

BENEFITS FOR EMPLOYEE MEMBERS OF THE LAGUNA BEACH MUNICIPAL EMPLOYEES' ASSOCIATION

[Current MOU Governs July 1, 2019 – June 30, 2022]

Regular Full-Time

~~SALARY AND COMPENSATION ~~

Pay Plan: The basic pay ranges are composed of eight (8) steps, with each step varying by approximately five percent (5%).

Salary Adjustments: Effective 7/1/19 – 2.25%; 7/1/21 – 2.5%

Acting Pay: Employees will receive an additional five percent (5%) of their current base salary for working out of classification for fifteen (15) or more consecutive workdays.

Exceptional Performance Pay: Employees may be recommended for an early step advancement or performance bonus pay if merited. Bonus pay is a lump sum amount of up to five percent (5%) of gross annual salary.

Overtime/Compensatory Time: Employees shall receive compensatory time off or pay at the rate of time and one-half for all hours in excess of forty (40) hours actually worked. Maximum accumulation for employees other than lifeguards is twenty-seven (27) hours. Full-time lifeguards may accrue up to ninety-six (96) hours.

From June 30, 2020 through June 30, 2021, all employees are permitted to accrue up to sixty (60) hours of compensatory time in lieu of overtime pay at their option. On the pay day for the pay period that includes July 1, 2021, employees in the unit will be paid for all compensatory time above twenty-seven (27) hours to which they have accrued. On July 1, 2021, the current MOU provision on accrual of compensatory time off shall apply.

Overtime Exempt Employees: Employees in the positions of Administrative Analyst, Senior Administrative Analyst, Senior Water Quality Analyst, Senior Public Works Analyst, and Senior Public Works Analyst/Solid Waste Program Coordinator receive an additional 5% in pay in exchange for these classifications being overtime exempt.

Assignment Pay: A five percent (5%) assignment pay increment in salary will be provided to employees who take minutes on a regular basis at certain designated City meetings.

~~LEAVE TIME~~

Vacation: Each full-time regular and probationary employee shall accrue vacation leave with pay as follows:

- 0 to 5 years of service: 96 hours per year
- 6 to 9 years of service: 136 hours per year
- 10 + years of service: 176 hours per year

There are two vacation banks. Vacation accrued prior to June 24, 2013 may be paid at the straight time hourly equivalent salary rate in lieu of time off at the employee's rate of pay as of June 23, 2013. Vacation accrued on or after June 24, 2013 is subject to a 400 hour cap. Any vacation accrual above 400 hours will be paid each December at the straight time hourly equivalent salary rate in lieu of time off. Aside from the December pay-out, vacation time may be paid at the above-noted rates in lieu of time off with the Department Head and City Manager's approval.

From June 30, 2020 through June 30, 2022, employees are permitted to accrue vacation up to 600 hours. For vacation cash out in 2020 and 2021 (the MOU currently provides that all vacation over 400 hours will be cashed out in the first pay period in December), only vacation above 600 hours will be cashed out. For cash out for 2022, vacation will be cashed out in December 2022 for all hours above 400.

Sick: Every full-time, regular and probationary employee shall accrue sick leave time at the rate of eighty (80) hours per year. Unused sick leave may be accumulated without limit. Use of accrued sick leave is permitted in accordance with Federal and State laws to care for an ill parent, spouse or child.

Payment for Unused Sick Leave: There are three sick leave banks with varying cash-out rates as follows:

1. Sick leave earned before June 13, 1988 ("Old" sick leave) – 50% rate of pay as of June 23, 2013;
2. Sick leave earned June 13, 1988 through June 23, 2013 – 100% rate of pay as of June 23, 2013;
3. Sick leave earned on or after June 24, 2013 – 50% rate of pay.

Sick leave earned in the second bank must be used before the other two sick leave banks.

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Holidays: Employees receive eighty (80) hours for ten (10) paid holidays per year.

Holidays falling on a Saturday will be observed on the preceding Friday.
Holidays falling on a Sunday will be observed the following Monday.

Employees who work an alternate work schedule, e.g. 9/80 plan: When a holiday falls on a regularly scheduled day off, the first workday following the observed holiday shall be deemed a holiday.

Bereavement: Employees will be paid twenty-four (24) hours per incident (forty-eight (48) hours maximum per year) for the death or terminal illness of an immediate family member of the employee, the employee's spouse or domestic partner.

~~MISCELLANEOUS BENEFITS~~

Retirement:

Non-Safety Members:

Miscellaneous members hired before January 1, 2013 are under the California

Public Employees Retirement System ("CalPERS") two and one-half percent at fifty-five (2.5% @ 55) defined benefit plan. The following optional benefits are in effect: One (1) Year Final Compensation, Service Credit for Unused Sick Leave and the 1959 Survivors Benefit Level IV. Employees in this tier pay the full eight percent (8%) member contribution.

In accordance with The California Pension Reform Act of 2013 (PEPRA), the following retirement benefits are available to employees hired on or after January 1, 2013 as follows:

Existing, or "Classic" Miscellaneous Members –employees hired on or after January 1, 2013 who are determined to be existing or "classic" members of CalPERS shall be under the CalPERS two and one-half percent at fifty-five (2.5% @ 55) defined benefit plan. Classic members receive the same optional benefits as those noted above and also contribute the full eight percent (8%) towards the member contribution.

