



**City of Covina**

**Executive  
Compensation Rules**

**Effective July 1, 2021**



# EXECUTIVE COMPENSATION RULES

Effective: July 1, 2021

## Table of Contents

<b>SECTION 1. PREAMBLE</b> .....	<b>1</b>
<b>SECTION 2. CLASSIFICATIONS</b> .....	<b>1</b>
2.1    POSITION CLASSIFICATIONS .....	1
2.2    AT-WILL CLASSIFICATIONS .....	1
<b>SECTION 3. COMPENSATION</b> .....	<b>2</b>
3.1    SALARY ADJUSTMENTS.....	2
A.    NEW HIRES AND PROMOTED EMPLOYEES.....	2
3.2    SALARY ADVANCEMENT .....	3
3.3    LONGEVITY PAY .....	3
3.4    COVID RECOVERY PAYOUT.....	4
<b>SECTION 4. HOURS OF WORK</b> .....	<b>4</b>
<b>SECTION 5. ADMINISTRATIVE LEAVE</b> .....	<b>4</b>
<b>SECTION 6. HOLIDAYS</b> .....	<b>5</b>
6.1    FIXED HOLIDAYS .....	5
A.    FIXED HOLIDAYS FALLING ON A WEEKEND OR DAY OFF .....	5
6.2    FLOATING HOLIDAYS.....	6
6.3    HOLIDAY FURLOUGH .....	6
<b>SECTION 7. SICK LEAVE</b> .....	<b>6</b>
7.1    EARNING AND ACCURAL.....	6
7.2    PAYOUT OF ACCRUED SICK LEAVE UPON RETIREMENT .....	6
7.3    USE OF SICK LEAVE.....	7
<b>SECTION 8. VACATION ACCRUAL</b> .....	<b>8</b>
8.1    VACATION ACCRUAL .....	8
8.2    MAXIMUM ACCRUAL .....	8
8.3    PAYOUT OF ACCRUED VACATION UPON SEPARATION.....	8
<b>SECTION 9. WORKERS' COMPENSATION</b> .....	<b>8</b>
9.1    NON-SWORN EMPLOYEES .....	9
9.2    SWORN EMPLOYEES .....	9

# EXECUTIVE COMPENSATION RULES

Effective: July 1, 2021

<b>SECTION 10. LEAVE OF ABSENCE WITHOUT PAY .....</b>	<b>10</b>
<b>SECTION 11. JURY DUTY AND COURT APPEARANCES.....</b>	<b>10</b>
11.1    JURY DUTY .....	10
11.2    NON-JOB-RELATED COURT APPEARANCES.....	10
11.3    JOB-RELATED COURT APPEARANCES.....	10
<b>SECTION 12. EMPLOYEE BENEFITS.....</b>	<b>11</b>
12.1    MEDICAL CONTRIBUTIONS.....	11
A.    FLEXIBLE BENEFIT CONTRIBUTIONS .....	11
12.2    DENTAL & VISION PLANS .....	12
12.3    LIFE INSURANCE.....	12
12.4    LONG-TERM DISABILITY INSURANCE.....	13
12.5    PUBLIC OFFICIALS ERRORS AND OMISSIONS INSURANCE.....	13
12.6    UNIFORM ALLOWANCE .....	13
12.7    CELLPHONE ALLOWANCE.....	13
12.8    AUTO USAGE.....	13
12.9    EDUCATION INCENTIVE.....	14
<b>SECTION 13. RETIREMENT .....</b>	<b>14</b>
13.1    RETIREMENT.....	14
A.    MISCELLANEOUS EMPLOYEES.....	14
B.    SAFETY EMPLOYEES (CHIEF OF POLICE).....	15
C.    RETIREE MEDICAL BENEFITS .....	16
<b>SECTION 14. SEVERANCE.....</b>	<b>17</b>

# **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

## **SECTION 1. PREAMBLE**

This document establishes the salary and benefits, authorized by the City Council of the City of Covina. This action supersedes any prior rules or action taken with respect to the classifications listed below. These rules will remain in effect until such time as they are amended by the City Council.

## **SECTION 2. CLASSIFICATIONS**

### **2.1 POSITION CLASSIFICATIONS**

Assistant City Manager  
Assistant to the City Manager  
Chief of Police  
Deputy City Manager  
Director of Administrative Services  
Director of Community Development  
Director of Finance  
Director of Human Resources  
Director of Parks & Recreation and Library Services  
Director of Public Works

### **2.2 AT-WILL CLASSIFICATIONS**

All executive management personnel covered by these Rules and hired or promoted after January 1, 2002, will be part of the non-competitive service of the City and will be exempt from the provisions of the Personnel System in the Covina Municipal Code and the City of Covina Personnel Rules and Regulations.

