

**RESOLUTION NO. 24-4772**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, APPROVING AN UPDATED MURRIETA MANAGEMENT AND CONFIDENTIAL EMPLOYEES COMPENSATION PLAN**

**WHEREAS**, on October 15, 2019, the City of Murrieta (“City”) City Council adopted Resolution No. 19-4171, approving the Management and Confidential Employees Compensation Plan (the “Plan”) establishing the level of compensation and benefits for the City’s Management and Confidential Employees group (“M&C”), effective October 16, 2019; and

**WHEREAS**, on May 4, 2021, the City Council adopted Resolution No. 21-4392 approving amendments to the Plan; and

**WHEREAS**, on August 16, 2022, the City Council adopted Resolution 22-4606 authorizing updates to the benefits provided for in the Plan, although amendments were not incorporated into the Plan at that time; and

**WHEREAS**, the City’s City Council now desires to adopt an updated Plan to: i) incorporate updates approved by the City Council in 2022 pursuant to Resolution 22-4606; ii) make miscellaneous clean-ups and amendments to make the Plan current; and iii) provide for benefits recently authorized by the City Council to be effective July 2, 2024, including a 4% cost-of-living-adjustment, increasing the New Year’s Eve holiday from half a day to a full day, and increasing the annual leave cash out from 80 hours to 120 hours twice yearly.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the updated Management and Confidential Employees Compensation Plan attached hereto as Exhibit A is adopted and shall be effective July 2, 2024.

**Section 2.** This resolution shall be effective upon its adoption.

**PASSED, AND ADOPTED** this 2nd day of July 2024, by the City Council of the City of Murrieta, State of California.

\_\_\_\_\_  
Lori Stone, Mayor

ATTEST:

\_\_\_\_\_  
Cristal McDonald, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Tiffany Israel, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )  
CITY OF MURRIETA )

I, Cristal McDonald, City Clerk of the City of Murrieta, California, do hereby certify that the foregoing Resolution No. 24-4772 was duly adopted by the City Council of the City of Murrieta at the regular meeting thereof, held on the 2nd day of July, 2024, and was signed by the mayor of the said City, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Cristal McDonald, City Clerk

# **Exhibit A**

# **CITY OF MURRIETA**

## **MANAGEMENT AND CONFIDENTIAL EMPLOYEES**

### **COMPENSATION PLAN**



**UPDATED JULY 2, 2024**

**THE CITY OF MURRIETA  
MANAGEMENT AND CONFIDENTIAL EMPLOYEES  
COMPENSATION PLAN  
UPDATED JULY 2, 2024**

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## **SECTION 1.01 INTENT AND PURPOSE**

To maintain a distinct and separate procedure for establishing the compensation of Management and Confidential employees, the employees in these groups, as designated below, shall be compensated as set forth in this Compensation Plan (hereinafter referred to as the M&C PLAN). The City Manager shall meet periodically with each group to discuss the M&C PLAN. Employees in these groups may not be represented by any employee association which also represents employees who are not in these groups.

The City of Murrieta (hereinafter referred to as "CITY") recognizes the special responsibilities and demands placed upon its Management and Confidential employees. The CITY also notes the necessity to compensate these employees in order to maintain a high caliber of top leadership and administrative support. At the same time, the CITY expects certain levels of performance in return for compensation.

## **SECTION 1.02 IMPLEMENTATION**

This document constitutes a recommendation to be submitted to the City Council of the City of Murrieta. This M&C PLAN is of no force or effect unless or until adopted by the City Council. This M&C PLAN supersedes all prior compensation plans.

## **SECTION 1.03 EFFECTIVE DATE**

The updated M&C PLAN shall be effective July 2, 2024.

## **SECTION 1.04 CLASSIFICATIONS SUBJECT TO THE M&C PLAN**

The following positions are subject to the components of the M&C PLAN:

**Appointed:** Appointed by the City Council.

- City Manager

**Department Heads:** Employees in this group are “At Will”, hold an exempt status, and serve at the pleasure of the City Manager.

Administrative Services Director	Deputy City Manager
Assistant City Manager	Economic Development Director
City Clerk	Finance Director
Development Services Director	Fire Chief
Director of Municipal Services	Police Chief
Director of Public Works/City Engineer	

**Management:** Employees in this group are “At Will,” hold an exempt status, and serve at the pleasure of the City Manager.

Accountant	Engineering Manager
Accountant Trainee	Financial Analyst
Accounting Manager	Finance Manager
Accounting Supervisor	Fire Marshal
Administrative Manager	Fire Prevention Battalion Chief
Assistant City Clerk	Human Resources Analyst
Assistant Management Analyst	Human Resources Manager
Assistant to the City Manager	Information Technology Manager
Building and Safety Manager	Library Manager
Building Official	Management Analyst
Business Development Manager	Parks & Recreation Manager
City Engineer	Principal Civil Engineer
City Planner	Public Information Officer
Code Enforcement Manager	Public Safety Communications Manager
Community Services Manager	Records Manager
Deputy City Clerk	Risk Management Analyst
Deputy Director Development Services	Senior Accountant
Deputy Fire Chief	Senior Financial Analyst
Deputy Fire Marshal	Senior Human Resources Analyst
Deputy Library Director	Senior Management Analyst
Disaster Preparedness Coordinator	Senior Risk Management Analyst
Emergency Medical Services Nurse Coordinator	Senior Program Manager

**“At Will” Confidential Employees:** Employees in this group are “At Will” and hold a non-exempt status, can earn overtime, and serve at the pleasure of the City Manager. Employees in this group are designated as such by virtue of the fact that they are privy to information regarding employee/employer relations.

