

# Salary and Benefits Resolution

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*for*

***UNREPRESENTED EMPLOYEES***

**Effective July 1, 2015**

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**APPENDIX B. Employee Status**

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## **1.00 COMPOSITION**

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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**

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### **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 acknowledge 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 the 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 the 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 on a 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 the initial probationary appointment.

## **3.00 LAYOFFS, RESIGNATIONS & TERMINATIONS**

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### **3.01 Layoffs**

Whenever there is a lack of work or a lack of funds requiring a 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 a 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 to 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**

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### **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, including the following, observed annually:

- During the calendar week in which the Thanksgiving holiday is observed
- 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.
- Cesar Chavez Day, March 31<sup>st</sup> (observed the following Monday if holiday falls on a Monday; observed the preceding Friday if holiday falls on a Saturday)

If the City exercises the right to implement business closures, 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.

Employees eligible to receive overtime compensation, as determined under the provisions of the Fair Labor Standards Act (FLSA), shall receive overtime for work performed over forty (40) hours per workweek at 1.5 times the employee's regular rate of pay. All hours paid shall be counted toward the forty (40) hour threshold for purposes of determining if an employee is entitled to receive overtime compensation.

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 2025-2026 Furlough Obligation**

##### **A. Executive Classification Furlough**

Between November 3, 2025, and June 28, 2026, all executive classifications, will take the approximate equivalent of a four percent (4%) reduction in annual salary costs through a furlough obligation. The approximate equivalent is eighty-three and two-tenths (83.2) furlough hours.

##### Furlough Hours

An employee required to furlough will be allowed to meet their furlough obligation through time off of their choosing, provided the requests for time off are approved in advance by the employee's supervisor. Supervisors will be encouraged to approve the use of such requests unless operational necessity precludes approval.



Employees must first meet their furlough obligation prior to taking accrued vacation or compensatory time off.

An employee must submit their request for the use of floating furlough hours in accordance with their regular time-off request practice. Furlough hours must be taken within fiscal year 2025-2026, no later than the pay period ending June 28, 2026. Absent such a timely request, the employee's supervisor can unilaterally schedule the furlough hours to be taken by the employee.

In the event of a dispute regarding the approval of furlough hours, their supervisor shall forward the reason for denial to the City Manager for review, whose decision shall be final.

### **Furlough Payback**

In order to mitigate the financial impact of the Furlough Program on employees, employees will spread the payback of the furlough obligation over the remaining 17 pay periods in FY 2025-26 between November 3, 2025, and June 28, 2026. The furlough obligation spread over FY 2025-26 shall have approximately four and eighty-nine hundredths (4.89) hours of paid time deducted from each full-time employees' paycheck beginning the pay period including November 3, 2025, and ending with the pay period including June 28, 2026.

Any employee who leaves City employment prior to completely reimbursing the City for the furlough hours taken will have any remaining prorated balance of owed furlough payback hours deducted from their final paycheck.

### **Exceptions to Furlough Obligation**

Any new employees or employees returning from an unpaid status will have a furlough obligation based on the number of pay periods remaining in FY 2025-26. Any employee paid under Workers' Compensation will not be expected to participate in the Furlough Program until they have returned to work. At that time, a determination will be made to calculate the employee's furlough obligation on a pro-rated basis, based on the number of pay periods remaining in the furlough payback period.

#### **B. Non-Executive Classification Furlough**

Between November 17, 2025, and June 28, 2026, all non-executive classifications will take the approximate equivalent of a three-and-one-half percent (3.5%) reduction in annual salary costs through a furlough obligation. The approximate equivalent is seventy-two and eight-tenths (72.8) furlough hours.

### **Furlough Hours**

An employee required to furlough will be allowed to meet their furlough obligation through time off of their choosing, provided the requests for time off are approved in advance by the employee's supervisor. Supervisors will be encouraged to approve the use of such requests unless operational necessity precludes approval.

Employees must first meet their furlough obligation prior to taking accrued vacation or compensatory time off.

An employee must submit their request for the use of floating furlough hours in accordance with their regular time-off request practice. Furlough hours must be taken within fiscal year 2025-2026, no later than the pay period ending June 28, 2026. Absent such a timely request, the employee's supervisor can unilaterally schedule the furlough hours to be taken by the employee.

In the event of a dispute regarding the approval of furlough hours, their supervisor shall forward the reason for denial to the City Manager for review, whose decision shall be final.

### **Furlough Payback**

In order to mitigate the financial impact of the Furlough Program on employees, non-executive employees will spread the payback of the furlough obligation over the remaining 16 pay periods in FY 2025-26 between November 17, 2025, and June 28, 2026. The furlough obligation spread over FY 2025-26 shall have approximately four and fifty-five hundredths (4.55) hours of paid time deducted from each full-time employees' paycheck beginning the pay period including November 17, 2025, and ending with the pay period including June 28, 2026.

Any employee who leaves City employment prior to completely reimbursing the City for the furlough hours taken will have any remaining prorated balance of owed furlough payback hours deducted from their final paycheck.

### **Exceptions to Furlough Obligation**

Any new employees or employees returning from an unpaid status will have a furlough obligation based on the number of pay periods remaining in FY 2025-26. Any employee paid under Workers' Compensation will not be expected to participate in the Furlough Program until they have returned to work. At that time, a determination will be made to calculate the employee's furlough obligation on a pro-rated basis, based on the number of pay periods remaining in the furlough payback period.

## **5.00 BENEFIT PLANS**

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### **5.01 Medical Insurance**

The City currently contracts with the California Public Employees' Retirement System (CalPERS) 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 CalPERS may change carriers and plans, the City shall not be required to provide 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 CalPERS 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 (125 Plan) for each full-time employee in regular or probationary status who is enrolled in one of the CalPERS medical insurance plans offered by the City.

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 CalPERS 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 125 Plan account shall be used only for payment of those benefits that are available through the City's 125 Plan. The City will not treat any contributions made to the 125 Plan as compensation subject to income tax withholding unless the Internal Revenue Service (IRS) and/or California Franchise Tax Board (FTB) 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 125 Plan 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 125 Plan 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 125 Plan 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 (1<sup>st</sup>) 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 IRS and the FTB 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 – Three hundred and ten dollars (\$310.00) per month

Employee and one (1) dependent – Four hundred and eighty dollars (\$480.00) per month

Employee and two plus (2+) dependents—Six hundred dollars (\$600.00) 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 alternate 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 alternate benefit. The amount of any alternate benefit shall be equal to the amount of savings to the City for enrollment of the employee as a dependent, up to a maximum alternate benefit of one hundred and fifty dollars (\$150.00) per month.

**SALARY AND BENEFITS RESOLUTION FOR  
UNREPRESENTED MANAGEMENT EMPLOYEES**

The following examples illustrate how alternate 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 five hundred dollars (\$500.00) per month

Employee and one (1) dependent – total cost of one thousand dollars (\$1,000.00) per month

Employee and two (2) or more dependents – total cost of fourteen hundred dollars (\$1,400.00) 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 one thousand dollars (\$1,000.00) 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 five hundred dollars (\$500.00) per month for each employee (or a total of one thousand dollars (\$1,000.00) 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 alternate 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 one thousand four hundred dollars (\$1,400.00) 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 five hundred dollars (\$500.00)), and Employee A's participation was modified to the Employee +1 (City cost of one thousand dollars (\$1,000.00)), the City's total cost for providing benefits to both employees would increase from one thousand four hundred dollars (\$1,400.00) to one thousand five hundred dollars (\$1,500.00) per month. Since the City realizes a one hundred dollars (\$100.00) savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternate benefit. The amount of this alternate benefit will be one hundred dollars (\$100.00) 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 one thousand four hundred dollars (\$1,400.00) 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 five hundred dollars (\$500.00)), and Employee A continued to participate in Employee +2 or more benefits with the two children as dependents (City cost of one thousand four hundred dollars (\$1,400.00)), the City's costs for providing

benefits to both employees would increase from one thousand four hundred dollars (\$1,400.00) to one thousand nine hundred dollars (\$1,900.00) per month. Since the City realizes a five hundred dollars (\$500.00) savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternate benefit. The amount of this alternate benefit will be one hundred fifty dollars (\$150.00) per month (the maximum alternate benefit available to employees enrolled as dependents of another employee).