As “at-will” employees, these individuals are excluded from probationary periods and the ability to obtain regular status. Employees in these classifications are excluded from the agency’s civil service rules. These employees serve “at-will,” i.e., at the pleasure of the City Manager, who is the appointing authority for executive management personnel covered by these Rules. The employment relationship between the City of Covina and its at-will employees is at the mutual consent of both parties. Either the employee or the City of Covina can terminate the employment relationship at-will, at any time, with or without cause or advance

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

notice. The City need not state reasons for release of such employees, and such employees have no right or expectation to receive any pre-release or post-release proceeding, hearing or appeal.

Employees hired or promoted after January 1, 2002, in the classifications covered under the Executive Compensation Rules have no right to return to employment in a former position or right to employment in any other position within the agency.

The City Manager, working with any designee he/she deems appropriate, will ensure that there are job descriptions for each of the classifications covered by these Rules and may make modifications to the job descriptions as he/she deems appropriate for the organization.

### **SECTION 3. COMPENSATION**

#### **3.1 SALARY ADJUSTMENTS**

Effective the first full pay period starting on or after July 1, 2021, the salary ranges for classifications covered by these Rules will be increased by two percent (2%). See Attachment A (Executive Salary Schedule)

Effective the first full pay period starting on or after July 1, 2022 the salary ranges for classifications covered by these Rules will be increased by two-and-a-half percent (2.5%). See Attachment B (Executive Salary Schedule).

Effective the first full pay period starting on or after July 1, 2023, the salary ranges for classifications covered by these Rules will be increased by two-and-a-half percent (2.5%). See Attachment C (Executive Salary Schedule).

If at any time during the term of these Rules, other City employees receive a higher increase, Executive members shall automatically be adjusted to match the higher amount.

#### **A. NEW HIRES AND PROMOTED EMPLOYEES**

Effective upon the date of approval of these Rules by City Council, the initial salary for new hires and promoted employees shall be between the “Minimum” and “Maximum” salary range for the applicable position. The City Manager shall have sole discretion to appoint a new hire to a salary commensurate with the prospective employee’s education, experience and qualifications as they relate to the classification.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **3.2 SALARY ADVANCEMENT**

- A. Salary advancement for employees in classifications covered by these Rules shall be based upon the employee's overall performance rating as demonstrated in his/her Annual Performance Review. A completed annual performance review and a Personnel Action Form (PAF) shall be submitted to Human Resources for implementation of the employee's salary advancement.
- B. Employees in classifications covered by these Rules shall be eligible for salary advancement every twelve (12) months.
- C. The City Manager may authorize accelerated movement in excess of five (5%) through the salary range for exceptional performance or to address compaction issues related to other classifications within the Executive's own department.
- D. If an employee receives a "Needs Improvement" or "Unsatisfactory" rating on an evaluation he/she may receive a salary reduction at the City Manager's discretion and is not eligible for salary advancement until successful completion of at least six (6) months of paid service and a performance evaluation with a rating of at least "Meets Expectations".

### **3.3 LONGEVITY PAY**

Employees are eligible for longevity pay per the schedule below effective the next available paycheck following the employee's hire date anniversary into a fulltime regular position.

<b>Years of Service</b>	<b>Amount</b>
10 years of service	\$1,000
15 years of service	\$1,500
20 years of service	\$2,000
25 years of service	\$2,500
30 years of service	\$3,000
35 years of service	\$3,500
40 years of service	\$4,000

The parties agree that this is special compensation and shall be reported as such to CalPERS, to the extent legally permissible, pursuant to Tile 2 CCR, Section 571 (a)(1).

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **3.4 COVID RECOVERY PAYOUT**

Employees shall receive a one-time payout per COVID Relief Plan guidelines and City Council approval.

If at any time during the term of these Rules, other city employees receive a greater amount, Executive employees shall automatically be increased to match the higher amount.

## **SECTION 4. HOURS OF WORK**

Executive employees typically work a minimum of forty (40) hours per week. The City Manager approves work schedules and leaves of absence. Work schedules are typically the same as those employees under the Executives' supervision. As exempt employees, individuals often attend evening meetings and/or weekend events as part of their role as executives in the organization.

## **SECTION 5. ADMINISTRATIVE LEAVE**

In recognition that Executive employees are not entitled to receive overtime compensation despite devoting hours beyond the normal workweek, employees may be allowed to take administrative leave upon approval of the City Manager.

Effective the first pay period in January 2020, the earning of administrative leave will be at the rate of 3.07 hours per pay period. The maximum accrual of administrative leave shall not exceed eighty (80) hours per calendar year. Should accrued administrative leave reach 80 hours, no additional administrative leave hours shall accrue until the hours in the administrative leave bank are below 80 hours.