Accounting Technician, Payroll	Purchasing and Contracts Coordinator
Assistant Management Analyst	Risk Management Technician
Executive Assistant	Senior Executive Assistant
Human Resources Technician	

## **SECTION 1.06      AT-WILL EMPLOYMENT STATUS**

Notwithstanding any other provision of this M&C PLAN, the terms and conditions of employment for employees shall be as follows:

- A.** All newly hired Management and Confidential employees are "At Will" employees who serve at the will and pleasure of the City Manager. They may be discharged at any time for any reason, with or without cause, and with no rights of appeal.
- B.** All Department Heads, Managers, and Confidential staff hired or promoted into an "At-Will" position in the M&C PLAN after July 1, 2008, will serve at the pleasure of the City Manager. Prior to the appointment, written acknowledgment from the appointee agreeing that they understand the At-Will status will be obtained. Such employees may be terminated from service at any time without notice. "At Will" employees removed from service with the CITY shall be entitled to one (1) month's salary as Severance Pay for each year of employment with the CITY up to a maximum Severance Pay equal to six months' salary provided that the termination was not the result of a general lay-off. Employees will also be entitled to accrue up to 1000 hours of Annual Leave. Unused Annual Leave is paid out by the CITY upon termination of employment.

Salary ranges for Management and Confidential employees who hold the "At Will" status shall be set at 2.5% higher than for comparable positions whose incumbents do not hold the "At Will" status. Any Management or Confidential employee who was hired prior to July 1, 2008, may voluntarily agree to transfer to an "At will" status and will receive the 2.5% base pay increase. Additionally, they will be required to sign a written acknowledgment agreeing that they understand the "At Will" status, that they will serve at the pleasure of the City Manager, and that they may be terminated from service at any time without notice.

- C.** Employees covered by this document hired prior to July 1, 2008, are not considered "At Will" unless they have voluntarily agreed to transfer to "At Will" status. Confidential (not at-will) employees who are terminated through the *Skelly* process are not eligible to receive Severance Pay
- D.** Each employee serving a probation period shall, in accordance with CITY policies, receive a performance evaluation during his or her probationary period.



**SECTION 1.07 LEAVES - JURY, MILITARY, EDUCATION, ANNUAL, SICK, ADMINISTRATIVE, AND LEAVE OF ABSENCE.**

All applicable leave accruals, (i.e., Annual) unless otherwise specified in the M&C PLAN, are calculated and credited to each employee based upon an eight (8) hour work day. All leave hours taken shall be based upon the length of a given employee's work day (i.e., 8 hrs, 9 hrs, 10 hrs, 12 hrs) and charged against the applicable accrued leave balance. Partial day absences shall be charged against the employee's Annual, Holiday, Administrative or Sick Leave balances. In the event an exempt employee does not have sufficient time in his/her leave account to cover the absence, deductions without pay will be made on full days only.

**A. JURY LEAVE**

Employees who are called for jury service in any court in the State of California or in the United States shall be granted a paid leave of absence to serve as a juror.

An employee summoned to and serving on jury duty shall submit evidence of the summons to Human Resources and may be absent from duty with full pay. The employee shall be entitled to retain the mileage pay received for jury duty as partial or full reimbursement for the additional expenses associated with jury duty with no additional reimbursement by the CITY.

**B. MILITARY LEAVE**

Military leaves of absence shall be governed by the provisions of Sections 395 *et seq.* of the Military and Veterans Code.

**E. FAMILY ILLNESS LEAVE**

When employees need a leave of absence due to a family illness, said leave time shall be taken and paid from accrued Annual Leave.

NOTE: It is the intent of the CITY to comply fully with the Family and Medical Leave Act of 1993, the California Family Rights Act of 1995, and the California Pregnancy Disability Leave Law. Nothing in this M&C PLAN is intended to restrict employees' rights under these laws.

**F. BEREAVEMENT LEAVE**

1. **Immediate Family.** For purposes of determining Bereavement Leave, the term "immediate family" is defined as spouse, domestic partner, child, parent, sibling, and grandparents; the aforementioned either natural, legally adopted, step or in-law, or any person over whom the employee acts as legal guardian, or a verifiable current member of the employee's immediate household. The CITY and the Association further agree that the definition of immediate family shall include an exspouse if the employee is escorting

dependent children to the funeral of an ex-spouse who was the parent of the dependent child or children.