- C. Enrollment in alternate benefits must be elected each year during open enrollment. Benefit eligibility and alternate 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 two hundred thirty-seven dollars and thirty-one cents (\$237.31), less the amount provided for under Section 5.01, Medical Insurance, above. This supplemental benefit is provided in the form of a monthly cash payment to the retiree. 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 Lincoln Financial; or any other such successor program which provides benefits comparable to those available under the Lincoln Financial policy. This program shall provide short-term disability benefits based upon two-thirds (2/3) of an employee's current gross salary, up to two thousand seven hundred sixty nine dollars (\$2,769.00)/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 twelve thousand dollars (\$12,000.00)/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 fifteen dollars (\$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 Benefits for Domestic Partners**

The City agrees to provide medical, dental, and vision plan insurance coverage to registered domestic partners of City employees as defined under PEMHCA who are otherwise without such benefit coverage and who register accordingly with the Secretary of State as prescribed by CalPERS.

## **5.11 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 full-time equivalent (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 twenty (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 (1<sup>st</sup>) 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 125 Plan on the same basis as for full-time employees.

## **5.12 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.

## **5.13 Defined Benefit Retirement Program**

The City will continue to contract with CalPERS to provide a retirement program for employees. Benefits shall include:

1. CalPERS Retirement Benefit Formula:
  - b. Classic Members: 2.5% at 55
  - c. 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. Five hundred dollar (\$500.00) Retired Death Benefit
7. Two percent (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.

An employee, who is not eligible for enrollment in CalPERS 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.

#### **5.14 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 IRS.

#### **5.15 Additional Employee CalPERS Contributions**

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

Effective the pay period including July 1, 2017, Executive employees shall contribute a total of five percent (5%) of their salaries to CalPERS as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees (employer-cost share).

#### **5.16 Health and Wellness Reimbursement**

The City will reimburse full-time Exempt and Non-Exempt employees a maximum of up to six hundred dollars (\$600.00) annually and Executive employees a maximum of up to one thousand and two hundred dollars (\$1,200.00) annually for expenses associated with health and wellness equipment or programs to support the employee's health and wellness.

This reimbursement may be used for 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), and fitness equipment such as (treadmills, stationary cycles, bike stands (to convert a road bike to a stationary cycle), non-motorized bicycles (excluding any road bicycles or scooters that have motors or batteries), full-body strength training equipment, in-house fitness systems, stair climbing machines, elliptical machines, rowing machines, cross-country ski machines, weights, gloves, or exercise mats (or similar), wearable fitness trackers (such as Fitbit etc.), associated parts for equipment previously reimbursed by the City under this provision, or other health and wellness related expenses. Employees may

not seek reimbursement for apparel, sneakers, or recreational equipment under this program.

*Reimbursement of Recurring Fees and Expenses.* The City will reimburse full-time Exempt or Non-Exempt employees up to fifty dollars (\$50.00) and full-time Executive employees up to one-hundred dollars (\$100.00) per month for expenses associated with health and wellness programs.

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.

*Reimbursement of Non-Recurring Fees and Expenses.* For non-recurring health and wellness expenses, the City will reimburse Exempt and Non-Exempt full-time employees up to six hundred dollars (\$600.00) and Executive full-time employees up to one thousand two hundred dollars (\$1,200.00) for purchases made during that fiscal year. Requests for reimbursement of non-recurring health and wellness related expenses must be submitted in writing and accompanied by receipts and proof of purchase within forty-five (45) days of the date of the receipt. Purchases made through June 30 of a fiscal year shall be deducted from an employee's available health and wellness funds for that fiscal year.

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.

The Health and Wellness benefit provided by the City of Hayward is subject to the Internal Revenue Service IRC Section 106.

## **5.17 Professional Development Reimbursement**

The City agrees to reimburse all employees except for the classification of Chief Economic Development Officer and Executive classifications 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 or designee and final approval of the City Manager or designee.

The City will reimburse Unrepresented Exempt and Non-Exempt employees up to five-hundred dollars (\$500.00) 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.

## **5.18 Educational Reimbursement**

During the course of this Salary and Benefits Resolution the City shall maintain a fund to provide resources for management employees to pursue educational opportunities and enhancements. Initial funding shall be five thousand dollars (\$5,000.00) per fiscal year. At the end of each fiscal year of this Salary and Benefits Resolution the City shall review the educational reimbursement account to determine if the current funding is adequate. In the event funding for the account is not adequate, the City shall meet with the employees covered under this Salary and Benefits Resolution to discuss funding adjustments.

### **A. Eligibility**

1. Any full-time, permanent employee with at least three (3) months of service may apply. Employees in a temporary, provisional, or part-time status are not eligible.

### **B. Required Qualifications**

Employees may request reimbursement for:

1. Attendance at a school of recognized educational standing, including correspondence schools.
2. Subjects and/or professional licenses must relate directly to the employee's present job or to a reasonably predictable future job with the City.
3. Other expenses may be considered as they directly apply to educational reimbursement, including but not limited to required textbooks, lab materials, and certification fees.

### **C. Procedures**

1. Prior to enrolling in a class or otherwise incurring an expense from the educational reimbursement fund, the employee shall submit a completed Application for Educational Reimbursement to the Human

Resources Department for preliminary review. The Human Resources Department will review the application and notify the employee's immediate supervisor and/or the affected Department Director as necessary. The Human Resources Department shall then inform the employee if the employee's application for reimbursement is approved or denied. If denied, the Director of Human Resources or designee shall provide the rationale in writing to the employee within seven (7) days. Appeals of denials of educational reimbursement under this Section may be made to the City Manager or designee.

2. If employees are required to engage in study of subjects that are required for the position, and are so directed by the City, the entire tuition, and other specifically approved expenses, will be considered training and development and paid by the department rather than covered under this Section.

A maximum of one thousand dollars (\$1,000.00) will be available to an employee applying for reimbursement each fiscal year for the remainder of the term of this Salary and Benefits Resolution. Such reimbursement is available only through the Human Resources Department, and as outlined in Administrative Rule 2.5 which may be periodically revised.

## **5.19 Personal Equipment Stipend**

The City agrees to provide a stipend to all Executive classifications and the Chief Economic Development Officer classification for the use of personal equipment in the performance of their work. This stipend may be used at the discretion of the 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.

Executive employees shall receive this stipend as a one-time lump-sum payment of \$4,200 annually or in installments of three-hundred and fifty dollars (\$350.00) per month paid equally over twenty-six (26) pay periods.

## **5.20 Cellular Phone Stipend**

Effective July 1, 2018, All employees except the Chief Economic Development Officer and Executive classifications shall receive a cellular phone stipend of one-hundred dollars (\$100.00) per month in equal installments over twenty-six (26) pay periods.

# **6.00 SALARY ADMINISTRATION**

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## **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 <b>b</b> B.....	Six (6) months
B <b>b</b> C.....	Six (6) months
C <b>b</b> D.....	One (1) year
D <b>b</b> E.....	One and one-half (1.5) years

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 based on 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 employee 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 (\$30.00) 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 (\$70.00) of bilingual pay, for a total of one-hundred dollars (\$100.00) 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**

All classifications determined to be three percent (3.0%) or more below the total compensation median for the jurisdictions surveyed as part of the equity studies shall receive a one-time equity adjustment that brings them to the total compensation median. This adjustment shall go into effect the pay period including July 1, 2024.

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**

Cost-of-Living (COLA) adjustments shall be made as follows:

Executives	Exempt/Non-Exempt
Four percent (4%) effective the pay period that includes October 1, 2024	Five percent (5%) effective the pay period including October 1, 2024.
Four percent (4%) effective the pay period including July 1, 2025.	Four percent (4%) effective the pay period including July 1, 2025.
Four percent (4%) effective the pay period including July 1, 2026.	Three percent (3%) effective the pay period including July 1, 2026.

## **6.16 Salary Survey**

A total compensation equity study for all Unrepresented classifications shall be completed no later than December 1, 2026.

The following jurisdictions will be included in the survey: City of Alameda, City of Berkeley, City of Daly City, City of Fremont, City of Palo Alto, City of Redwood City, City of Sunnyvale, City of San Leandro, City of Santa Clara, and City of San Mateo.

The salary survey shall include the monthly base salary and all employee costs paid by the respective agencies. Employee costs include, but are not limited to, employer contributions to medical, dental, vision, and life insurance, as well as long-term disability, short-term disability, deferred compensation, retirement contributions, and phone, car, and uniform allowances.

The bidding and selection process for a survey provider will begin in approximately February 2026.

## **6.17 Longevity Pay**

For purposes of this section only, and unless otherwise specified for Police Chief and Fire Chief all Unrepresented classifications except for Executive classifications are eligible for longevity pay with the City that is contiguous to an employee's most recent hire date by the City shall be considered for the purpose of calculating continuous service and eligibility for longevity pay.

