receive a vehicle allowance. Employees who are required to drive their personal vehicles for City business will be reimbursed for actual miles driven at the rate established by the Internal Revenue Service (IRS).

5.14 Additional Employee PERS Contributions

In addition to each member's responsibility for payment of the employee retirement contribution, effective the pay period including July 1, 2015, employees shall contribute an additional one percent (1%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2016, employees shall contribute an additional one percent (1%) for a total of two percent (2%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2017, Exempt and Non-Exempt employees shall contribute an additional one percent (1%) for a total of three percent (3%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2017, Executive employees shall contribute an additional three percent (3%) for a total of five percent (5%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

5.15 Health and Wellness Reimbursement

The City will reimburse full-time Exempt and Non-Exempt employees a maximum of fifty dollars (\$50) per month and Executive employees a maximum of one-hundred dollars (\$100) per month for expenses associated with health and wellness programs. This reimbursement may be used for recurring monthly fees associated with gym or health club memberships, fitness classes (such as yoga, Zumba, or similar), personal trainers, weight loss programs (such as Weight Watchers, Jenny Craig, or similar), or other health and wellness related expenses. Requests for reimbursement of monthly fees for health and wellness related expenses must be submitted in writing and accompanied by receipts and proof of monthly membership within forty-five (45) days of the most recent monthly payment made by the employee. Following receipt and approval of the employee's request, the employee shall receive the health and wellness reimbursement on a monthly basis until the employee indicates they have cancelled the monthly health and wellness related payments. The employee will be expected to inform the City in a timely manner that they have ceased making recurring

monthly payments for health and wellness related expenses. Timely notice under this Section shall mean no more than thirty (30) days from when the employee cancels their recurring monthly health and wellness related fees.

Although participants may not be required to produce monthly receipts for health and wellness payments made on a recurring monthly basis, the City, at the discretion of the Human Resources Director or designee, may at any time request receipts to verify monthly payments have been continuous and the participating employee remains eligible to receive the health and wellness benefit in accordance with this Section of the Resolution.

For one-time health and wellness expenses, requests must be made in writing within forty-five (45) days of payment by the employee and submitted with receipts.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager.

The City's decision to reimburse is final and not subject to dispute.

5.16 Professional Development Reimbursement

The City agrees to reimburse employees for professional development. This reimbursement may be for career development resources such as attendance at conferences, training courses, software, the purchase of books, subscriptions to professional journals or magazines, computers and electronic devices, dues to professional organizations, applications or examination fees associated with registration or certification, and other expenses related to professional development including research and training.

Prior to incurring any expense from the professional development fund, employees shall submit a request in writing to the Human Resources Department for preliminary review. Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and final approval of the City Manager or designee.

The City will reimburse Unrepresented Exempt employees up to five-hundred dollars (\$500.00) and Unrepresented Non-Exempt employees up to three-hundred fifty dollars (\$350.00) for approved purchases made during that fiscal year. All receipts for reimbursement, regardless of aggregate value, must be submitted no later than June 1 of each fiscal year.

5.17 Personal Equipment Stipend

The City agrees to provide a stipend to Executive employees for the use of their personal equipment in the performance of their work. This stipend may be used at the discretion of the Executive employee to offset costs associated with the use of personal equipment which includes but is not limited to cell phones, computers and electronic devices, and other expenses related to connectivity.

Effective July 10, 2017, Executive employees shall receive three-hundred and fifty dollars (\$350) per month paid in equal installments over twenty-six (26) pay periods or in lump sum on the first pay period of the fiscal year.

5.17 Cellular Phone Stipend

Effective July 1, 2018, Unrepresented Exempt and Non-Exempt employees shall receive a cellular phone stipend of one-hundred dollars (\$100) per month in equal installments over twenty-six (26) pay periods.

6.00 SALARY ADMINISTRATION

6.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization.

6.02 Salary at Time of Employment

The plan may provide a flat salary rate or a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid the first step upon employment, except that the City Manager or designee may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well qualified.

6.03 Eligibility for Advancement in Pay

Non-executive employees may be advanced to higher steps as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall normally apply for an employee to be eligible for advancement in pay.

Step	Time-in-Step
A.....	6 months
B.....	6 months
C.....	1 year
D.....	1½years
E.....	---

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties, advancement may be made prior to completion of the above time-in-step requirements. If the first day of the time-in-step period begins in the first five (5) days of the payroll period, then begin time in step with the start of the payroll period. If not, then time shall begin on the first day of the next payroll period. Advancement in pay, when approved, shall be effective at the

beginning of the first pay period immediately following completion of the time-in-step requirements outlined above. If an employee is on leave without pay for more than one (1) month, the period shall be deducted from the employee's accumulated time-in-step.

The City Manager or designee shall review the performance of Executive level employees annually, and advancement in pay is based solely on satisfactory performance. If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties, advancement may be made at the sole discretion of the City Manager or designee. Moreover, beginning in April 2018 and every two years thereafter, a total compensation salary survey of all Executive positions shall be conducted. If a position is below market average, the City Manager may recommend a salary adjustment up to a maximum of the market average. This provision does not prevent a salary survey or subsequent adjustment in circumstances where there is difficulty recruiting or to maintain internal equity.

6.04 Attaining Advancement

An employee must demonstrate that advancement is merited on the basis of job performance. Advancement shall not be made solely because an employee is eligible according to time-in-step requirements. Good attitude and personal conduct, work accomplished, conscientious attendance, safety alertness, efforts at self-improvement, and other factors of individual achievement must be evident as appropriate to the position.

6.05 Use of Performance Ratings in Determining Whether Step Advancement is Merited

Performance ratings shall guide supervisors and Department Directors in determining whether step advancements have been earned and should be recommended to the City Manager or designee.