2. **Travel Less Than 300 Miles.** Upon the death of an immediate family member whose memorial/burial services occur within less than 300 miles from the CITY, an employee may use up to three (3) work shifts of paid Bereavement Leave not chargeable to any other leave and an additional two (2) work shifts of any other leave or of unpaid leave for a total of five (5) work shifts.
3. **Travel More Than 300 Miles.** Upon the death of an immediate family member whose memorial/burial services occur 300 miles or more from the CITY, an employee may use up to five (5) work shifts of paid Bereavement Leave not chargeable to any other leave.
4. **Other Terms and Conditions of Use.** Bereavement Leave must be completed within three (3) months of the immediate family member's death and may be intermittent leave and is not required to be used in consecutive amounts. Intermittent leave shall equate to the number of equivalent hours as constitute the employee's normal work shifts as of the date Bereavement Leave is first requested. Employees are required to provide documentation to the CITY of the immediate family member's death within thirty (30) days of the first day of use of Bereavement Leave. "Documentation" includes, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency. The CITY shall maintain the confidentiality of any employee requesting leave under this section. Any documentation provided to the CITY regarding this leave shall be maintained as confidential and shall not be disclosed except to internal personnel or counsel, as necessary, or as required by law.

**G. ANNUAL LEAVE**

1. Employees covered by the terms and conditions of this M&C PLAN shall accrue Annual Leave per the following schedule:

**Department Heads:**

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Maximum Accrual</u>
1 to 5 years	192 hours per year (24 days x 8 hrs)	1000 hours
6 to 10 years	232 hours per year (29 days x 8 hrs)	1000 hours
11+ years	272 hours per year (34 days x 8 hrs)	1000 hours

**Management & At-Will Confidential:**

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Maximum Accrual</u>
1 to 3 years	168 hours per year (21 days x 8 hrs)	1000 hours
4 to 6 years	192 hours per year (24 days x 8 hrs)	1000 hours
7 to 10 years	216 hours per year (27 days x 8 hrs)	1000 hours
11 to 15 years	232 hours per year (29 days x 8 hrs)	1000 hours
16+ years	272 hours per year (34 days x 8 hrs)	1000 hours

2. The maximum amount of scheduled Annual Leave time that may be taken shall be thirty (30) working days in a fiscal year. Additional Annual Leave for exceptional situations may be granted on a case-by-case basis by the City Manager.
3. Employees are encouraged to use their Annual Leave to rest, relax and spend time with loved ones periodically. A minimum of 80 hours of leave (Administrative, Annual, and/or Floating Holiday) must be used each fiscal year by the employee. The 80 hours can be taken in increments and does not have to be in a consecutive block of time.
4. Annual Leave may be accrued up to a maximum of six hundred and forty-four (644) hours for confidential employees who are not “at will” and one thousand (1,000) hours for “at will” employees. When the maximum amount is reached, the employee will no longer accrue additional Annual Leave. Annual Leave accruals will re-commence in the pay period in which Annual Leave is used and the balance is reduced below the maximum allowed. It is incumbent upon the employee to manage his or her accrued Annual Leave time off so as not to exceed the maximum accrual limit.
5. Earned and accrued Annual Leave may be taken before the completion of the first year of service with the approval of the City Manager or designee.
6. Holidays within Annual Leave period. Holidays falling within the scheduled leave period shall not be considered as part of an employee's vacation. Should a holiday be declared during an employee's Annual Leave period, an equivalent number of Holiday Leave hours will be used instead of Annual Leave. Illness occurring during a scheduled vacation period shall not be considered as unscheduled (sick) leave.
7. Unused Annual Leave. Any employee who is eligible for Annual Leave benefits and terminates his or her employment with the CITY will be paid for any unused Annual Leave hours.
8. Length of Annual Leave. Annual Leave in excess of eighty (80) consecutive hours will require the City Manager's approval.

9. When an employee is absent from work due to illness or a health related reason, said leave periods shall utilize Annual Leave with pay. In the event of absences due to illness or injury, the Department Head, in consultation with the Human Resources Director, may require a physician's statement indicating the employee's fitness to return to work
10. Twice each year, on the first payday in June and December, employees who have accrued at least 300 hours in their Annual Leave bank may request a cash payout of Annual Leave hours, but they must first irrevocably designate in writing the amount of leave to be cashed out in the calendar year preceding the cash-out and must accrue the amount to be cashed out after the designation. Cash-out is at the employee's rate of pay at the time paid. Finance will supply the irrevocable designation form upon request. Such requests shall be in writing to the Finance Department. This payment is taxable.

The maximum number of hours that can be cashed out in each sell-back period is 120 hours.

#### **H. SICK LEAVE ACCUMULATED PRIOR TO JULY 1, 1996.**

1. **ACTIVE EMPLOYEES:** All Sick Leave balances accumulated since the employee's date of hire up to and including the pay period ending July 6, 1996 are not added to Annual Leave, but are frozen and placed in a Sick Leave bank for the respective employee. This bank of prior Sick Leave shall remain for the employee's benefit and may be used for illnesses or injury resulting in an absence of one day or more. Employees may use Sick Leave hours in lieu of Annual Leave for any qualifying absence of 1 day or more.
2. **DEPARTING EMPLOYEES:** At the time of an employee's resignation, layoff, or retirement from the CITY, employees with continuous CITY employment of ten (10) years or more shall be eligible to receive payment for 50% of the unused Sick Leave in the Sick Leave bank at the employee's then rate of compensation. The remaining Sick Leave hours cannot be used for any purpose other than CalPERS service credit for employees who are retiring.