An employee with fifteen (15) or more years of continuous service with the City shall receive longevity pay of two and a half percent (2.5%) above their base salary.

An employee with twenty (20) or more years of continuous service with the City shall receive additional longevity pay of two and a half percent (2.5%) for a total of five percent (5.0%) above their base salary.

An employee with twenty-five (25) or more years of continuous service with the City shall receive additional longevity pay of two and a half percent (2.5%) for a total of seven- and one-half percent (7.5%) above their base salary.

In no case shall an employee receive more than a total of seven- and one-half percent (7.5%) above their base salary on account of longevity pay.

This benefit shall be implemented effective the pay period including July 1, 2024, for all then-current bargaining unit employees who meet the above years of service thresholds. Going forward, longevity pay shall be implemented the first full pay period following the employee's anniversary date that triggers eligibility for such pay. Longevity pay shall be payable on employees' regular paychecks.

This Longevity Pay shall be reported to CalPERS as Longevity Pay Incentive Pay. The Parties acknowledge that CalPERS makes all final determinations as to the pensionability of any differential pay.

## **7.00 HOLIDAYS**

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### **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)
- Juneteenth National Independence Day (June 19)
- 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 workday / 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

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### 8.01 Vacation Leave Policy

Vacation leave is a benefit and the use of same shall be approved by the City Manager or designee considering the desires and seniority of employees and, more particularly, the workload 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. 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 their 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 (FMLA)/California Family Rights Act (CFRA) or Pregnancy Disability Leave Law (PDLL), 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 based on 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 vacation 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 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 submission of 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.

All requests for cash-out shall be submitted through Employee Self Service (ESS) by completing the Request for Management Leave/Vacation Leave Cash Out Form. Employees who intend to cash out leave shall submit an irrevocable request to do so in the calendar year preceding the year in which the cash-out is to be processed. Employees may specify the month(s) in which they wish to receive their cash out in the payment year but cannot split the payout into more than two (2) payments per calendar year. For example, if an employee wishes to cash out eighty (80) hours of leave in calendar year 2025, they must submit their irrevocable request to do so no later than December 31, 2024, and can specify that they wish to cash out forty (40) hours in March 2025 and forty (40) hours in September 2025 at the time of the request. Employees who fail to provide such notice will be paid out for the requested cash out as part of their final payment issued in the applicable calendar year. Payout will be applied to a single bi-weekly payroll, and employees will be responsible for all taxes associated with such payout.

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 calendar year.

## 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 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. 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

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### 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 forty (40) 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 forty (40) 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 three and seven hundred four thousandths (3.704) hours per payroll period. The use of accrued sick leave shall be subject to the provisions of this Resolution.

## **3. Sick Leave Usage**

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 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 forty (40) 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 with the City, or upon retirement from the City for service or disability with at least ten (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 two thousand four hundred (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:

- Zero percent (0%) to sixty-five percent (65%) of maximum eligible sick leave accrual = 1%
- Sixty-five and one-hundredth percent (65.01%) or more of maximum eligible sick leave accrual = one and fifteen one-hundredths percent (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 one percent (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 ninety-six and two-tenths (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 twenty and seven-tenths (20.7) years of service. Employee A has one thousand three hundred thirty-five and four-tenths (1335.4) hours of unused sick leave at time of retirement. The maximum number of sick leave hours Employee A could have accrued over the course of her employment with the City was ninety-six and two-tenths (96.2) hours x twenty (20) years = one thousand nine hundred twenty-four (1924.0) hours. Her total sick leave hours one thousand three hundred thirty-five and four-tenths (1335.4) are equal to sixty-nine and four-tenths percent (69.4%) of the total maximum eligible sick leave accrual one thousand three hundred thirty-five and four-tenths (1335.4) ÷ one thousand nine hundred twenty-four (1924.0) x 100 = sixty-nine and four-tenths percent (69.4%). Employee A did retain greater than sixty-five percent (65%) of the maximum eligible sick leave accrual, however, employee A does not have twenty-five (25) years of service. Therefore, employee A is only eligible to receive 1% of unused sick leave balances for every whole year of service. Employee A hourly rate is forty-two dollars and thirty-five cents (\$42.35). Employee A sick leave payout hourly rate is forty-two dollars and thirty-five cents (\$42.35) x 1.07 = forty-five dollars and thirty-one cents (\$45.31). Employee A sick leave payout calculation is as follows:

*One thousand three hundred thirty-five and four-tenths (1335.4) hours x forty-five dollars and thirty-one cents (\$45.31) x twenty (20) years x .01 = twelve thousand one hundred and one dollars and forty cents (\$12,101.40)*

Example 2. Employee B is retiring after thirty and two tenths (30.2) years of service. Employee B has two thousand four hundred and fifty-seven and eight tenths (2457.8) hours of unused sick leave at time of retirement. The maximum number of sick leave hours employee B could have accrued over the course of employee B employment with the City was ninety-six and two-tenths (96.2) hours x thirty (30) years = two thousand eight hundred and eighty-six (2886.0) hours. Employee B total sick leave hours two thousand four hundred and fifty-seven and eight tenths (2457.8) are equal to eighty-five and two-tenths percent (85.2%) of the total maximum eligible sick leave accrual two thousand four hundred and fifty seven-tenths (2457.8) ÷ two thousand eight hundred and eighty six (2886.0) x 100 = eighty-five and two-tenths percent (85.2%). Employee B retained greater than sixty-five percent (65%) of employee B maximum eligible sick leave accrual, and employee B has more than 25 years of experience. Therefore, employee B would be eligible for one and fifteen one-hundredths percent (1.15%) of his unused sick leave balances for every year of service. Employee B hourly rate is \$41.18. Employee B sick leave payout hourly rate is forty-one dollars and eighteen cents (\$41.18) x 1.07 = forty-four dollars and six cents (\$44.06). Employee B sick leave payout calculation is as follows:

*Two thousand four hundred (2400) hours (max allowed) x forty-four dollars and six cents (\$44.06) x thirty (30) years x .0115 = thirty-six thousand four hundred eighty-one dollars and sixty-eight cents (\$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 one thousand forty (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 x ninety-six and two-tenths (96.2) hours, or an annual accrual rate of forty-three and one-tenth (43.1) hours. The pro-rated cap for this same employee will be 0.5 x two thousand four hundred (2,400) hours or one thousand two hundred (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. The Fire Chief and Police Chief are subject to the Payment for Unused Sick Leave as outlined in Section 11.07 and 11.08 of the Salary and Benefits Resolution.

## **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 monthly 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 twenty six (26), or legal child of a registered domestic partner under the age of twenty six (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, 2024, it can only be used up until June 30, 2025. 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 FMLA/CFRA/PDLL 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**

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### **10.01 Bereavement and Reproductive Loss Leave**

All full-time employees, other than temporary and provisional employees, shall be granted bereavement leave and reproductive loss with pay for not more than five (5) workdays upon, a reproductive loss or the death of a close relative or registered domestic partner. Reproductive loss events include failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction. Close relatives are defined as child, children-in-law, someone else related by blood or in a family-like relationship ("designated person"), and domestic partner registered with the City in a manner prescribed by the Human Resources Department. When additional time is desired, and upon a supervisor's review and approval, all full-time employees may be allowed to take accumulated vacation or management leave.

Upon request of the City, the employee shall furnish proof of the relationship to the deceased, such as a written notice to their supervisor stating that they certify their relationship to the deceased.

All full-time employees are allowed a maximum of twenty (20) days of reproductive loss in a twelve (12) month period if multiple events of reproductive loss occur. Full-time employees may utilize the initial three (3) paid workdays plus two (2) unpaid workdays for an initial event. The remaining seventeen (17) allowable reproductive loss days are unpaid. Reproductive loss leave must be taken within three (3) months of the event or end of CFRA/FMLA or other protected leave, if used.

Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted bereavement or reproductive loss leave with pay as necessary on the same basis as full-time employees, except that the leave shall be prorated based on the number of hours worked.

## **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 Worker's Compensation Leave**

For an employee injury or disability falling within the provisions of the State Workers' Compensation Disability Act (SWCDA), disability compensation at the rate allowed under the SWCDA shall be the basic remuneration during the employee's period of disability. Compensation under the SWCDA 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 the SWCDA so that compensation does not exceed 100% of an employee's regular pay.

The City reserves the right to withhold payment of any disability benefits until such time it is determined whether or not the illness or injury is covered under the SWCDA.

## **10.05 Family and Medical Leave / California Family Rights Act**

Employees may be eligible for leave under the FMLA and/or the 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 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 consider 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 FMLA/CFRA or PDLL, 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 of 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 on 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 above 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**

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### **11.01 Notification of Address**

All employees, including those on a leave of absence, shall keep the Human Resources Director or designee always informed as to their current home address, 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.