6.06 Withholding Step Advancements

The Department Director or designee has the authority and responsibility to recommend withholding step advancements by the City Manager if they are not merited. The Department Director or designee shall keep their employees informed about their job performance, giving good work its proper recognition and any deficient work all possible guidance and assistance toward improvement. Department Directors or their designee shall notify the employee as to the reasons for withholding step advancements prior to submitting such recommendation to the City Manager.

6.07 Change in Pay Upon Promotion

When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step is equal to or less than their present salary or they would be eligible for step advancement shortly in their previous position,

they may be placed into the next step in the salary range of the new position which is close to five percent (5%) above their present salary. When no advancement in salary is granted on promotion, employees may be allowed to carry forward time-in-step accumulation. As an exception, if the employee has acted in the job class or received special assignment pay for the performance of duties related to the classification to which he or she is being promoted, the City Manager or designee may approve appointment at a higher step.

6.08 Change in Pay Upon Demotion

When an employee is demoted, whether voluntarily or otherwise, the employee's compensation shall be adjusted to the salary prescribed for the class to which the employee is demoted. The employee will be placed in a salary step in the demoted classification that is the same as or above the step held prior to demotion provided said demotion is not the result of disciplinary action. If the demotion is a result of disciplinary action, the specific salary step shall be determined by the City Manager or designee, whose decision shall be final. However, if the employee had prior service in the demoted position, the employee's step on the salary schedule for the demoted position shall not be set at a step that is lower than the step previously held by the employee in that position before the employee's promotion.

6.09 Change in Pay Upon Reclassification

When a position is reallocated to a classification with a higher pay range and the incumbent employee retains the position, the employee shall normally be placed at the first step in the new range. If no increase in pay results, advancement may be made to the next step immediately above the present salary. When recommended by the Department Director or designee and approved by the City Manager, additional advancement may be granted. If no change in salary is granted, the employee may be allowed to carry forward time-in-step accumulation.

When a position is reallocated to a classification with a lower salary range, the incumbent employee's pay shall not be reduced while the employee continues to occupy the position. If the employee's current rate is below the maximum step of the new range, the employee shall continue at the present salary and carry forward time-in-step accumulation. If the employee's current rate exceeds the maximum step of the new range, the employee's salary shall be frozen at its current level. When the incumbent leaves the position, a replacement shall normally be hired at the beginning rate.

6.10 Acting Pay

Employees may be assigned to perform the duties of a higher classification on an "acting" basis when, in the judgment of the Department Director or designee, a need exists for work to be performed in such higher classification.

"Acting" assignments shall only be made by the Department Director or designee, and the employee shall be provided with a written notice assigning the employee to the higher classification on an "acting" basis.

Employees assigned in accordance with the foregoing to perform the duties of a higher classification on an "acting" basis for a period of five (5) consecutive days or more shall receive "acting" pay retroactive to the first day of such assignment.

Employees qualifying for "acting" pay shall receive the salary step of the higher classification which represents an increase over the employees' present salary step. If the closest step in the "acting" classification is not equal to at least a five percent (5%) increase over the employee's present salary step, the employee shall receive "acting" pay equal to five percent (5%) above the employee's current pay step, except that the total rate paid (base salary plus any percentage increase) for work performed in "acting" assignment shall not exceed the top step of the salary range for the higher class.

6.11 Bilingual Pay

Employees who are required, in the performance of their duties, to converse with the public in a language other than English and who have demonstrated their competency through a language fluency test administered through the Human Resources Department shall receive bilingual pay in the amount of thirty dollars (\$30) per pay period.

Employees who are required in the performance of their duties to communicate in writing and/or translate official written documents in a language other than English and who have demonstrated their competency in a second language through a written fluency test administered by the Human Resources Department shall receive an additional seventy dollars (\$70) of bilingual pay, for a total of one-hundred dollars (\$100) per pay period.

No more than once every twenty-four (24) months, the City Manager or designee may require an employee receiving bilingual pay to demonstrate continued competency in a second language as a condition of continuing to receive pay under this Section. Employees who do not demonstrate continued competency will cease receiving bilingual pay until such time as competency is again demonstrated.

6.12 Special Assignment Positions

Special assignment positions within a classification may be established where duties and responsibilities are of a specialized nature by comparison to other positions in the class. Selection of employees to said positions and removal therefrom shall be made by the City Manager or designee. An employee so assigned shall receive a salary increment not to exceed ten percent (10%) of the employee's present salary.

6.13 Salaries

The Positions and Salaries Resolution shall provide for the salary ranges for the classifications of employment listed in Appendix A.

6.14 “Y-Rated” Salaries

Employees whose classifications are affected by the recalibration of the salary schedule shall be y-rated at their current step until they are advanced to the next step in the range in accordance with applicable provisions of this Resolution. Upon advancement, employees will advance into the adjusted salary schedule listed in Appendix A.

6.15 Salary Adjustments

Salary adjustments shall be made as follows:

Executives	Exempt	Non-Exempt
Effective July 1, 2018: 5% one-time cash payment	Effective July 1, 2018: 4.25% one-time cash payment	Effective July 1, 2018: 4.25% one-time cash payment
COLA as follows:	COLA as follows:	COLA as follows:
2% effective the pay period that includes January 1, 2020	2% effective the pay period that includes January 1, 2020	2% effective the pay period that includes January 1, 2020
3% effective the pay period that includes July 1, 2020*	2% effective the pay period that includes July 1, 2020*	2% effective the pay period that includes July 1, 2020*
2% effective the pay period that includes July 1, 2021**	2% effective the pay period that includes January 1, 2021	2% effective the pay period that includes January 1, 2021
	<u>2% for FY 2022 following Council approval</u>	<u>2% for FY 2022 following Council approval</u>

* Cost-of-living adjustments shall not be provided to the Director of Finance, Fire Chief, Deputy Director of Human Resources, and Human Resources Administrative Assistant.