#### **I. ADMINISTRATIVE LEAVE**

Employees shall be granted Administrative Leave according to the following schedule:

Department Heads  
120 hours/year

Management  
80 hours/year

Beginning the first pay period following City Council adoption on October 15, 2019, employees will accrue a maximum of eighty (80) or one hundred twenty (120) hours of Administrative Leave per fiscal year, depending on their classification, and the leave will not be forfeited at the end of the fiscal year. Employees will begin accruing Administrative Leave at the rate of 3.0769 hours per pay period, up to a maximum of eighty (80) hours for Management Employees and 4.6153 hours per pay period, up to a maximum of one hundred twenty (120) hours for Department Heads. Employees separating from service with the CITY will be compensated for all hours on their balance.

Employees will be allowed to cash-out Administrative Leave one time each fiscal year, payable on the first payday in June, but they must first irrevocably designate in writing the amount of administrative leave to be cashed out in the calendar year preceding the cash-out and must accrue the amount to be cashed out after the designation. Cash-out is at the employee's rate of pay at the time paid. Finance will supply the irrevocable designation form upon request. Such requests shall be in writing to the Finance Department.

#### **J. COMPENSATORY TIME (COMP TIME)**

Employees who earn Compensatory Time in lieu of overtime may accrue such leave time up to a maximum of 80 hours at any given time.

Twice each year (in June and December), employees who have accrued compensatory hours may request to cash out all or a portion of these accrued hours. Requests must be made in writing to the Finance Department. The maximum cash-out in any year shall be eighty (80) hours.

#### **K. LEAVE OF ABSENCE**

It is the intent of the CITY to afford all rights of employment granted under State Workers' Compensation laws and State and Federal anti-discrimination laws. Furthermore, the CITY intends to comply fully with the Family Medical Leave Act of 1993, the California Family Rights Act of 1995, and the California Pregnancy Disability Leave Law. Nothing in this Compensation Plan is intended to restrict employees' rights under these laws.

Leave of Absence without Pay. An employee may be allowed a Leave of Absence without Pay. This can be initiated by a written request from the employee or a family representative if the employee is unable to make the request. The request shall be directed to the employee's Department Head, who will forward it with a written recommendation to the City Manager for review and approval. The City Manager's decision to approve or deny the request shall in all cases be final. The City Manager may grant an employee a Leave of Absence without Pay for a period not to exceed six (6) months. During such Leave of Absence without Pay, Annual

Leave, and Holiday Leave Bank credits will not accrue and the employee will be excluded from all other compensation and fringe benefits. However, the employee, at his or her discretion and cost, may take advantage of the C.O.B.R.A. program so that applicable benefits may continue.

During an approved Intermittent Leave of Absence without Pay, any time an employee works less than a full-time workweek, that period of time shall be counted towards the six-month limit of Leave Without Pay.

#### **L. WORKERS' COMPENSATION LEAVE:**

When an employee cannot work due to an accepted work-related injury, that employee shall receive Total Temporary Disability (TTD) benefits as provided by law. For sixty (60) workdays, the CITY shall pay the employee the difference between his/her regular base salary and the amount of the TTD payment. Any partial day off will count as a full day towards the sixty (60) days. Beyond the first 60 workdays of TTD, the employee shall have the option of using accumulated Annual Leave to supplement the TTD, provided that the combined amount received from TTD and the supplement does not exceed 100% of base salary.

During a pay period wherein an employee is supplementing his or her TTD with accrued Annual Leave, that employee will continue to accrue Annual Leave at their normal rate. This supplement shall be, at a minimum, equal to the employee's bi-weekly accrual rate.

### **SECTION 1.08 HOLIDAYS**

A. The approved CITY holidays shall be as follows:

1. January 1<sup>st</sup>, known as New Year's Day
2. Dr. Martin Luther King Holiday
3. The third Monday in February, known as "Presidents' Day"
4. The last Monday in May, known as "Memorial Day"
5. July 4<sup>th</sup>, known as "Independence Day"
6. The first Monday in September, known as "Labor Day"
7. November 11<sup>th</sup>, known as "Veterans' Day"
8. Thanksgiving Day
9. The day after Thanksgiving
10. December 24<sup>th</sup>, known as Christmas Eve
11. December 25<sup>th</sup>, known as Christmas Day
12. December 31<sup>st</sup>, known as New Year's Eve
13. Floating Holiday (may be used anytime during the year)

- B. Holiday Value: The hour value for each holiday shall be equivalent to the employee's authorized work schedule (e.g., If the holiday falls on a regularly scheduled eight (8) hour workday, the value of the holiday leave is eight (8) hours. If the holiday falls on a regularly scheduled nine (9) hour workday, the value of the holiday leave is nine (9) hours. If the holiday falls on a regularly scheduled ten (10) hour workday, the value of the holiday leave is ten (10) hours. If the holiday falls on a regularly scheduled twelve (12) hour workday, the value of the holiday leave is twelve (12) hours).
- C. Procedure if Holiday Falls on Saturday or Sunday: For Saturday holidays, facilities that are normally closed on Saturday will be closed to the public on the preceding Friday, with applicable City employees observing the holiday on Friday. Facilities normally open on Saturday will observe the holiday on the actual date (Saturday).