Based on 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 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.

The Fire Chief will be eligible to participate in the City's salary schedule as adopted by City Council, Retirement Program, Longevity Pay, and Education Incentive Pay Program and shall receive certification pay for possessing and maintaining a valid emergency medical technician certification and/or paramedic certification under the same terms and conditions provided to employees represented by the Hayward Fire Chiefs Association, and as outlined in Appendix C. Except as specifically provided in Appendix C., 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 Chief. Instead, employee 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 (HPOA) and as outlined below. Section 9.00 Sick Leave in the Salary and Benefits Resolution for Unrepresented Management Employees shall not apply to the Police Chief. Instead, payment for unused sick leave shall be the same as set forth in any collective bargaining agreement between the City and the Hayward Police Management Unit (HPMU).

Moreover, based on satisfactory performance as determined by the City Manager, salary adjustments will be equivalent to those for the Police Chief are subject to the City's salary schedule as adopted by City Council. In addition, the Police Chief is eligible to participate in the Retirement Benefit Program, Continuous Service Pay, and Education Incentive Pay Program as outlined on the same terms as members of the HPMU and as outlined in Appendix D. Except as specifically provided in Appendix D., 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, 2024, and until this Resolution is thereafter amended or rescinded by the City Council.

**SALARY AND BENEFITS RESOLUTION FOR  
UNREPRESENTED MANAGEMENT EMPLOYEES**

**APPENDIX A – Salary Schedule**

Classification Title	Status	Job Code	Service Type		Step A	Step B	Step C	Step D	Step E
ASSISTANT CITY MANAGER	Executive	U735	Unclassified	Hourly	133.37	140.06	147.05	154.41	162.13
COMMUNICATIONS AND MARKETING OFFICER / PUBLIC INFORMATION OFFICER (PIO)	Executive	U311	Unclassified	Hourly	80.80	84.85	89.07	93.54	98.23
DEPUTY CITY MANAGER	Executive	U505	Unclassified	Hourly	104.30	109.50	114.99	120.75	126.77
DIRECTOR OF DEVELOPMENT SERVICES	Executive	U700	Unclassified	Hourly	108.22	113.62	119.33	125.30	131.55
DIRECTOR OF FINANCE	Executive	U725	Unclassified	Hourly	111.95	117.53	123.43	129.59	136.06
DIRECTOR OF HUMAN RESOURCES	Executive	U705	Unclassified	Hourly	109.02	114.45	120.18	126.19	132.49
DIRECTOR OF INFORMATION TECHNOLOGY / CHIEF INFORMATION OFFICER (CIO)	Executive	U720	Unclassified	Hourly	121.28	127.30	133.69	140.39	147.39
DIRECTOR OF LIBRARY SERVICES	Executive	U710	Unclassified	Hourly	102.00	107.09	112.47	118.09	123.99
DIRECTOR OF MAINTENANCE SERVICES	Executive	U715	Unclassified	Hourly	120.75	126.78	133.14	139.80	146.78
DIRECTOR OF PUBLIC WORKS	Executive	U730	Unclassified	Hourly	121.02	127.10	133.45	140.15	147.11
FIRE CHIEF	Executive	F800	Unclassified	Hourly	139.41	146.36	153.69	161.38	169.45
CHIEF OF POLICE	Executive	P500	Unclassified	Hourly	140.12	147.10	154.47	162.19	170.30
SENIOR ASSISTANT CITY ATTORNEY	Exempt	U215	Classified	Hourly	116.62	122.50	128.61	135.05	141.81
ASSISTANT CITY ATTORNEY	Exempt	U210	Classified	Hourly	101.87	106.95	112.35	117.95	123.83
DEPUTY CITY ATTORNEY II	Exempt	U205	Classified	Hourly	82.07	86.14	90.44	94.94	99.73
DEPUTY CITY ATTORNEY I	Exempt	U200	Classified	Hourly	69.85	73.32	76.99	80.85	84.88
EQUITY AND INCLUSION OFFICER	Exempt	U340	Classified	Hourly	76.73	80.56	84.59	88.82	93.24
ASSISTANT TO CITY MANAGER	Exempt	U320	Unclassified	Hourly	85.96	90.26	94.76	99.51	104.46

**SALARY AND BENEFITS RESOLUTION FOR  
UNREPRESENTED MANAGEMENT EMPLOYEES**

MANAGEMENT FELLOW	Exempt	U300	Classified	Hourly					50.68
CHIEF ECONOMIC DEVELOPMENT OFFICER	Exempt	U330	Classified	Hourly	91.19	95.77	100.57	105.61	110.87
DEPUTY DIRECTOR OF DEVELOPMENT SERVICES	Exempt	U515	Classified	Hourly	92.06	96.69	101.52	106.60	111.95
DEPUTY DIRECTOR OF FINANCE	Exempt	U500	Classified	Hourly	96.23	101.03	106.09	111.41	116.95
DEPUTY DIRECTOR OF HUMAN RESOURCES	Exempt	U520	Classified	Hourly	98.82	103.75	108.94	114.40	120.10
HUMAN RESOURCES MANAGER	Exempt	U135	Classified	Hourly	85.09	89.34	93.82	98.51	103.44
SENIOR HUMAN RESOURCES ANALYST	Exempt	U120	Classified	Hourly	63.14	66.27	69.57	73.06	76.71
HUMAN RESOURCES ANALYST II	Exempt	U115	Classified	Hourly	57.40	60.27	63.29	66.43	69.76
HUMAN RESOURCES ANALYST I	Exempt	U110	Classified	Hourly	52.19	54.81	57.54	60.40	63.42
DEPUTY DIRECTOR OF LIBRARY SERVICES	Exempt	U535	Classified	Hourly	92.12	96.73	101.56	106.65	111.96
DEPUTY DIRECTOR OF MAINTENANCE SERVICES	Exempt	U540	Classified	Hourly	92.41	97.01	101.89	106.97	112.33
OPERATIONS SUPPORT SERVICES MANAGER	Exempt	U400	Classified	Hourly	91.01	95.55	101.33	106.38	111.67
ASSISTANT DIRECTOR OF PUBLIC WORKS-UTILITIES	Exempt	U525	Classified	Hourly	106.38	111.71	117.29	123.14	129.32
DEPUTY DIRECTOR OF PUBLIC WORKS	Exempt	U510	Classified	Hourly	94.72	99.46	104.45	109.66	115.15
DEPUTY DIRECTOR OF INFORMATION TECHNOLOGY	Exempt	U530	Classified	Hourly	96.23	101.03	106.09	111.41	116.95
EXECUTIVE ASSISTANT	Non-Exempt	U315	Unclassified	Hourly	49.44	51.72	54.05	56.37	58.85
SENIOR PARALEGAL	Non-Exempt	U196	Classified	Hourly	50.84	53.40	56.06	58.85	61.80
PARALEGAL	Non-Exempt	U195	Classified	Hourly	46.21	48.52	50.97	53.49	56.18
HUMAN RESOURCES TECHNICIAN	Non-Exempt	U100	Classified	Hourly	47.46	49.83	52.33	54.93	57.66
HUMAN RESOURCES ADMINISTRATIVE ASSISTANT	Non-Exempt	U105	Classified	Hourly	48.13	50.11	52.08	54.04	56.19
FIREFIGHTER TRAINEE (40 HOUR)	Non-Exempt	F100	Classified	Hourly	57.42	60.28			

## **APPENDIX B – Employee Status**

### **UNCLASSIFIED SERVICE**

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, the following classifications constitutes the City's Unclassified Service:

Assistant City Manager  
Assistant to City Manager  
Chief of Police  
Deputy City Manager  
Director of Development Services  
Director of Finance  
Director of Human Resources  
Director of Library & Community Services  
Director of Maintenance Services  
Director of Public Works  
Director of Technology Services  
Executive Assistant  
Fire Chief  
Communications & Marketing Officer

### **CLASSIFIED SERVICE**

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, all positions identified in Appendix A that are not part of the unclassified service shall be included in the City's classified service.