** COLAs for the Director of Finance and Fire Chief shall be 4%, as both classifications forewent a two percent (2%) COLA effective the pay period including July 1, 2020.

The Director of Finance and the Fire Chief shall receive a one-time, lump sum payment equal to two percent (2%) of Employee’s base salary effective the pay period including July 1, 2021 to restore the COLA originally due to employee the pay period including July 1, 2020.

The Deputy Director of Human Resources and the Human Resources Administrative Assistant shall defer the 2% cost-of-living adjustment scheduled for July 1, 2020 until the following financial indicators are met:

1. Revenue recovery occurs and is the same or greater than revenue levels in FY 2018 reported in the City’s CAFR for the following:

- a. Sales tax
 - b. Property tax
 - c. Real Property Transfer Tax
 - d. Transient Occupancy Tax
2. No economically forced layoffs are required to balance the budget or meet the structural deficit in the fiscal year where the other three financial indicators are met.
3. The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.
4. Adoption of a Balanced Budget without the use of General Fund reserves.

6.16 One-Time Lump-Sum Payment

In recognition of Unrepresented Exempt and Non-Exempt employees either deferring the July 1, 2020 COLA or taking an 80-hour unpaid furlough in fiscal year 2021 to mitigate projected revenue shortfalls, said employees may receive a one-time lump-sum payment under either of the two criteria presented below.

Meeting one set of criteria and making the associated payment cancels the City's obligation to the other; employees may be entitled to a lump-sum payment pursuant to either Criteria 1 or Criteria 2, but in no event shall employees receive payment under both Criteria 1 and Criteria 2.

Criteria 1

Should certain financial indicators be met on or before June 30, 2022, the City will provide Unrepresented Exempt and Non-Exempt employees with a one-time lump sum payment (the "Payment") equal to 3% of the employee's base wages as of January 2, 2021.

Criteria 1 Financial Indicators

1. Revenue recovery: (1) the sum total of the following revenue sources (as reported in the City's CAFR) for FY 2021 is the same or greater than FY 2018; or (2) the sum total of the following revenue sources (as reported in the City's CAFR) for FY 2022 is the same or greater than FY 2018:
 - a. Sales Tax,
 - b. Property Tax,
 - c. Utility Users Tax, and
 - d. Transient Occupancy Tax.
2. The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.

Criteria 1 Payout Schedule

In the event that the financial indicators are met, employees will receive the Payment in the first pay period after the City has distributed the annual report affirming that the financial indicators have been met.

Criteria 2

Should the City receive financial aid through a federal stimulus package that meets the criteria provided below, and should a certain financial indicator be met on or before June 30, 2022, the City will provide Unrepresented Exempt and Non-Exempt employees with a one-time lump sum payment (the "Payment") equal to 3% of the employee's base wages as of January 2, 2021.

The stimulus funding must be:

- More than \$3.5M in FY 2021,
- Specifically related to COVID-19 relief, and
- Discretionary or able to be used to offset revenue loss in the General Fund and/or for currently funded General Fund positions.

Criteria 2 Financial Indicator

The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.

Criteria 2 Payout Schedule

In the event that the City receives funding through a federal stimulus package and the financial indicator is met, employees will receive the Payment in the first pay period after the City has distributed the annual report affirming that the financial indicators have been met.

7.00 HOLIDAYS

7.01 Holidays Observed by the City

The following days shall be holidays for all employees:

- New Year's Day (January 1)
- Martin Luther King Day (third Monday in January)
- Lincoln's Birthday (February 12)
- President's Day (third Monday in February)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)

- Admission Day (September 9)
- Indigenous Peoples' Day (second Monday in October)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Friday after Thanksgiving Day (Friday following fourth Thursday in November)
- Christmas Eve Day (December 24)
- Christmas Day (December 25)
- New Year's Eve (December 31, second half of work day / 4 hours)

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday. If a holiday falls on an employee's regular day off, or if an employee is scheduled or assigned to work on a holiday, the employee shall be entitled to equivalent time off at a later date, and such time shall be credited to the employee's vacation leave. Scheduling or assignment of holiday work must be approved in advance by the City Manager or designee. The hours for which an employee receives holiday pay shall be based on the employee's regularly scheduled work hours for the day on which the holiday is observed.

7.02 Holidays for Part-Time Employees

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to four (4) hours' pay for each holiday observed for full-time employees. Eligible part-time employees shall receive one-half (1/2) hour of holiday leave with pay for each full hour of leave granted to full-time employees for the New Year's Eve holiday described in Section 7.01, Holidays Observed by the City, of this Resolution.

8.00 VACATIONS

8.01 Vacation Leave Policy

Vacation leave is a benefit and the use of same shall be approved by the City Manager or designee taking into account the desires and seniority of employees and, more particularly, the work load requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation at least a full week at a time. In order to give effect to this policy and to realize the greatest benefit from vacation leave for both employee and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate.

If an employee exhausts his or her vacation leave, the employee may apply for another eligible paid or unpaid leave (excluding sick leave) as provided for in this Resolution. If vacation leave is approved and then it is determined that the employee does not

have enough vacation leave available to cover the request and no other leave is requested, Payroll will deduct the excess time from another eligible paid leave balance. No vacation leave accruals will be credited in advance. No vacation leave will be earned while on an unpaid leave.

If vacation leave is used to remain in a paid status while on approved leave under the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the vacation hours used will run concurrently with the state and/or federal leave entitlement.

8.02 Vacation Accruals for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue vacation leave benefits each payroll period based upon the number of regularly scheduled hours.