For Sunday holidays, facilities that are normally closed on Sunday will be closed to the public on the following Monday, with applicable City employees observing the holiday on Monday. Facilities normally open on Sunday will observe the holiday on the actual date (Sunday).

- D. Procedure for Work Schedule Changes: Should an employee's authorized work schedule (e.g., 5/8, 9/80, 4/10, or 3/12) be changed, resulting in a change in regular hours worked (e.g., 8, 9, 10, or 12), the hour value of holidays will be adjusted for any holidays remaining after the schedule change.
- E. Holiday Leave Bank

1. Employees will be provided holiday leave hours on the first payday in July. Employees on a 9/80 work schedule will receive one hundred seventeen (117) hours of holiday leave. Employees on a 4/10 work schedule will receive one hundred thirty (130) hours of holiday leave. Employees on a 3/12 work schedule will receive one hundred fifty (156) hours of holiday leave. Employees on a 5/8 work schedule will receive one hundred and four (104) hours of holiday leave. An employee's holiday leave bank shall be reduced by the number of hours taken for each holiday or observed holiday.
2. Employees are required to use holiday leave each time a CITY-authorized holiday or observed holiday falls on a day when the employee would normally be scheduled to work.
3. Holiday leave bank hours may be used only after the holiday or observed holiday has occurred unless the City Manager has granted an exception. The Floating Holiday may be used as paid leave at any time during the same fiscal year in which it was credited to the employee's holiday leave bank. Such time must be scheduled in advance and approved by the Department Head with consideration given to sufficient staff being available to continue the efficient operation of the department.

4. Holidays, excluding the Floating Holiday, occurring during a Leave without Pay are not earned or vested. An employee on leave without pay for the entire fiscal year will not earn the Floating Holiday for that same year. Unearned holiday hours will be deducted from the employee's Holiday leave Bank.
  5. Any Holiday leave Bank hours that are not used by the last day of the last full pay period in June shall be cashed out on the final payday in June.
- F. Employees Required to Work on Holiday: Employees who work on the actual or observed holidays listed in Section 1.08(A) shall not have their holiday bank hours reduced and shall be paid at the rate of time and one-half for all hours actually worked on those holidays if eligible for overtime. Employees who work a partial day, defined as fewer hours than the employee's normal workday, shall be paid at the rate of time and one-half for all hours actually worked on those holidays if eligible for overtime and shall have their holiday bank reduced by the number of hours necessary to cover the difference in the number of hours of their regular shift if any. Employees who work either an observed or actual holiday shall only be eligible for holiday pay on one (1) such date and shall only receive the holiday leave value for one holiday.
- G. Procedure if Holiday Falls on Regular Day Off: If an actual or observed holiday occurs on a day that is the employee's regular day off and the employee is not required to work (on either the actual or observed date), their holiday bank hours shall not be reduced. The employee can use the holiday leave hours at another time.
- H. Employees beginning employment during the fiscal year will start with a prorated Holiday Leave Bank. Hours will be credited in accordance with the employee's authorized work schedule for each City authorized holiday that has not yet occurred.
- I. Employees separating employment with the CITY during the fiscal year will receive payment for unused holiday leave only for holidays that have already occurred and been earned, including the Floating Holiday, if the employee has not yet used them. Payroll will audit the holiday leave bank and make adjustments on the final paycheck if necessary.

## **SECTION 1.09      SUBSTANCE ABUSE POLICY**

It is the responsibility of all affected employees to cooperate to protect lives, personal safety and property of co-workers and fellow citizens. All employees shall take all reasonable steps to accomplish these goals and to minimize potential dangers. Towards this goal, employees will follow the CITY'S Drug-Free Workplace Policy as described in the Employee Handbook.



## **SECTION 1.10      WORK SCHEDULES**

The City of Murrieta maintains an Alternative Work Schedule Policy that defines the standard workweek, the regular work schedule, and the alternative work schedules available to the classifications subject to this Compensation Plan.

## **SECTION 1.11      ON-CALL PROGRAM**

Due to the special requirements of public safety staffing, the CITY will establish an on-call program for the Public Safety Communications Manager. When assigned on-call by the Police Chief, the Public Safety Communications Manager will be compensated an additional 4% of base salary.