"New" Members –employees hired on or after January 1, 2013 who are "new" CalPERS members or who have been out of the CalPERS system for six (6) months or longer shall be covered by the CalPERS two percent at sixty-two (2% @ 62) defined benefit plan. The following optional benefits are in effect: Three (3) Years Final Compensation, Service Credit for Unused Sick Leave and the 1959 Survivors Benefit Level IV. "New" members are required

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to contribute at least fifty percent (50%) of the total normal cost of their retirement benefit. Currently this rate is six and one quarter percent (7.25%) of pensionable income.

Safety Members:

Other Safety members (Regular Marine Safety) hired prior to January 1, 2013 are covered by the three percent at fifty-five (3% @ 55) defined benefit plan. The following optional benefits are in effect: One (1) Year Final Compensation, Service Credit for Unused Sick Leave and the 1959 Survivors Benefit Level IV. Employees pay the full nine percent (9%) member contribution in addition to amounts paid towards the employer contribution as described below:

Effective 1/4/16, members contribute an additional 1% towards the employer contribution for a total contribution of ten percent (10%).

Effective 7/1/17, members contribute an additional 1% towards the employer contribution for a total contribution of eleven percent (11%).

Effective 7/1/19, members contribute an additional 2% towards the employer contribution for a total contribution of eleven percent (13%).

In accordance with The California Pension Reform Act of 2013 (PEPRA), the

following retirement benefits are available to employees hired on or after January 1, 2013 as follows:

Existing, or "Classic" Other Safety members (Regular Marine Safety) – hired on or after January 1, 2013 who are determined to be existing or "classic" members of CalPERS shall be covered by the CalPERS three percent at fifty-five (3% @ 55) defined benefit plan. Classic members receive the same optional benefits and pay the same towards employee and employer member contributions as those listed above.

"New" Other Safety members (Regular Marine Safety) hired on or after January 1, 2013 who are new CalPERS members or who have been out of the CalPERS system for six (6) months or longer shall be covered by the CalPERS 2.7% @ 57 defined benefit plan. The following optional benefits are in effect: Three (3) Years Final Compensation, Service Credit for Unused Sick Leave and the 1959 Survivors Benefit Level IV. "New" members will be required to contribute at least fifty percent (50%) of the total normal cost of their retirement benefit. Currently this rate is eleven and one-half percent (13%) of pensionable income.

Please reference the CalPERS website, www.calpers.ca.gov, for an explanation of benefits.

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Health: The City pays one hundred percent (100%) for employee only coverage. City pays eighty percent (80%) for dependent coverage with the employee responsible for the remaining twenty percent (20%). The City's maximum contribution for premium sharing is limited to the amount contributed by the

City for the HMO family rate. Medical and Dental coverage is provided for domestic partners.

Medical and Dental coverage is offered for eligible retired employees who elect this option. The employee is responsible for the entire premium.

A medical insurance waiver program is available for employees covered by medical insurance other than the City's medical insurance. The program pays sixty percent (60%) of the monthly HMO employee only rate on a bi-weekly basis.

RHS: The City, on the employee's behalf, will contribute one hundred dollars (\$100) per month to a Retirement Health Savings Plan (RHS) managed by the International City Management Association (ICMA). Aside from "old" sick leave, all accrued sick leave will be deposited into the employee's RHS account upon retirement from City service at the rates identified above under "Payment of Unused Sick Leave". Additionally, subject to certain terms and conditions, employees may cash in accrued sick leave into their RHS accounts twice a year.

Disability: A fifty thousand-dollar (\$50,000) group term Life and Accidental Death and Dismemberment policy is provided.

Long Term Disability insurance coverage consists of sixty percent (60%) of the first five thousand (\$5,000) of monthly salary after the employee's sick leave is exhausted and a sixty (60) calendar day elimination period has been satisfied.

Employee Assistance Program: The City contracts with an Employee Assistance Program which provides confidential counseling and referrals to employees and their families, free of charge.

Education Reimbursement Program: The City administers an educational reimbursement program for eligible employees. Reimbursement is limited to one thousand dollars (\$1,000) per fiscal year and eligible expenses. The program is subject to budgetary constraints.

Education Pay – Marine Safety Employees: Effective the later of the pay period that includes July 1, 2019 or the pay period following City Council approval of this MOU, employees in the classifications of Marine Safety Officer, Marine Safety Lieutenant and Marine Safety Captain shall receive two and one half

(2.5%) percent for having a Bachelor of Arts/Sciences (BA/BS) and five

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percent (5.0%) for having a Master's degree (MA/MS). These pays are not cumulative. An employee with a Master's degree will receive five percent (5.0%) and will no longer receive pay for having a Bachelor's degree.

Alternate Work Schedule: City Hall is currently operating on a 9/80 work schedule. Other work schedules may be available including, but not limited to, a 4/10, 9/80, 5/8 or other work schedule as may suit the operational needs of the City. Alternate work schedules are subject to City Manager approval.