The vacation accrual schedule for employees who are budgeted at and work full- time is as follows:

Years of Service	Per 80 Hr. Period	Hourly Equivalent	Annual
Up to 5 yrs.....	3.08 hrs.....	0.0385 hrs.....	80 hrs.
From 5 to 9 yrs.....	4.62 hrs.....	0.0578 hrs.....	120 hrs.
From 10 to 19 yrs.....	6.16 hrs.....	0.0770 hrs.....	160 hrs.
From 20 yrs.....	7.70 hrs.....	0.0963 hrs.....	200 hrs.

An employee will accrue at the next highest benefit level on the employee's corresponding anniversary date. For purposes of crediting service time for vacation accruals, a former regular employee who is reinstated within one (1) year from the date of the employee's date of separation shall receive credit for their prior service on a probationary and regular appointment. No service time on a temporary, provisional, or contracted appointment will be credited.

The increases in the vacation leave allowance shall be granted on the basis of full-time, continuous service. An approved leave of absence shall not constitute a break in service for the purpose of this Section, but vacation leave shall not be earned during any period of unpaid absence.

As an exception to the foregoing, the City Manager or designee is authorized to place a new management employee at a position in the vacation schedule which recognizes that said employee has left a similar position with another employer where the employee had substantial vacation benefits.

Vacation leave shall continue to be earned during other authorized leaves with pay. When a holiday falls during an employee's absence on vacation leave, it shall not be deducted from the employee's accrued leave.

The maximum vacation accrual cap shall be twice the annual allowance plus forty (40) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions may be permitted upon approval of the City Manager or designee. In granting such exceptions, the City Manager or designee may specify a time within

which such excess vacation leave must be used. It shall be the responsibility of each employee to ensure the full use of vacation leave credits received by scheduling the necessary time off each year.

During the term of this Resolution, employees may cash out up to (120) hours of accrued vacation and/or management leave each fiscal year in no more than two (2) payments, at the employee's discretion, contingent on the employee using a minimum of eighty (80) hours paid vacation and/or management leave in the twelve (12) months preceding the request and having at least forty (40) hours of vacation and/or management leave remaining after the cash out. This leave cash out must be consistent with Section 10.09, Management Leave, of this Resolution.

Under no circumstances will an employee be permitted to cash out more than one-hundred twenty (120) hours of a combination of vacation and management leave each fiscal year.

All requests for cash-out shall be submitted through ESS by completing the Request for Management Leave/Vacation Leave Cash Out Form; requests must be processed and paid out on a paycheck date in the respective calendar year. For example, if a request is received for a pay period that ends in December of the respective year but results in a paycheck the following calendar year, this request will not be processed as the payout must occur on a paycheck in the respective calendar year. Payout will be applied to a single bi-weekly payroll, and employees will be responsible for all taxes associated with such payout.

This provision will not extend beyond the term of this Resolution; requests and/or payouts will not be accepted or processed beyond the pay period that includes June 1, 2021.

8.03 Vacation Accruals for Certain Part-Time Employees

Only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be eligible for vacation leave. Eligible part-time employees, other than temporary and provisional employees, shall accrue vacation leave benefits each payroll period based upon the number of hours the employee actually works. The hourly equivalent rates are as follows:

Years of Service	Hourly Equivalent
Up to 5 yrs.....	0.0385 hrs.....
From 5 to 9 yrs.....	0.0578 hrs.....
From 10 to 19 yrs.....	0.0770 hrs.....
From 20 yrs.....	0.0963 hrs.....

Notwithstanding the foregoing, employees who are hired in a part-time status and full-time employees who assume part-time status shall accrue vacation benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. In order to be eligible for this benefit, employees

must consistently work a half-time schedule or more. The amount of vacation so accrued shall be proportionate to that earned by full time employees in the same payroll period. The vacation accrual schedule specified in Section 8.02, Vacation Accruals for Full-Time Employees, of this Resolution and listed above will be used for purposes of prorating vacation leave.

The use of vacation shall be subject to the provisions and all Subsections of this Resolution. The maximum vacation accrual cap shall be twice the annual allowance plus twenty (20) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions to the foregoing may be permitted pursuant to the provisions of Section 8.02 of this Resolution.

8.04 Payment for Unused Vacation Leave

Leave time earned but unused at the date of termination shall be added to final pay. If the employee owes the City for unearned leave taken, the actual time shall be deducted from final pay.

9.00 SICK LEAVE

9.01 Sick Leave Policy

Sick leave is a paid leave. Sick leave shall be allowed in case of an employee's bona fide illness or injury, or for an employee's doctor/health appointments. Use of sick leave shall be approved by the employee's supervisor.

Employees shall, whenever possible, make appointments for medical, dental, and other similar purposes on Saturday or other non- work time.

In addition to the foregoing, sick leave may be used as family sick leave to care for an ill or injured family member or to take a family member to a doctor appointment. A "family member" is defined as a child, parent, spouse, registered domestic partner, child of a registered domestic partner, grandparent, grandchild, or sibling. Up to half (1/2) of an employee's annual sick leave accruals per calendar year may be used as family sick leave.

A certificate from an attending physician stating the expected duration of the family member's illness may be required. Authorization to use additional sick leave for family illness beyond the maximum identified above may be granted by the City Manager or designee when, in the City Manager or designee's judgment, circumstances warrant the same. Employees may use not more than four (4) hours of sick leave for the purpose of consulting with a physician concerning a serious illness or injury of a member of the employee's immediate family.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

If an employee exhausts all accrued sick leave, the employee may apply for another eligible paid or unpaid leave as provided for in this Resolution. If sick leave is approved and then it is determined that the employee does not have enough sick leave available to cover the request and no other leave is requested, Payroll will deduct the excess time from another eligible paid leave balance.