## **SECTION 2.0        COMPENSATION**

- A. Department Heads will be placed in a salary band. Placement or pay changes within the band are at the discretion of the City Manager.
- B. All classifications covered by the terms and conditions of this M&C PLAN shall receive the following Cost of Living Adjustment (COLA) to their base salary:
  - a. Four percent (4%) effective the first full pay period following City Council adoption of the Plan.
- C. At the discretion of the City Manager, the Fire Chief, Deputy Fire Chief and Fire Marshal may be eligible to perform mutual aid assignments. If and when the Fire Chief, Deputy Fire Chief and/or Fire Marshal are assigned to a mutual aid emergency incident, they will be compensated at their base hourly rate of pay for all hours worked, portal to portal, beginning at the time of dispatch until return to home base. When allowed by the terms of the governing mutual aid agreement, the Fire Chief, Deputy Fire Chief and/or Fire Marshal may be compensated at a rate of time and one-half the base hourly rate of pay for all hours worked, portal to portal, beginning at the time of dispatch until return to home base.

## **SECTION 2.1        457(b) DEFERRED COMPENSATION MATCH**

For those employees participating in a CITY-sponsored deferred compensation program, the CITY shall contribute a matching amount to the employee's account on a dollar-for-dollar basis up to a maximum amount as follows:

<u>Department Heads</u>	<u>Managers</u>	<u>Confidential Employees</u>
\$3,400 per calendar year	\$3,000 per calendar year	\$2,000 per calendar year

An employee must have physically worked during the calendar year in order to receive matching contributions from the City for that calendar year.

## **SECTION 2.2      401(a) RETIREMENT PLAN**

The CITY will establish and sponsor a 401(a) Retirement Plan for Department Heads. For those Department Heads enrolled in a CITY-sponsored 457 Deferred Compensation Plan, the CITY shall contribute to a 401(a) account an amount matching the employee's 457 contribution, not to exceed \$3,400. In no event shall the CITY's match exceed limits established by the Internal Revenue Service.

## **SECTION 2.3      LONGEVITY PAY**

- An employee will receive a 2.0% increase to their base salary at 15 years of continuous service to the City.
- An employee will receive an additional 3.0% increase to their base pay at 20 years of continuous service to the City.

## **SECTION 2.4      AUTO ALLOWANCE**

Department Heads, with the exception of the Fire Chief and Police Chief shall receive an Auto Allowance of \$300.00 per month. The Fire Chief and Police Chief will be provided with a vehicle for their use.

## **SECTION 2.5      UNIFORM ALLOWANCE**

The following classifications shall be entitled to a Uniform Allowance as specified:

- a. The Fire Chief, Deputy Fire Chief, Fire Marshal, and Deputy Fire Marshal shall be entitled to a Uniform Allowance of \$1,850 annually to be paid equally across all pay periods in the fiscal year.
- b. The Police Chief shall be entitled to a Uniform Allowance of \$1,850 annually to be paid equally across all pay periods in the fiscal year.
- c. The Public Safety Communications Manager shall be entitled to a Uniform Allowance of \$800 annually to be paid equally across all pay periods in the fiscal year.
- d. The Emergency Medical Services Nurse Coordinator shall be entitled to a Uniform Allowance of \$600 annually, paid equally across all pay periods in the fiscal year.

## **SECTION 2.6 SPANISH LANGUAGE PAY**

The CITY has established a bi-lingual program that provides an additional two and one-half percent (2.5%) of base pay for eligible employees who are fluent in the Spanish language. The CITY shall determine the number of employees to be eligible and shall be based upon the CITY's needs. To become qualified, an employee must be certified by the City Manager and/or their designee after the employee passes a verbal conversation examination established by the CITY.

## **SECTION 2.7 CELL PHONE ALLOWANCE AND REIMBURSEMENT**

All unit employees authorized/required to use a personal cell phone in the course and scope of performing their duties shall receive a cell phone allowance. Employees incurring cell phone expense/cost in excess of the per month allowance may submit receipts for reimbursement for amounts above the per month cell phone allowance. Cell phone allowances shall be as follows:

Department Heads  
\$60 per month

Managers/Confidential Employees  
\$40 per month

## **SECTION 2.8 TEMPORARY ASSIGNMENT PAY**

As a result of vacancies, leaves of absence, or other reasons, it may be necessary to temporarily reassign the duties of an authorized position to another employee. When such an assignment requires the employee to assume substantial additional duties which are outside the scope of the employee's regular assignment for a period in excess of fourteen (14) consecutive calendar days, the employee shall be entitled to a salary adjustment to reflect the new duties. The following shall apply in these instances:

- A. Approval required. Upon the recommendation of the Department Head and with the approval of the City Manager, an employee may temporarily be assigned to a higher level classification to perform duties provided that:
1. The higher-level position is vacant and is approved by the City Manager for new or continued staffing.
  2. The employee is called upon to perform a substantial amount of the duties of the higher-level position, and the duties for the higher-level position are outside the scope of the employee's current classification as determined by the City Manager and the Department Head.
  3. The vacancy is expected to continue for at least fourteen (14) consecutive calendar days but not longer than one (1) calendar year, and

4. The employee possesses the minimum qualifications to perform the work of the higher-level position.
- B. Salary. The employee in such a temporary assignment shall be entitled to a salary adjustment of approximately five (5) percent or the "A" step of the salary range of the higher-level position, whichever is greater, for the duration of the temporary assignment beyond the first fourteen (14) days. Such an assignment shall not extend beyond 180 calendar days without the approval of the City Manager.