## APPENDIX C – Fire Chief Position Benefits

### Retiree Medical Trust

- A. Acknowledgement. In accordance with Internal Revenue Code Section 501c the City acknowledges agreement with the Medical Expense Reimbursement Plan of the WSCFF Employee Benefit Trust (hereafter, the “Trust”).
- B. Defined Class of Employees Receiving Contributions. “Defined Class” means all full-time employees except employees as described in B(1) below.
1. Employees who previously demonstrated to the City entitlement to full post-retirement medical benefits through a spouse or previous employment and made an irrevocable election not to participate in the Trust.
  2. Eligibility Requirements: Fire employees, who have been promoted out of the International Association of Fire Fighters (IAFF) Local 1909 Firefighters, Hayward Fire Officers’ Association and Hayward Fire Chiefs’ Association shall continue participation in the IAFF Medical Expense Reimbursement Plan through mandatory employee and employer contributions after their promotion. City of Hayward has the authority to require mandatory deductions from employee payroll as part of the employees’ compensation package, for contributions to such Plan to correspond to the Memorandum of Understanding between City of Hayward and IAFF, Local 1909 Firefighters, between City of Hayward and IAFF, Local 1909 Hayward Fire Officers Association and the Memorandum of Understanding Between City of Hayward and Hayward Fire Chiefs’ Association (the “CBAs”).
- C. Employee Contribution Amount. The City shall withhold a mandatory contribution amount equivalent to one percent (1%) of the monthly base pay of Step E Fire Captain (fifty-six (56) hour) per month (i.e., one-hundred sixty-seven dollars and fifty-eight cents (\$167.58) for FY2024), plus an additional contribution based on years of service in accordance with Table C-1 below on a pre-tax basis from the pay of every employee in the Defined Class and shall transmit such contributions to the Trust pursuant to the requirements of (G) below.

Years of service shall be inclusive of enrollment in CalPERS, United States Forestry Service, United States Military Service, CERL-1937 Act, and/or other municipal pension system.

No employee in the Defined Class shall be permitted to opt-out of the mandatory contributions or receive any portion of the contribution in cash.

**SALARY AND BENEFITS RESOLUTION FOR  
UNREPRESENTED MANAGEMENT EMPLOYEES**

Employee contributions will be made on a bi-weekly per pay period basis in the amount of seventy-seven dollars and thirty-four cents (\$77.34)\*, plus an additional contribution based on years of service. The contributions to the plan shall be per pay period as follows:

Table C-1.

Years of Service	Biweekly Employee Contributions (1% of Step E Fire Captain*)	Additional Biweekly Employee Contribution*	Total Biweekly Employee Contribution*	Total Monthly Employee Contribution*
0-10	\$77.34	-	\$77.34	\$154.68
11-20	\$77.34	\$25.00	\$102.34	\$204.68
21-22	\$77.34	\$50.00	\$127.34	\$248.68
23-24	\$77.34	\$75.00	\$152.34	\$304.68
25-26	\$77.34	\$100.00	\$177.34	\$354.68
27-28	\$77.34	\$125.00	\$202.34	\$404.68
29+	\$77.34	\$150.00	\$227.34	\$454.68

\*This amount shall be adjusted whenever the Step-E Fire Captain salary is adjusted

**D. Vacation Leave transfer.**

1. Annual Vacation Leave Transfer. The City and the employee agree that an employee in the Defined Class, by written election may convert up to one hundred twenty (120) hours of accrued vacation one (1) time per year, and the City shall irrevocably transfer the value of the converted vacation leave to the employee's Trust account on a pre-tax basis subject to the following:
  - a. The value of converted vacation hours shall be based on the employee's straight time hourly rate of pay in effect at the time of the conversion, and
  - b. To be eligible for vacation leave transfer all fifty-six (56) hour employee must have used a minimum of ninety-six (96) hours of paid vacation in the twelve (12) months preceding the submission of the request and have at least forty-eight (48) hours of vacation after the conversion.
  - c. To be eligible for vacation leave transfer all forty (40) hour employees must have used a minimum of eighty (80) hours of paid vacation in the twelve (12) months preceding the submission of the request and have at least forty (40) hours of vacation after the conversion.
  - d. The employee may elect to apply any portion of the value of the converted vacation leave to a qualifying deferred compensation plan up to allowable IRS limits, and



- e. The employee may not convert accrued vacation leave more than one (1) time per calendar year, and
  - f. No employee in the Defined Class shall have the option to receive a cash payout for the value of the converted vacation leave in lieu of making contributions to the Trust and/or deferred compensation plan.
2. Vacation Leave Transfer at Separation. For every employee in the Defined Class, the City shall, upon the employee's separation from the City, irrevocably contribute to the employee's Trust account on a pretax basis, an amount equal in value to one hundred percent (100%) of the payments that would otherwise be paid on behalf of the employee for unused vacation leave.

The employee, by written election received by the City no later than thirty (30) days prior to separation, may elect to apply any portion of the value of the vacation leave accrual to a qualifying deferred compensation plan up to allowable IRS limits. Absent such election, the City shall implement the vacation leave transfer to the employee's Trust account as set forth above.

No employee in the Defined Class shall have the option to receive a cash payout for the value of the accrued vacation leave in lieu of making contributions to the Trust and/or deferred compensation plan.

Employees excluded from Trust contributions in accordance with Section B (1) shall receive a cash payout for accrued vacation leave upon separation. Such employees may elect to apply any portion of the cash payout to a qualifying deferred compensation plan up to allowable IRS limits.

- E. Sick Leave Transfer. For every employee in the Defined Class, the City shall, upon the employee's separation from the City, irrevocably contribute to the employee's Trust account on a pre-tax basis, an amount equal in value to one hundred percent (100%) of the payments that would otherwise be paid to or on behalf of the employee for unused sick leave.

The employee, by written election received by the City no later than thirty (30) days prior to separation, may elect to apply any portion of the value of the sick leave accrual pursuant to terms set forth in this section, to a qualifying deferred compensation plan up to allowable IRS limits, or apply accrued sick leave hours to service credit in accordance with the City's agreement with CalPERS. Absent such election, the City shall implement the sick leave transfer to the employee's Trust account as set forth above.

No employee in the Defined Class shall have the option to receive a cash payout for the value of the accrued sick leave in lieu of making contributions to the Trust, deferred compensation plan, or CalPERS service credit.

F. Employer Contribution Amount. The City and the employee agree that effective July 1, 2024, the City shall, on a pre-tax basis, make the following contribution based on years of service on behalf of every member of the Defined Class. Years of service shall be inclusive of enrollment in CalPERS, United States Forestry Service, United States Military Service, CERL-1937 Act, and/or other municipal pension system.

1. The City shall contribute a total of five hundred eight dollars and thirty cents (\$508.30) per month (two-hundred thirty-four dollars and sixty cents (\$234.60) per pay period). The City contribution shall be allocated to the employee's Trust account and a City-sponsored 401(a) account in accordance with Table F-1 below:

Table F-1

Years Of Service	City Trust Contribution (Biweekly)	City 401(a) Contribution (Biweekly)	Total City Contribution (Monthly)
Up to 15	\$0	\$234.60	\$508.30
Greater than 15	\$170.39	\$64.21	\$508.30

2. Employees exempted from Trust participation pursuant to section B(1) shall receive five-hundred eight dollars and thirty cents (\$508.30) as a monthly City contribution to the 401(a).
3. The City acknowledges that Trust provisions require participating employees to attain five (5) years of Active Service in the plan to qualify as a Regular Beneficiary, as defined by the plan document. Regular Beneficiaries are entitled to monthly benefits from the Poled Account of the Trust.

In consideration of the elimination of the Supplemental Retirement Benefit pursuant to Section 5.01-A of the Hayward Fire Chiefs Association MOU, and Section 6.10 of the International Association of Fire Fighters (IAFF) Local 1909 MOU, and Section 6.10 of the Hayward Fire Officers' Association MOU, the City shall make a lump sum contribution on behalf of all employees in the Defined Class retiring with less than five (5) years of monthly Trust contributions, for the term of the MOUs defined herein only, in accordance with the following:

- a) The City lump sum contribution shall be made to the employee's Trust account at retirement.
- b) The amount of the City lump sum payment shall be limited to the minimum amount necessary to provide a retiring employee with only the additional Active Service required for the employee to receive monthly benefits from the Trust as a Regular Beneficiary and provide a Monthly Benefit Level of at least five hundred eight

dollars and thirty cents (\$508.30) as calculated on the date that the lump sum payment is made.