No sick leave accruals will be credited in advance. No sick leave will be earned while on an unpaid leave.

If sick leave is used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, then any sick leave used will count towards the state or federal leave entitlement.

9.02 Sick Leave Allowance for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue sick leave benefits each payroll period based upon the number of hours the employee is entitled. The full-time sick leave accrual rate is 3.704 hours per payroll period (up to ninety-six (96) hours annually). Employees shall accrue sick leave credits in accordance with the foregoing schedule from their initial date of employment.

The use of accrued sick leave shall be subject to the provisions of Section 9.00, Sick Leave, of this Resolution. An absence approved as sick leave shall be deducted from an employee's leave balance at the end of the pay period in which the leave is taken. There shall be no limit upon the number of hours of unused sick leave which may be accumulated by an employee. Upon separation of an employee, any sick leave balance for which payment has not been made shall be canceled and shall not be restored if a former employee is reinstated.

9.03 Sick Leave Allowance for Certain Part-Time Employees

1. Healthy Workplaces, Healthy Families Act of 2014

Part-time employees who work thirty (30) or more days within a year shall receive sick leave in accordance with the Healthy Workplaces, Healthy Families Act of 2014 and City Administrative Rule (AR) 2.56, Paid Sick Leave. The annual period shall be based on the part-time employee's first day of employment and anniversary date thereafter.

Employees eligible for sick leave under the Healthy Workplaces, Healthy Families Act of 2014 shall receive twenty-four (24) hours of sick leave on their first day of employment and may begin using their accrued sick leave after the ninetieth (90th) day of employment. Employees shall receive twenty-four (24) hours of sick leave at beginning of each fiscal year thereafter and can accrue up to a maximum of six (6) days or forty-eight (48) hours of paid sick leave, whichever is greater. Any unused paid sick leave balance will carry over year to year while continuously employed, up to the six (6) day or forty-eight (48) hour cap.

The use of sick leave so earned by part-time employees shall be subject to the provisions of this Resolution.

2. Part-Time Employees Regularly Scheduled Twenty (20) or More Hours per Week

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to accrue sick leave benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period.

The amount of sick leave so accrued shall be proportionate to that earned by full-time employees based on the number of hours worked by the part-time employee. The full-time sick leave accrual rate is 3.704 hours per payroll period. The use of accrued sick leave shall be subject to the provisions of this Resolution.

3. Sick leave is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay. There shall be no limit upon the number of hours of unused sick leave that may be accumulated by an employee. Upon separation of an employee, any sick leave balance for which payment has not been made shall be canceled and shall not be restored if a former employee is reinstated.Sick Leave Usage

Sick leave may be taken for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. Employees may take up to a maximum of twenty-four (24) hours of sick leave per year to care for an eligible family member (the employees' child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling). A certificate from an attending physician stating nature and extent of the family member's illness may be required in cases of suspected abuse of this provision.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

9.04 Sick Leave Notice and Certification

In order to receive compensation while absent on sick leave, employees or someone on their behalf shall notify the immediate supervisor prior to or within thirty (30) minutes before the time set for reporting to work. The City Manager or designee may waive this requirement upon presentation of a reasonable excuse by the employee. Employees shall file a personal affidavit or physician's certificate with their supervisor if required by the City Manager or designee for any use of sick leave.

After three (3) consecutive working days' absence, the supervising authority may require an appointment and/or physician's certificate. If employees become ill while on vacation, periods of illness may be charged to sick leave upon presentation of a physician's certificate certifying duration of illness. In cases of frequent use of sick

leave, employees may be requested to file physician's statements for each illness, regardless of duration, to the extent allowed by law.

A physician's certificate must include the name and signature of the attending physician, the date and time the employee was seen by the physician, and the physician's certification that the illness or injury was of such nature to prevent the employee from performing their job. Employees may also be required to take an examination by a physician designated by the City and to authorize consultation with their own physician concerning their illness.

Sick leave shall not be granted for absences caused by intoxication or excessive use of alcoholic beverages. As an exception to the foregoing, sick leave may be authorized for the treatment of alcoholism or substance abuse when such condition is diagnosed by a competent medical authority.

These same requirements may also be applied for family sick leave requests.

9.05 Payment for Unused Sick Leave

Any employee leaving employment of the City in good standing after having completed twenty (20) years of continuous public service, or upon retirement from the City for service or disability with at least (10) years of service, or upon termination of employment by reason of death, shall receive payment for a portion of that sick leave earned but unused at the time of separation.

The amount of payment for unused sick leave shall be based on the employee's accumulated unused sick leave balance at the time of separation (up to a maximum of 2400 hours), times the employee's hourly rate of pay at time of separation plus seven percent (7%), times the number of whole years of continuous service, times the percentage factor from the following table:

- 0% to 65% of maximum eligible sick leave accrual = 1%
- 65.01% or more of maximum eligible sick leave accrual = 1.15%, provided the employee has twenty-five (25) years of service. If the employee has less than twenty-five (25) years of service the payout percent will equal 1%.