## **SECTION 2.10 HEALTH INSURANCE BENEFITS**

**A. Medical Insurance.** The CITY shall provide funding for medical and related expenditures as follows: The CITY is a contracting agency for participation in the Public Employees' Medical and Hospital Care Act (PEMHCA). Government Code §22892 provides for the Minimum Employer Contribution (MEC) to allow enrollment in PEMHCA.

Effective January 1, 2024, the CITY Minimum Employer Contribution will be \$157 per month.

Effective January 1, 2025, the CITY Minimum Employer Contribution will be \$158 per month.

The employer contribution shall be adjusted annually as required by Government Code Section 22892.

The CITY shall fund a Section 125 Cafeteria Plan on behalf of each employee in the following amounts, which includes the MEC:

- Effective January 1, 2024, the monthly health contribution shall be \$1,747.83.

\$833.43 of the monthly Cafeteria Plan health contribution may be utilized only for medical insurance premiums. The remaining amount may be used for other allowable Cafeteria Plan expenditures, such as medical premiums, Flexible Spending Account contributions, Dependent Care FSA, or taken as a taxable cash payment (limited to the following provisions).

### Taxable Cash Payment (cash-in-lieu of health care):

- Employees hired on or before September 30, 2019, who elected and received cash-in-lieu for Plan Year 2019 (Tier 1) shall be allowed to maintain the benefit in effect at the time (up to \$688.28). Should such an employee reduce or eliminate the cash-in-lieu benefit amount in future years, such election will be final (i.e., it cannot be increased or reinstated in the future, though the employee can elect to reduce the benefit further until it is eliminated).

- Any employee hired on or before September 30, 2019, who did not elect cash-in-lieu for Plan Year 2019 shall not be eligible for the cash-in-lieu benefit.
- New employees hired on or after October 1, 2019, shall not be eligible to receive the cash-in-lieu benefit.
- Any Department Head hired on or before October 1, 2019, who did not elect to receive the cash-in-lieu benefit in effect at the time shall be eligible to receive an additional \$100 health contribution per month. The additional \$100 may only be utilized to pay for medical insurance premiums, increasing the health contribution portion that may only be used for medical insurance premiums from \$833.43 to \$933.43.

**B. Dental and Orthodontic:** The CITY agrees to provide a dental and orthodontic benefit plan. The CITY also agrees to pay the monthly premiums for each employee and the employee's dependents.

**C. Vision Plan:** The CITY agrees to provide a vision plan for all employees and their dependents. The cost of this plan shall be borne by the CITY.

## **SECTION 2.11 RETIREE MEDICAL**

1. **Employees hired prior to January 1, 2008** – Eligible retirees who are enrolled in a CalPERS medical plan shall receive the monthly minimum mandated employer contribution to participate in PEMHCA (\$133.00 per month for calendar year 2018) and a \$700.43 monthly contribution to a Retirement Health Savings Plan (RHS). The RHS is a trust created for government agencies to pay and fund post retirement employee benefits. The total monthly expenditure for pre-January 1, 2008 employees who thereafter retire, shall remain fixed at a maximum \$833.43 (consisting of the minimum mandated contribution to participate in PEMHCA, as from time to time exists, and the RHS contribution for the rest of the retiree's life.
2. **Employees hired on or after January 1, 2008 through July 14, 2014 (10 complete years of CITY service)** – Employees hired on and after January 1, 2008 and before July 15, 2014 and who thereafter retire from CITY service with a minimum ten (10) complete years of service with the CITY, and who are enrolled in a CalPERS medical insurance plan shall receive CITY-funded medical insurance for the retiree and eligible dependents, in an amount not to exceed \$360.00 per month up to the date of eligibility to receive Medicare. The \$360.00 maximum amount is computed by adding the minimum payment mandated from time to time by the Act, to a RHS contribution, which shall when totaled, equal \$360.00 per month. Upon employee eligibility for Medicare, the CITY contribution to medical insurance shall be in the minimum mandated amount for employer contributions to participate in PEMHCA.

3. **Employees hired on or after January 1, 2008 through July 14, 2014 (less than 10 complete years of CITY service)** - For those employees hired on or after January 1, 2008 who then retire from CITY service with less than ten (10) full years of CITY service and who are enrolled in a CalPERS medical insurance plan, the CITY medical insurance contribution shall be equivalent to the minimum mandated employer contribution to participate in PEMHCA
4. **Employees hired on or after July 15, 2014** who retire from City service and are enrolled in a CalPERS medical insurance plan, are eligible to receive only the PEMHCA minimum mandated contribution required to participate in PEMHCA.

#### **SECTION 2.12 LIFE INSURANCE:**

The CITY agrees to provide a life insurance policy in the amount of \$50,000 for Confidential employees. The policy for Managers and Department Heads shall be equal to one year of base salary, not to exceed \$300,000. The policy amount for the CITY Manager shall be as provided for in the employment contract. The CITY shall select the insurance company. The CITY shall pay all monthly premiums. When available through the CITY, employees may purchase additional life insurance at their own cost.