- c) The City lump sum contribution shall incorporate an actuarially adjusted Active Service Unit ("ASU") value set forth in Appendix C – Lump Sum Transfer Conversion Table of the Trust plan document in effect at the time of retirement.
- d) The City lump sum transfer shall not be inclusive of terminal leave transfers to the Trust pursuant to Section 5.13 D(2) and 5.13 (E) of the Hayward Fire Chiefs Association MOU; Section 6.12 D(2), and 6.12 (E) of the Hayward Fire Officers' Association MOU, Section 6.12 D (2), and 6.12 (E) of the International Association of Fire Fighters (IAFF) Local 1909 MOU.
- e) The City acknowledges that a retiring employee has the option to convert the City lump sum transfer to ASUs in order to attain Regular Beneficiary status, as defined by the Trust or retain the City lump sum transfer in the Individual Employee Account in the Trust and remain as a Limited Beneficiary.
- f) A retiring employee in the Defined Class who has previously received five (5) years of contributions to the Trust and attained Regular Beneficiary status in the Trust shall not be eligible for a City lump sum contribution.
- g) A retiring employee in the Defined Class shall not have the option to receive a cash payout for the value of the City lump sum contribution in lieu of making contributions to the Trust.

- G. Remittance of Contributions. The City shall remit the above contributions directly to the Trust effective the first full pay period occurring after approval of this resolution. Those contributions shall be remitted per pay period, in one aggregate payment, either ACH transfer or wire, directly to the custodian of the Trust within thirty (30) days of the date the payment would have been payable to the Employee.

The City hereby acknowledges receipt of the Trust Agreement governing the Trust and will comply with rules set by the Trust Office in regard to reporting and depositing the required contributions set forth herein.

- H. Reporting to the Trust Office. The City shall electronically submit to the Trust Office a report of contributing employees for each contribution sent to the Trust, in the format requested by the Trust, and received by the Trust Office within fourteen (14) days of receipt of the contribution funds.

The City shall also provide an initial report of information for all contributing employees, as reasonably requested by the Trust; and shall send updates to this information to the Trust Office whenever the City has notice of changes to the information.

- I. Modification of Employee Contribution and Leave Amounts. The City and Employee acknowledge that IRS rules prohibit a greater recurring contribution amount than the contribution amount set forth in the MOU between the City of Hayward and the International Association of Fire Fighters (IAFF) Local 1909 Firefighters.
- J. To the extent authorized by law, all contributions under this section shall be made on a pre-tax basis. The employee assumes full responsibility and liability for tax consequences related to contributions to and/or withdrawals from the Trust.
- K. Responsibility for the maintenance and investment of the Trust funds rests solely with the Trust's Board of Trustees.
- L. The City provides no guarantee to the employee regarding the ultimate length of retiree medical benefit payout. Employees who participate in the Trust assume the entire risk from any investment gains or losses associated with these funds or other decline in value. Nothing contained in this section shall constitute a guarantee by the City that assets of the Trust will be sufficient to pay any benefit to any person or to make any other payment during an employee's life expectancy after retirement. All payments, in the form of employee contributions, to the Trust are defined contributions only. Payments to be paid from the Trust are limited to the remaining assets in the Trust and governed by the Board of Trustees and the current Plan. The parties understand that the above provisions shall in no way obligate the City to incur any additional costs or obligations beyond those already set forth in this resolution.
- M. The City's obligation to provide pre-tax deposits would remain subject to IRS rules as they may be revised in the future. Should the IRS later determine that these contributions are no longer permissible on a pre-tax basis, the City shall cease deducting such amounts from employee compensation.
- N. Participation in the Trust shall be the complete and sole responsibility of the employee. The City shall not be involved in the Trust's design, its administration, or in the benefits paid, nor shall the City have any responsibility for any actions of the Trust or its trustees, or of the employee with respect to the Trust. The City has no fiduciary duty with respect to the Trust.

### **CalPERS Pension Benefits**

#### Payment of Employers' PERS Contributions

##### **(A) Employees Hired Before January 1, 2013**

The provisions described in this Section A apply only to CalPERS eligible employees hired before January 1, 2013, or to eligible employees hired after that date who qualify for pension reciprocity pursuant to Government Code Section 7522.02 (c), referred to as CalPERS "Classic Members."

The City shall continue to provide CalPERS Classic Members with retirement benefits in accordance with the existing contract with PERS, and all amendments to that contract, including:

1. Section 21362.2 – 3% @ 50 Retirement Formula;
2. Section 20042 – Final Compensation 1 year;
3. Section 20965 – Unused Sick Leave Credit;
4. Section 21547.7 – Alternative Death Benefit for Local Fire Members Credited with 20 or More Years of Service;
5. Section 21573 – 1959 Survivor Benefits Level 3;
6. Section 21329 – 2% Annual Cost-of-Living Allowance Increase;
7. Section 20516 – Member Sharing Cost of Optional Benefit;
8. Section 20903 – Additional Service Credit 2 Years;
9. Section 21551 – Pre Retirement Death Benefit to Continue after Remarriage;
10. Section 21027 – Military Service Credit for Retired Persons;
11. Section 21024 – Military Service Credit for as Public Service;
12. Section 21635 – Post-Retirement Survivor Allowance to Continue after Remarriage;
13. Section 21624/21626 – Post-Retirement Survivor Allowance;
14. Section 21620 – Retired Death Benefit; and
15. Section 20055 – Prior Service.

As long as the annual Normal Cost required by PERS for the fiscal year is at least thirty percent (30.00%), and as authorized by Government Code Section 20516 (Optional Benefits, Cost Sharing), "Classic" bargaining unit members shall be responsible for payment of the nine percent (9%) employee retirement contribution plus an additional six percent (6%) of their salaries (for a total of 15%) to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions (Employer Cost-Share) that the City would otherwise be required to pay to CalPERS for these employees. Said contribution shall be credited to each member's account as a normal contribution.

The balance, if any, of this contribution shall constitute employee payment of a portion of the employer's fifty percent (50%) of normal cost as determined by CalPERS. The term "normal cost" is defined in section 7522.04(g) of the Government Code as "the portion of the present value of projected benefits under the defined benefit that is attributable to the current year of service, as determined by the public retirement system's actuary according to the most recently completed valuation."

**(B) Employees Hired on or After January 1, 2013**

This Section B shall apply to CalPERS eligible employees hired on or after January 1, 2013, who do not qualify for pension reciprocity pursuant to Government Code Section 7522.02(c). Referred to as CalPERS "New Members." The retirement plan for these employees shall be the retirement plan which the City is required to provide for new members pursuant to California Public Employees' Pension Reform Act of 2013.

- i. As required by Government Code Section 7522.25, the safety Option Plan Two (2% @ 50 – 2.7% @ 57) pension formula shall apply.

- ii. As required by Government Code Section 7522.32, for the purposes of determining a retirement benefit for these employees, final compensation shall mean the highest average annual pensionable compensation earned during thirty-six (36) consecutive months of service.
- iii. As required by Government code Section 7522.30, employees shall have an initial contribution rate of fifty percent (50%) of the total normal cost rate as defined in Section 7522.04(g).
- iv. Other contracted benefits include:
  - 1. Section 20965 – Unused Sick Leave Credit;
  - 2. Section 21547.7 – Alternative Death Benefit for Local Fire Members Credited with 20 or More Years of Service;
  - 3. Section 21573 – 1959 Survivor Benefits Level 3;
  - 4. Section 21329 – 2% Annual Cost-of-Living Allowance Increase;
  - 5. Section 20516 – Member Sharing Cost of Optional Benefit;
  - 6. Section 20903 – Additional Service Credit 2 Years;
  - 7. Section 21551 – Pre Retirement Death Benefit to Continue after Remarriage;
  - 8. Section 21027 – Military Service Credit for Retired Persons;
  - 9. Section 21024 – Military Service Credit for as Public Service;
  - 10. Section 21635 – Post-Retirement Survivor Allowance to Continue after Remarriage;
  - 11. Section 21624/21626 – Post-Retirement Survivor Allowance;
  - 12. Section 21620 – Retired Death Benefit; and
  - 13. Section 20055 – Prior Service.

New members shall continue to pay a total of fifteen percent (15%) of reportable wages to fund their pension until such time that a successor agreement is negotiated. The fifteen percent (15%) of reportable wages is comprised of the CalPERS published employee rate, plus the additional contribution to the City's employer rate that the City would otherwise be required to pay to CalPERS for these employees. Under Section 20516, the additional contributions are as follows:

Effective the pay period including July 1, 2023, 3.75%

If CalPERS enacts another change to the employee rate as reflected in the Annual Valuation Report, the parties will amend this side letter to ensure it accurately reflects new members pay a total of fifteen percent (15%) of reportable wages to fund their pension. This contribution represents the employee's fifty percent (50%) of normal cost as determined by CalPERS. The balance, if any, of this contribution shall constitute employee payment of a portion of the employer's 50% of normal cost as determined by CalPERS. In no event shall the employee contribution be less than fifty percent (50%) of the total normal cost rate, as required by Government Code Section 7522.30.