Upon termination from employment with the City, earned and unused administrative leave hours will be paid to the employee at the employee's current base hourly rate of pay.

In partial recognition of prolonged, uncommon, or exceptional hours of work beyond the standard work expectations for exempt executive staff, the City Manager may, at his/her discretion, adjust employees' work hours and allow exempt Executive employees to take time off without using administrative leave.



## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **SECTION 6. HOLIDAYS**

#### **6.1 FIXED HOLIDAYS**

The following schedule of holidays shall be observed and employees shall receive the following days off with pay:

- |                                |                               |
|--------------------------------|-------------------------------|
| 1. New Year's Day              | 7. Veterans' Day              |
| 2. Martin Luther King, Jr. Day | 8. Indigenous Peoples' Day    |
| 3. Presidents' Day             | 9. Thanksgiving Day           |
| 4. Memorial Day                | 10. Friday after Thanksgiving |
| 5. Independence Day            | 11. Christmas Day             |
| 6. Labor Day                   |                               |

#### **A. FIXED HOLIDAYS FALLING ON A WEEKEND OR DAY OFF**

1. When a holiday falls on a scheduled workday, the holiday will be observed on that day. Exempt employees working on the holiday shall be paid their base salary and do not earn a floating holiday (Refer to SECTION 5. ADMINISTRATIVE LEAVE).
2. When a holiday falls on a Sunday, the holiday will be observed on the following Monday.
3. When a holiday falls on a Friday, when City Hall is regularly closed, or on a Saturday following a Friday closure, the employee's floating holiday leave bank will be credited with ten (10) hours.
4. If a fixed holiday is observed on an employee's regularly scheduled day off (other than the Friday off as described above) (e.g., due to his/her alternative work schedule) then the employee will receive ten (10) floating holiday hours credited to his/her floating holiday leave bank.

If at any time, during the term of these Rules, other Bargaining Units receive additional fixed holidays, Executive members shall automatically receive the same fixed holidays.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **6.2 FLOATING HOLIDAYS**

In addition to fixed holidays, employees shall be provided floating holiday leave time. Floating holiday leave banks are capped at fifty (50) hours. All employees shall receive up to thirty (30) floating holiday hours annually with the first full pay period in January. An employee may receive a pro-rated annual allotment if the annual allotment of 30 hours would result in the employee's bank exceeding 50 hours. Floating holiday time may be used in incremental (hourly) amounts.

Use of floating holiday leave hours is subject to approval of the City Manager or his/her designee.

Upon separation of employment, all earned but unused floating holiday hours will be paid to the employee at the base hourly rate of pay.

### **6.3 HOLIDAY FURLOUGH**

The City reserves the right to close non-essential, non-safety facilities between Christmas Eve and New Year's Day. Employees may use leave time including vacation, floating holiday leave, or administrative leave to cover workdays between December 24 and December 31.

## **SECTION 7. SICK LEAVE**

### **7.1 EARNING AND ACCURAL**

Executive employees shall accrue ten (10) hours of paid sick leave per month (120 hours earned per year) earned on a biweekly basis.

### **7.2 PAYOUT OF ACCRUED SICK LEAVE UPON RETIREMENT**

Employees may be compensated for fifty-five percent (55%) of their accrued sick leave up to the maximums outlined below. Sick leave shall be paid out at the base hourly rate of pay and is subject to the following limitations:

- A. Upon retirement from the City, employees who have been continuously employed by the City since February 29, 1988 may cash out up to 1,600 hours of accrued sick leave. Any unused balance of sick leave accruals shall be reported to CalPERS for service credit.
- B. Upon retirement from the City, employees hired or promoted from bargaining units with a maximum sick leave cap on or after March 1,

## EXECUTIVE COMPENSATION RULES

Effective: July 1, 2021

1988, may cash out up to 1,200 hours of accrued sick leave. Any unused balance of sick leave accruals shall be reported to CalPERS for service credit.