#### **SECTION 2.13 LONG TERM DISABILITY:**

The CITY agrees to provide long term disability insurance. The CITY shall pay the full monthly premium for this insurance.

#### **SECTION 2.14 SHORT TERM DISABILITY:**

The CITY agrees to provide short-term disability insurance. The CITY shall pay the full premium for this insurance.

#### **SECTION 2.15 PUBLIC EMPLOYEES RETIREMENT SYSTEM:**

1. **Employees hired prior to December 30, 2012:** Effective July 1, 2007, the CITY amended its CalPERS retirement contract to provide Section 21354.2 (2.7% at Age 55 Retirement Benefit Formula, One-Year Final Compensation) for employees. The CITY shall pay the full employer cost for this benefit. The employee rate will be eight percent (8%). Effective September 9, 2012, employees will pay the entire eight percent (8%) of the employee portion of the CalPERS retirement contribution.

2. **Employees hired on or after December 30, 2012:** Effective December 30, 2012, the CITY amended its CalPERS retirement contract in accordance with Section 21353 of the Public Employees' Retirement Law, to provide a 2% at age 60 (Three-Year Final Compensation) retirement benefit formula for employees hired on or after December 30, 2012. Effective January 1, 2013, this benefit only applies to employees hired who are by CalPERS definition a "Classic member". The term Classic member is an individual who entered into membership with CalPERS or reciprocal retirement system on or before December 31, 2012, and who do not meet the definition of a "New member" in Government Code (GC) Section 7522.04(f). Employees who receive this retirement benefit formula will pay the entire seven percent (7%) of the employee portion of the CalPERS retirement contribution.
  
3. Effective January 1, 2013, under the Public Employee's Pension Reform Act of 2013 (PEPRA) the CITY will provide a 2% at age 62 (Three-Year Final Compensation) retirement benefit formula for employees hired as a "New Member" on or after January 1, 2013. CalPERS definition of a New Member means any of the following: 1. An individual who becomes a member of CalPERS for the first time on or after January 1, 2013. 2. An individual who is not subject to reciprocity (under GC 7522.02(c)). 3. An individual who was an active member of CalPERS or reciprocal retirement system and who, after a break in service of more than six months, returned to active membership in that system with a new employer. A New member will pay 50% of the normal cost rate for their defined benefit plan which was six and one-half percent (6.5%) as of January 1, 2013.

The Police Chief's retirement benefit formulas will be consistent with the Police Management MOU. The Fire Chief's retirement benefit formulas will be consistent with the Fire Management MOU.

- I. **PERS 1959 Survivor Benefit:** Effective November 7, 2004, the CITY provided the PERS Fourth Level 1959 Survivor Benefit to employees. The CITY pays the employer's administrative costs for said benefit and the employee shall pay his or her share of the monthly cost for said program.
  
- J. **Military Service Credit:** The CITY amended its contract with the California Public Employees Retirement System on November 7, 2004, to provide Military Service Credit as Public Service (PERS §21024). Under this amendment, employees must pay the costs of purchasing their service credit.

## **SECTION 2.16 TUITION REIMBURSEMENT PROGRAM**

After twelve (12) months of full-time employment with the CITY, regular full-time employees shall be eligible to receive financial assistance for approved courses completed at an accredited educational institution. Reimbursement will be made provided pre-approval is obtained; courses are satisfactorily completed; appropriate proof of successful completion is submitted to Human Resources; courses of instruction will

enable the employee to perform their present duties more effectively or will prepare them for future opportunities into which they could reasonably expect promotion or transfer to at the CITY; the hours of instruction for the course do not conflict with the employee's regularly scheduled work day; and reimbursement is limited to a maximum of two courses per semester or quarter.

When the above conditions are met, tuition reimbursement may be used to complete a college degree or a certificate/professional accreditation program.

The maximum reimbursement amount shall be \$3,500 per employee per fiscal year with a \$14,000 lifetime cap.

**Repayment of Tuition Reimbursement:**

Employees must pay back a pro-rated amount of the tuition reimbursement received if the employee voluntarily separates from employment with the City within three (3) years of receiving such reimbursement. The repayment amount shall equal the remaining pro-rated portion of the compensation received. For example, an employee would be required to pay back half (1/2) of the compensation received if the employee voluntarily separates 18 months after receiving tuition reimbursement. The repayment may be deducted from the employee's final check or leave cash-out with the written agreement of the employee.

**SECTION 2.17      OTHER ITEMS**

Items not specifically addressed in the M&C PLAN shall continue to be addressed in Personnel Resolution No. 91-64, the Employee Relations Resolution No. 93-214, or the City Manager's employment contract. In the case of at-will employees with employment contracts, specific provisions in those contracts will supersede language in this document. Additionally, if there are any areas of conflict between the M&C PLAN and the City Managers' contract, the City Manager contract provisions will prevail.