## **Longevity Pay**

The Fire Chief is eligible to receive longevity pay as follows:

Upon completion of fifteen (15) years of service as an employee of the City shall receive a two percent (2%) longevity pay premium on the fifteenth (15th) anniversary, and an additional one percent (1%) longevity pay premium on each succeeding anniversary up to and including the member's twenty-fifth (25th) anniversary.

## **Education Incentive Program**

The Fire Chief is eligible to participate in the Education Incentive Program as follows:

### **A. Qualification Requirements.**

1. Candidates must complete a minimum of fifty (50) hours of approved study and training during each qualification period as defined below.
  - a) Employees shall be eligible for additional compensation as defined in Section 4(a) on July 1 providing, they have completed necessary program requirements between January 1 and June 30 during the preceding twelve (12) months. Recertification as required shall take place during the following twelve (12) month period.
  - b) Employees shall be eligible for additional compensation as defined in Section 4(a) on January 1 providing, they have completed necessary program requirements between July 1 and December 31 during the preceding twelve (12) months. Recertification as required shall take place during the following twelve (12) month period.
2. Approved Study and Training.
  - (a) Credit will be provided for approved study and training in accredited outside training programs (defined below) provided courses taken do not substantially duplicate the in-service training provided by the Hayward Fire Department.
  - (b) Candidates may take courses in accredited public or private schools, colleges, or universities if the courses are identified as courses that would improve their efficiency, knowledge, or competency in the performance of their duties.
  - (c) Candidates may receive credit for participation in California Fire Training Courses offered by the state Department of Education Fire Training Program. Credit for participation in these courses shall be on the basis of one (1) hour of credit for each hour of classroom study.
  - (d) Enrollment in correspondence courses and educational television courses may be approved providing such courses are acceptable for credit towards a baccalaureate degree by a college or university with maximum accreditation from the Western Association of Schools and Colleges. Such courses must also be consistent with the general aims and requirements of the program.

- (e) Four (4) or more units of approved public school, college, or university work shall be equivalent to fifty (50) hours of classroom study. Credit for special classroom study or training obtained by participation in state Fire Training Courses or other approved sources may be combined with college enrollment to obtain the required fifty (50) hours only upon approval of the Fire Chief.
- (f) Candidates who wish to enroll in an outside school, college, or university must submit, in advance of enrollment, a report to the Fire Chief for approval showing the name of the school, the subject, the number of credits or units, the name of the instructor, and the class schedule. Candidates who wish to appeal the decision of the Fire Chief with respect to the suitability of intended training or course work, may do so by fully stating their position in writing to the Program Review Committee whose decision shall be final.
- (g) Candidates attending outside schools, colleges, or universities will be required to complete the selected course of study with a minimum grade of "C" or its equivalent. Transcripts or other official notification from the institution shall be furnished to the Fire Chief. For non-graded courses or training programs, a certificate of completion together with evidence of satisfactory attendance shall be required.

### 3. Teaching.

- (a) Candidates who hold a valid California teaching credential or who have completed the requirements for the teaching credential may secure credit by teaching without compensation in an accredited fire service training program or school.

### B. Additional Compensation.

1. Employees completing fifty (50) hours of approved study or training during the appropriate qualification period shall receive additional compensation of two and one half percent (2.5%) above the salary step currently held. Said compensation shall be paid for a twelve (12) month period as defined in Section A above.
2. A candidate who obtains an Associate Degree in Fire Science or an appropriately related field as determined by the Program Review Committee shall be entitled to additional compensation of two and one half percent (2.5%) above the salary step currently held. This additional compensation shall be considered "permanent" and not subject to re-qualification requirements. Credit under this section will be allowed for approved state Fire Training Courses successfully completed by employees on the basis of eighteen (18) hours of classroom study being equivalent to one (1) "quarter" unit of academic work (equivalent quarter unit). A maximum substitution of thirty (30) "equivalent quarter units" will be allowed in qualifying for the compensation allowed by this section. Candidates who have completed ninety (90) quarter units or more of academic work with thirty (30) units in Fire Science, but who do not possess an Associate Degree, may apply to the Fire Chief for the additional compensation authorized by this section. The Fire Chief may either approve such request or refer it to the Program Review Committee for determination. The decision of the Program Review Committee shall be final.



3. A candidate who obtains a Bachelor's Degree shall be entitled to additional compensation of five percent (5%) above the salary step currently held provided said degree was obtained during the course of employment in the Hayward Fire Department. Compensation shall be provided under this section to candidates who obtained a Bachelor's Degree prior to employment provided that they hold a Fire Science Certificate, or its equivalent, as determined by the Program Review Committee. For the purpose of this section, the work required for a Fire Science Certificate shall be the program requirements currently in effect at Chabot College, Hayward. Candidates who have completed two hundred (200) quarter units or more of academic work with thirty (30) units in Fire Science, but who do not possess a Bachelor's Degree, may apply to the Fire Chief for the additional compensation authorized by this section. The Fire Chief may either approve such request or refer it to the Program Review Committee for determination. The decision of the Program Review Committee shall be final.
4. Employees who qualify for additional compensation under paragraphs B2 and B3 above may obtain an additional two and one half (2.5) salary increase without the need to continue their work in the program as set forth in paragraph B1.
5. Employees who qualify for additional compensation under B3 above and who have completed two hundred and forty (240) hours of additional education calculated at a maximum of forty-eight (48) hours per year shall be entitled to additional permanent compensation of seven and one half percent (7.5%) above the salary step currently held without the need to continue work in the program as required in B3 above.
6. In no event shall any employee receive an Education Incentive Premium in excess of seven and one-half percent (7.5%) by reason of their participation in this program.
7. The City will report all of the above outlined educational incentives in Section 12.01 Fire Education Incentive Program to CalPERS as special compensation.

**C. Program Review Committee.**

A Program Review Committee consisting of the City Manager, Fire Chief, Director of Human Resources, or their designated alternates, and two representatives of the Association eligible to participate in the Program shall assist in its administration. The committee shall resolve questions of eligibility, hear appeals from candidates with respect to acceptability of course work or training programs, and decide any other questions which may arise in the administration of the program and (or) interpretation of this section. A quorum of three (3) voting members shall be required, and decisions of the committee shall be by majority vote of those in attendance.

**D. General Instructions.**

1. Each course of study, training, or teaching assignment must be approved in advance by the Fire Chief.

2. All time spent in qualifying for the program shall be off-duty time and shall entail no cost to the City, nor shall compensation be received from any other source. Benefits allowed an employee under the "GI Bill" shall not be precluded by this section.
3. No credit will be given for seminars, workshops, or mandatory training programs.

### **Payment for Unused Sick Leave**

Any employee leaving the employment of the City in good standing after having completed twenty (20) years of continuous service, or upon retirement from the City for service or disability, 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 this payment shall be equivalent to one percent (1%) of sick leave earned but unused at the time of separation times the number of whole years of continuous employment times an employee's hourly rate of pay at the time of separation. The sick leave pay out rate shall include nine percent (9%) CalPERS pickup for purpose of calculation. For the purpose of this computation, the hourly rate of pay for an employee who works a forty (40) hour week shall be the employee's annual salary divided by two thousand eighty (2080) hours. Payment of unused sick leave for part-time employees shall be based upon the hourly rate of pay in effect at the time of separation. In lieu of payment for unused sick leave, the employee may receive credit for unused sick leave in accordance with Government Code Section 20965. In the event any unused sick leave is not applied to credit with CalPERS, the balance that is not used for these purposes shall be treated in accordance with the provisions set forth herein. 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

## APPENDIX D – Police Chief Position Benefits

### CalPERS Pension Benefits

#### A. Employee CalPERS Contributions

The City will continue to contract with CalPERS to provide a retirement program for bargaining unit members. Benefits shall include:

1. Three percent (3%) at fifty (50) benefit formula
2. Third Level of 1959 Survivor Benefits
3. Post-Retirement Survivor Allowance
4. One (1) Year Final Compensation
5. Military Service Credit as Public Service
6. Military Service Credit for Retired Persons
7. Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor
8. Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor

These benefit plans require an employee (or member) contribution of nine percent (9%) from police safety employees. Employees shall pay the full employee contribution of nine percent (9%) which shall be paid by the employee on a pre-tax basis.

#### B. Cost Sharing of Employer Contributions

##### i. Employees Hired Before January 1, 2013

The provisions described in this subsection (a) apply only to CalPERS eligible employees hired before January 1, 2013, or to an eligible employee hired after that date who qualifies for pension reciprocity pursuant to Government Code Section 7522.02 (c). Referred to as CalPERS “Classic Members.”