For the purposes of this Section, the maximum eligible sick leave accrual will be calculated as the number of whole years of service times 96.2 sick leave hours. The following examples illustrate how sick leave payouts will be provided to employees under this Section:

Example 1. Employee A is retiring after 20.7 years of service. She has 1335.4 hours of unused sick leave at time of retirement. The maximum number of sick leave hours she could have accrued over the course of her employment with the City was 96.2 hours x 20 years = 1924.0 hours. Her total sick leave hours (1335.4) are equal to 69.4% of the total maximum eligible sick leave accrual ($1335.4 \div 1924.0 \times 100 = 69.4\%$). She did retain greater than 65% of her maximum eligible sick leave accrual, however, she does not have 25 years of service. Therefore, she is only eligible to

receive 1% of her unused sick leave balances for every whole year of service. Her hourly rate is \$42.35. Her sick leave payout hourly rate is $\$42.35 \times 1.07 = \45.31 . Her sick leave payout calculation is as follows:

$$1335.4 \text{ hours} \times \$45.31 \times 20 \text{ years} \times .01 = \$12,101.40$$

Example 2. Employee B is retiring after 30.2 years of service. He has 2457.8 hours of unused sick leave at time of retirement. The maximum number of sick leave hours he could have accrued over the course of his employment with the City was 96.2 hours x 30 years = 2886.0 hours. His total sick leave hours (2457.8) are equal to 85.2% of the total maximum eligible sick leave accrual ($2457.8 \div 2886.0 \times 100 = 85.2\%$). He retained greater than 65% of his maximum eligible sick leave accrual, and he has more than 25 years of experience. Therefore, he would be eligible for 1.15% of his unused sick leave balances for every year of service. His hourly rate is \$41.18. His sick leave payout hourly rate is $\$41.18 \times 1.07 = \44.06 . His sick leave payout calculation is as follows:

$$2400 \text{ hours (max allowed)} \times \$44.06 \times 30 \text{ years} \times .0115 = \$36,481.68$$

Payment of unused sick leave for part-time employees shall be determined using a pro-rated maximum accrual of sick leave hours and a pro-rated cap on the maximum number of hours that are subject to cash-out. The percentage applied for pro-rating shall be determined based on the average number of hours worked during the one (1) year period immediately preceding separation. For example, if the employee worked 1,040 hours during the year before separation, or the equivalent of 0.5 FTE, then the pro-rated maximum accrual will be 0.5×96.2 hours, or an annual accrual rate of 43.1 hours. The pro-rated cap for this same employee will be $0.5 \times 2,400$ hours or 1,200 hours.

That portion of an employee's sick leave balance for which payment is not provided shall be canceled and shall not be restored if said employee is reinstated.

Employees hired on or after April 1, 2012 shall not be eligible to receive any sick leave cash-out benefits under this Section.

9.06 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who is incapacitated by a catastrophic illness or injury. The intent of this program is to assist catastrophically ill or injured employees who have exhausted all available paid accruals to maintain a paid status for a maximum of one (1) year. Catastrophic injury or illness is defined as a medically certified, severe and disabling, non-industrial condition resulting in an employee's inability to work. Employees may submit requests to donate earned vacation and/or compensatory time on a voluntary basis subject to the conditions listed below.

- A. Employees initially eligible to receive leave contributions must have exhausted all other leave balances available including earned vacation, management leave, and earned sick leave.

- B. State and federal income tax on the value of leave donated shall be deducted from the recipient employee's pay at the time of crediting.
- C. Leave hours that are credited as sick leave to the recipient shall not be reversible.
- D. Hours requested to be donated shall be kept in a pledge status until used, shall be credited on a monthly basis as sick leave, and shall be subject to the provisions of this Resolution regarding the use and payment of same. Donations shall be credited in the following order:
 - 1. From donors whose vacation accruals are at or within sixteen (16) hours of the maximum allowed for their classification; then
 - 2. From other donors in random order, to be determined on a draw basis by the Human Resources Department.
 - 3. Donation requests shall be credited in the order specified above in subsequent month(s).
- E. Donated leave time shall be changed to its cash value and then credited to the recipient in equivalent hours at the recipient's straight time hourly rate of pay. Recipient employees shall not be credited with more than one-hundred percent (100%) of their normally scheduled hours for any given pay period.
- F. Donating employees may not reduce their balance of earned vacation below eighty (80) hours by reason of such donations.
- G. Recipient employees shall be credited with up to forty (40) hours of donated time upon return to work, provided that sufficient hours remain in pledge status during the pay period immediately preceding the return to work date. All undonated, pledged hours exceeding forty (40) shall be returned to the respective donor(s).
- H. In the event of the death of the recipient, the recipient's designated beneficiary shall receive payment for hours credited as donated. Hours remaining in pledge status are not subject to payout to the beneficiary and shall be returned to the donor(s).

This provision shall also allow the use and donation of catastrophic leave to employees who need paid time off to care of a catastrophically injured or ill dependent. The use of this leave is limited to a one (1) year period for establishment of any Catastrophic Injury/Illness Time Bank. Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who has a dependent who is incapacitated by a catastrophic illness or injury. A dependent is defined as a legal spouse, registered domestic partner, legal child under the age of 26, or legal child of a registered domestic partner under the age of 26.

An employee must provide a signed medical certification from the treating physician of the employee's dependent stating that the employee's dependent has a severe and

disabling injury or illness and indicating the amount of time the employee would need to be off to care for the dependent.

An employee shall not be credited with more than one-hundred percent (100%) of the employee's normally budgeted hours for any given pay period. In no event shall an employee receive donated paid leave in addition to any paid benefit provided to the employee for time off to care for the employee's dependent that will result in the employee receiving more than one-hundred percent (100%) of the employee's base salary for the pay period. Records of any paid benefit provided to the employee for time off to care for a dependent must be provided by the employee to Payroll for integration with catastrophic leave.

Employees can donate paid leave to an employee who has a dependent with a catastrophic injury/illness under the same terms and conditions as for an employee who has a catastrophic injury/illness.

Employees can utilize catastrophic leave for up to a one (1) year period. The period starts for the first day of use of catastrophic leave. For example, if catastrophic leave starts on July 1, 2010, it can only be used up until June 30, 2011. Leave can be taken on an intermittent basis if approved by the City Manager or designee but will not exceed catastrophic leave usage past the one (1) year leave period.