As long as the annual Employer Contribution Rate required by PERS for the fiscal year beginning July 1, 2014 is at least thirty percent (30.00%), and as authorized by Government Code Section 20516 (Optional Benefits, Cost Sharing), “Classic” bargaining unit members shall be responsible for payment of the nine percent (9%) employee retirement contribution plus an additional six percent (6%) of their salaries (for a total of 15%) 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. Said contribution shall be credited to each member’s account as a normal contribution.

##### ii. Employees Hired on or After January 1, 2013

This Section b shall apply to CalPERS eligible employees hired on or after January 1, 2013, who do not qualify for pension reciprocity pursuant to

Government Code Section 75522.02(c). Referred to as CalPERS “New Members.” The retirement plan for these employees shall be the retirement plan which the

City is required to provide new members pursuant to the California Public Employees' Pension Reform Act of 2013.

As long as the annual Employer Contribution Rate required by CalPERS for the fiscal years beginning July 1, 2014, is at least thirty percent (30.00%), and as authorized by Government Code Section 20516 (Optional Benefits, Cost Sharing), "New" bargaining unit members shall pay a total of fifteen percent (15%) of reportable wages to fund their pensions. The fifteen percent (15%) of reportable wages is comprised of the CalPERS published employee rate, plus the additional contribution to the City's employer rate that the City would otherwise be required to pay to CalPERS for these employees. Under Section 20516, the additional contributions are as follows:

Under Section 20516, after July 1, 2016, employees shall continue to pay an additional contribution of three percent (3.00%). If CalPERS enacts a change to the employee rate as reflected in the Annual Valuation Report, the parties will agree to a side letter to ensure it accurately reflects new members pay a total of fifteen percent (15%) of reportable wages to fund their pension. This contribution currently represents more than the employee's fifty percent (50%) of the normal cost as determined by CalPERS. The amount paid in excess of fifty percent (50%) of the normal cost shall constitute employee payment of a portion of the employer's fifty percent (50%) of the normal cost as determined by CalPERS. Said contributions over the fifty percent (50%) threshold shall be credited to each member's account as a normal contribution.

In no event shall the employee contribution be less than fifty percent (50%) of the total normal cost rate, as required by Government Code Section 7522.30. In the event that fifty percent (50%) of the normal cost exceeds fifteen percent (15%), the employee contribution shall be increased to ensure that the employee contribution is fifty percent (50%) of the total normal cost rate in compliance with Government Code section 7522.30. The City agrees to meet and discuss, at the request of the HPMU, mutually acceptable adjustments to the terms negotiated herein in order to provide equitable treatment of classic and new PEPRA employees.

The City will continue to not treat these contributions as compensation subject to income tax withholding unless the Internal Revenue Service 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.

### **Continuous Service Pay**

For the purpose of this Section only, continuous, paid experience in a relevant classification unique to the Hayward Police Department that is contiguous with the employee's acceptance into the Police Academy shall be considered experience or the purpose of calculating years of continuous service and eligibility for continuous service pay.

- (a) Experience with the City of Hayward in a police officer sworn capacity for fifteen (15) years or more shall be entitled to “permanent” compensation of three percent (3%) above the basic salary step currently held.
- (b) Experience with the City of Hayward in a police officer sworn capacity for twenty (20) years or more shall be entitled to “permanent” compensation of six percent (6%) above the basic salary step currently held.

Effective July 1, 2023:

- (c) Experience with the City of Hayward in a police officer sworn capacity for twenty-four (24) years or more shall be entitled to “permanent” compensation of ten percent (10%) above the basic salary step currently held.
- (d) Experience with the City of Hayward in a police officer sworn capacity for twenty-five (25) years or more shall be entitled to “permanent” compensation of eleven percent (11%) above the basic salary step currently held.
- (e) Experience with the City of Hayward in a police officer sworn capacity for twenty-six (26) years or more shall be entitled to “permanent” compensation of twelve percent (12%) above the basic salary step currently held.
- (f) Experience with the City of Hayward in a police officer sworn capacity for twenty-seven (27) years or more shall be entitled to “permanent” compensation of thirteen percent (13%) above the basic salary step currently held.
- (g) Experience with the City of Hayward in a police officer sworn capacity for twenty-eight (28) years or more shall be entitled to “permanent” compensation of fourteen percent (14%) above the basic salary step currently held.
- (h) Experience with the City of Hayward in a police officer sworn capacity for twenty-nine (29) years or more shall be entitled to “permanent” compensation of fifteen percent (15%) above the basic salary step currently held.

In no case will the Police Chief receive more than a total of fifteen percent (15%) above the basic salary step currently held by reason of the Police Chief’s continuous service, and in no case will the Police Chief receive more than a total of twenty-seven and one-half percent (27.5%) above the basic salary step currently held by reason of the Police Chief’s combined continuous service and participation in the Police Education Incentive Program as outlined below.

### **Police Education Incentive Program**

Police Chief completing the approved study or training requirements in accordance with the Continuing Education Requirements section of the Police Education Incentive Program policy during the appropriate qualification period shall receive additional compensation of two and one-half percent (2.5%) above the salary step currently held. Said compensation shall be paid for a twelve (12) month period (26 bi-weekly pay periods). The Professional Certification Program established by the California Commission on Peace Officer Standards and Training (POST) shall be made a part of

this policy, and all future revisions to the Professional Certificate Program shall automatically be incorporated herein.

A Police Chief who obtains a POST Intermediate Certificate shall be entitled to additional compensation of two and one-half percent (2.5%) above the salary step currently held. It shall be considered “permanent” and not subject to re-qualification requirements. The additional compensation shall be retroactive to the date the Police Chief is eligible for and submits their application for the POST Intermediate Certificate and their Incentive Pay Request to the Personnel and Training Bureau.

A Police Chief who obtains a POST Intermediate Certificate and who possesses a four (4)-year (BA or BS) degree or higher shall be entitled to compensation of five percent (5%) above the basic salary step currently held. It shall be considered “permanent” and not subject to re-qualification requirements. The additional compensation shall be retroactive to the date the Police Chief is eligible for and submits their application for the POST Intermediate Certificate and their Incentive Pay Request to the Personnel and Training Bureau.

Police Chief who obtains a POST Advanced Certificate shall be entitled to compensation of seven and one-half percent (7.5%) above the basic salary step currently held. It shall be considered “permanent” and not subject to re-qualification requirements. The additional compensation shall be retroactive to the date the Police Chief is eligible for and submits their application for the POST Advanced Certificate and their Incentive Pay Request to the Personnel and Training Bureau.

Police Chief who obtains an Advanced Certificate and who possess a Master’s degree shall be entitled to additional “permanent” compensation of ten percent (10%) above the salary step currently held.

Police Chief who obtains a POST Management Certificate and who possess a Master’s degree shall be entitled to compensation of twelve and one-half percent (12.5%) above the basic salary step currently held. It shall be considered “permanent” and not subject to re-qualification requirements. The additional compensation shall be retroactive to the date the Police Chief is eligible for and submits their application for the POST Management Certificate and their Incentive Pay Request to the Personnel and Training Bureau.

Under this Section, the Police Chief is only eligible to receive additional compensation under Subsections (b), (c), (d), (e), or (f) provided in the table below. The Police Chief cannot combine differentials under (b) through (f). As an exception, the Police Chief receiving additional compensation under Subsections (b) through (f) would also be eligible to receive the two and one-half percent (2.5%) as outlined in Subsection (a) provided they comply with the requirements of that Subsection.

**SALARY AND BENEFITS RESOLUTION FOR  
UNREPRESENTED MANAGEMENT EMPLOYEES**

Summary of Requirements and Pay Percentages for POST/Educational Incentive Program		
Subsection	POST/Degree/Years Requirement	Max % Per Subsection
(b)	Intermediate POST	2.5%
(c)	Intermediate POST + Bachelor's Degree	5.0%
(d)	Advanced POST	7.5%
(e)	Advanced POST + Master's Degree	10.0%
(f)	Management POST + Master's Degree	12.5%
(a)	Additional % Allowed with Continuing Education <sup>1</sup>	2.5%

<sup>1</sup>Can be combined with incentives earned under (b), (c), (d), (e) or (f).

In no case will the Police Chief receive more than a total of fifteen percent (15%) above the basic salary step currently held by reason of the Police Chief's participation in the program, and in no case will the Police Chief receive more than a total of twenty-seven and one-half percent (27.5%) above the basic salary step currently held by reason of the Police Chief's combined participation in the Police Education Incentive Program and continuous service in a sworn capacity as outlined above, Continuous Service Pay.