Any leave used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act/Pregnancy Disability Leave will count toward any state or federal leave entitlements. If an employee is unable to return to work and has exhausted all accrued leave entitlements, the employee may be retired for disability and/or separated.

10.00 MISCELLANEOUS LEAVES

10.01 Bereavement Leave

All full-time employees, other than temporary and provisional employees, shall be granted bereavement leave with pay for not more than three (3) workdays upon the occasion of the death of a close relative. When additional time is desired, employees may be allowed to take accumulated vacation leave or management leave as approved by the City Manager or designee. For the purpose of this Section, a close relative is defined as any relation of the employee, by blood or marriage, including registered domestic partners in accordance with Section 297.5 of the Family Code where one or more of the following conditions are present:

- A. The employee will be attending the funeral of the deceased.
- B. The employee is responsible for or involved with funeral arrangements and/or estate settlement for the deceased.
- C. The employee's relationship with the deceased was of a close and personal nature such that time is required by the employee to deal with their bereavement or to participate in memorial services, either religious or non-sectarian.

When requesting such leave, employees will be required to certify to the City Manager or designee the conditions for granting bereavement leave have been satisfied. Upon presentation of such a request, the City Manager or designee shall determine whether leave shall be granted and in what amount. Additional bereavement leave for two (2) workdays for travel purposes not to exceed a total of five (5) working days may be granted by the City Manager or designee when circumstances warrant the same.

Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted bereavement leave with pay as necessary on the same basis as full-time employees, except that they shall be compensated at the rate of one-half (1/2) of the bereavement leave allowance provided full-time employees.

All regular, full-time employees may take up to one (1) day off with pay to attend the funeral of a non-family member. Part-time employees who work a continuous schedule of twenty (20) or more hours per week may be granted this leave as necessary on the same basis as full-time employees, except that they shall be compensated at the rate of one-half (1/2) day.

The City's determination regarding whether or not to approve a request for one (1) day of leave to attend the funeral of a non-family member shall be final and shall not be subject to further dispute.

10.02 Jury Leave

An employee summoned to jury duty shall inform their supervisor and, if required to serve, may be absent from duty with full pay. Any jury fees received by an employee shall be remitted to the City, excluding mileage reimbursement.

10.03 Military Leave

Military Leave shall be granted in accordance with the provisions of state and/or federal law. All employees entitled to military leave shall give the City Manager an opportunity, within the limits of military requirements, to determine when such leave shall be taken.

10.04 Industrial Disability

For an employee injury or disability falling within the provisions of the state Workers' Compensation Disability Act, disability compensation at the rate allowed under said act shall be the basic remuneration during the employee's period of disability. Compensation under this Act will be provided through payroll or the City's third-party administrator. Employees may elect to use their own personal paid leave to supplement any workers' compensation benefits received. If any paid leave is used, the employee must contact Human Resources Department and integrate the leave with any temporary disability benefits paid under this Act so that compensation does not exceed 100% of an employee's regular pay.

10.05 Family and Medical Leave / California Family Rights Act

Employees may be eligible for leave under the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). The administration of any FMLA or CFRA leave provided for under this provision shall be in accordance with the provisions of the FMLA and the CFRA. Leave provided under this provision may run concurrently with other leaves provided under this Resolution as designated by the Human Resources Department. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.06 Pregnancy Disability Leave

Employees may be eligible for leave under the California Pregnancy Disability Leave Law (PDLL). The administration of any leave given under the PDLL shall be in accordance with the provisions of the PDLL. Leave provided under this provision may run concurrently with other leaves provided under this Resolution. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.07 Leave of Absence

The City Manager or designee, upon written request of a full-time employee, other than a temporary or provisional employee, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year. Consideration for granting leave will take into account the employee's previous time off, reason for request, business needs, etc.

Leaves hereby authorized shall include medical leaves, educational leaves, parental leaves, and leave for any other purpose promoting the good of the service. Part-time employees are eligible for leaves of absence on a pro-rata basis (e.g., half-time employees are eligible for one-half the leave of absence duration of a full-time employee, i.e., a maximum of six (6) months duration). Whenever granted, such leave shall be in writing and signed by the City Manager or designee. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time the leave was granted. Failure of the employee to report promptly at the expiration or within a reasonable time after notice to return to duty shall terminate the employee's right to be reinstated.

All eligible paid leaves must be exhausted during any leave granted under this provision. Should employees exhaust their leave balance while on a leave of absence, all remaining time will be without pay. If a Leave of Absence is used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the leave taken will count towards the state or federal leave entitlement. If an employee is unable to return to work and has exhausted all available leave entitlements, the employee may be retired for disability or separated. No benefits will be provided during this period except as provided below. Health coverage may be continued, but at the employee's own cost.

10.08 Parental Leave

Employees shall be granted forty (40) hours leave with pay at their current straight time hourly rate upon the birth of a child, or when a child begins residence with an employee who has commenced adoption proceedings with full intent to adopt. Part-time employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be granted proportionate leave based upon their work schedules. Leave must be taken within one (1) year from the date of birth or placement of the child.

In addition, a new parent may use up to one-hundred and twenty (120) hours of earned sick leave upon the birth of a child or when a child begins residence with an employee who has commenced adoption proceedings. Any leave granted under this provision shall run concurrently with FMLA/CFRA leave.

10.09 Management Leave

The City Council wishes to acknowledge the special public service rendered by the City's Executive and Exempt employees. In maintaining the City's efficiency and reputation, Executive and Exempt employees in this group work additional hours as required for appearances before the City Council, City Boards and Commissions, residents' groups, and intergovernmental bodies; for maintenance of essential services during emergencies; and for accomplishment of work assignments which often impose irregular hours and time expenditures far in excess of the conventional forty (40) hour workweek. Under such circumstances, these employees neither expect nor receive overtime pay. However, upon being regularly required to work throughout the year beyond the normal workweek, an employee shall be provided up to two (2) weeks' annual management leave. Upon request of an employee, the City Manager or designee may authorize additional management leave.

Employees may cash out up to eighty (80) hours of management leave each fiscal year.

Employees may cash out up to an additional forty (40) hours of management leave and/or vacation leave, for a total of one-hundred twenty (120) hours of leave, each fiscal year in no more than two (2) payments, at the employee's discretion, contingent on the employee using a minimum of eighty (80) hours' paid vacation and/or management leave in the twelve (12) months preceding the request and must have at least forty (40) hours of vacation and/or management leave remaining after the cash out.

Under no circumstances will an employee be permitted to cash out more than one-hundred twenty (120) hours of management leave or a combination of vacation and management leave each fiscal year.

All requests for cash out must be submitted through ESS by completing the Request for Management Leave/Vacation Leave Cash Out Form; requests must be processed and paid out on a paycheck date in the respective calendar year. For example, if a request is received for a pay period that ends in December of the respective year but

results in a paycheck the following calendar year, this request will not be processed as the payout must occur on a paycheck in the respective calendar year. Payout will be applied to a single bi-weekly payroll and employees will be responsible for all taxes associated with such payout.

11.00 MISCELLANEOUS PROVISIONS

11.01 Notification of Address

All employees, including those on a leave of absence, shall keep the Human Resources Director or designee informed as to their current home address at all times, no later than ten (10) days after such change of address.

11.02 Restrictions on Outside Work

Gainful employment outside an employee's regular City position shall be considered a privilege subject to regulation and not a right. No employee shall engage in a gainful occupation outside of the employee's City position which is incompatible with the employee's City employment or which is of such a nature as to interfere with satisfactory discharge of the employee's regular duties. Any employee who wishes to engage in or accept such employment may do so after having first obtained written approval of the City Manager or designee. Approval of outside employment will be granted for a period not to exceed one (1) year. Employees wishing to continue outside employment will need to re-apply for approval of outside work upon the expiration of the current approval. Violation of this Section shall be cause for disciplinary action.

11.03 Employee Health and Medical Examinations

When in the judgment of the City Manager or designee, an employee's health or physical condition may have an adverse effect on the performance of duties or affect the safety or health of fellow employees, the employee may be required to undergo a medical examination at City expense.

On the basis of authoritative medical advice, the City Manager shall determine whether an employee is physically incapacitated for the duties of the position and may take whatever action the City Manager deems appropriate. The determination and resultant action may be the subject of appeal to the Personnel Commission for its review and recommendation.

Those employees designated by the City Manager shall also undergo, at City expense, routine medical examinations. The frequency of these examinations and the examining physician shall also be designated by the City Manager.

11.04 Conversion of Compensatory Time

An employee promoted from another representation unit to a classification in the Unrepresented Executives, Management, City Manager, Human Resources, & City Attorney Employees Unit will be required at the time of promotion to redeem all accrued compensatory time at the straight time hourly rate immediately prior to promotion. As an exception to the foregoing, an employee may elect to have the compensatory time transferred to the Deferred Compensation Plan pursuant to Plan rules.

11.05 Americans with Disabilities Act (ADA)

The City recognizes its obligation under the law to meet with individual employees who allege a need for reasonable accommodation in the workplace because of a disability. The City will engage in the interactive process with qualified employees to determine if a reasonable accommodation is available. In the case of an employee with a disability, managers and supervisors may be informed of necessary restrictions on the work or duties of the employee and any agreed upon reasonable accommodations.

11.06 Potential Changes in Wages and Benefits

The City agrees that leave, holidays, fringe benefits, and annual across-the-board salary increases granted to Unrepresented Exempt and Non-Exempt employees will be equal to those granted to members of the Hayward Association of Management Employees.

11.07 Fire Chief Position

Section 5.00, Benefit Plans, Section 6.00, Salary Administration, and Section 11.06, Potential Changes in Wages and Benefits, of this Resolution detailing employee benefit plans and across-the-board salary increases shall not apply to the Fire Chief. Instead, the employee benefits (including health and retirement benefits) for the Fire Chief will be the same as those set forth in any collective bargaining agreement between the City and the Hayward Fire Chiefs Association. In addition, the Fire Chief will be eligible to receive certification pay for possessing and maintaining a valid emergency medical technician certification and/or paramedic certification under the same terms and conditions as such pay is provided to employees represented by the Hayward Fire Chiefs Association. Except as specifically provided in this Section, all other provisions of this Resolution shall apply to the Fire Chief.

This Section shall remain in effect until thereafter amended or rescinded by the City Council.

11.08 Police Chief Position

Section 5.00, Benefit Plans, Section 6.00, Salary Administration, and Section 11.06, Potential Changes in Wages and Benefits, of this Resolution shall not apply to the Police of Chief. Instead, employee benefits (including health and retirement benefits) for the Police Chief will be the same as those set forth in any collective bargaining

agreement between the City and the Hayward Police Officers Association. Moreover, based on satisfactory performance as determined by the City Manager, salary adjustments will be equivalent to those set forth in the collective bargaining agreement between the City of Hayward and the Hayward Police Officers Association. In addition, the Police Chief is eligible to participate in the Police Educational Incentive Program on the same terms as members of the Hayward Police Management Unit. Except as specifically provided in this Section, all other provisions of this Resolution shall apply to the Police Chief.

This Section shall remain in effect until thereafter amended or rescinded by the City Council.

11.09 Duration

This Resolution is intended to provide authorization for salaries, benefits, and other terms and conditions of employment beginning July 1, 2015 and until this Resolution is thereafter amended or rescinded by the City Council.