### 7.3 USE OF SICK LEAVE

- A. Sick leave shall be deducted from an employee's accrued leave balance on an hour-for-hour basis. Sick leave may be used for personal illness or injury, and absences for medical, dental, and/or vision care appointments.
- B. A minimum of fifty percent (50%) of the employee's annual accrual (60 hours) of sick leave may be used to attend to an immediate family member (parent, child, spouse, registered domestic partner, sibling, grandparent, or grandchild as defined under California Labor Code Section 233) who is ill/injured or needs care as permitted by that law.
  - i. Use of additional sick leave in excess of sixty (60) hours annually may be granted by the City Manager and shall not exceed the employee's annual accrual of sick leave.
  - ii. Any further use of sick leave shall be coordinated under the provisions of the Family Medical Leave Act (FMLA) and the City's Leave Policy.
- C. Employees may be asked to provide a physician's certification for any sick leave absence that involves the illness of the employee or family member.
- D. From available accrued sick leave, an employee may be granted (on each separate occasion) up to four (4) days of bereavement leave with pay in the event of death to a member of the employee's immediate family. An additional two (2) days leave may be granted by the City Manager if the funeral location is five hundred (500) miles or more (one way) away from the City of Covina.
  - i. For purposes of bereavement leave an employee's immediate family shall include: An employee's spouse, domestic partner, children, grandchildren, sons-in-law, daughters-in-law, parents, grandparents, parents-in-law, brothers, sisters, brothers-in-law, and sisters-in-law. "Children" shall also include a biological, foster, or adopted child, a stepchild, a legal ward, a child of a domestic partner, or a child of a person standing in loco parentis. "Parent" shall include a biological, foster, or adoptive parent, a stepparent, or a legal guardian.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **SECTION 8. VACATION ACCRUAL**

#### **8.1 VACATION ACCRUAL**

Unless otherwise authorized by the City Manager, employees shall accrue vacation as outlined in the schedule below:

<b>Years of Service</b>	<b>Annual Total</b>	<b>Max Accrual</b>
Up to completion of 5 years	120 hours	250 hours
Beginning of the 6 <sup>th</sup> year through 10 years	176 hours	368 hours
Beginning of the 11 <sup>th</sup> year through 15 years	200 hours	420 hours
Beginning of the 16 <sup>th</sup> year and on	224 hours	664 hours

#### **8.2 MAXIMUM ACCRUAL**

Upon reaching the maximum accrual, employees cease to earn additional vacation until the balance is reduced below the maximum accrual cap. The City Manager may approve accrual of vacation above the maximum, provided the employee submits a plan to reduce the excess vacation leave within a six (6) month period.

In special cases, where it has not been possible due to workload or other factors for the employee to use his/her vacation leave in excess of the maximum accrual, in lieu of time off, the employee may submit an Executive Vacation Buy Back Form to the City Manager to have accumulated vacation hours cashed out to reduce balances to an amount not less than the employee's annual accrual. All vacation hours cashed out shall be paid at the employee's current base hourly rate of pay.

#### **8.3 PAYOUT OF ACCRUED VACATION UPON SEPARATION**

Upon separation from employment with the City, earned and unused vacation hours will be paid to the employee at the employee's current base hourly rate of pay.

### **SECTION 9. WORKERS' COMPENSATION**

The City shall provide a Workers' Compensation program in accordance with State Law and these provisions.

The City has the right to require the employee to go to a City-selected physician (unless the employee has pre-designated a physician at least thirty (30) days prior to the date of

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

injury or illness) to verify the reported injury/illness and if it restricts the employee from performing his or her regular job assignment.

### **9.1 NON-SWORN EMPLOYEES**

1. With the exception of the Chief of Police, all employees covered by these Rules, who sustain a work-related injury or illness and file a claim for workers' compensation benefits, which is then accepted, shall be eligible to receive full base salary continuation for an initial period up to forty-five (45) calendar days or until the employee returns to work, whichever is earlier. In addition, the City will maintain its contribution to the employee's benefits as provided for herein (retirement, health, dental, life and LTD insurance). This provision shall apply only up through the first 45 calendar days of absence from work for each separate injury or illness, including aggravations thereof.
2. During this initial 45-day period, the absent employee's vacation, sick, and other leave accruals shall not be deducted for his/her time off work. Vacation and sick leave shall also continue to accrue during this time. In order for the employee to receive the above pay and benefit continuation, he/she must remit all Workers' Compensation temporary disability checks to the City of Covina.
3. For workers' compensation leave exceeding 45 days, employees may receive temporary disability payments through the workers' compensation program. Once temporary disability payments are exhausted, the employee may be eligible for long term disability benefits.
4. Employees on workers' compensation leave (either receiving salary continuation or temporary disability benefits) will have the leave designated as FMLA/CFRA leave. Benefits will continue during a maximum of twelve (12) weeks of FMLA/CFRA leave in the same manner as provided during active employment.
5. Employees who become ineligible for City-provided benefits may maintain those benefits at their own cost in accordance with COBRA regulations. The employee is responsible for coordinating COBRA coverage with the Human Resources Department.

### **9.2 SWORN EMPLOYEES**

Base salary and benefit continuance for sworn employees (Chief of Police) shall be in accordance with California Labor Code Section 4850.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **SECTION 10. LEAVE OF ABSENCE WITHOUT PAY**

Employees covered by these Rules may apply in writing to the City Manager for a leave of absence without pay. If the City Manager determines there is adequate justification to grant such a leave of absence and that the work of the department will not be significantly impacted by a temporary absence of the employee, the leave without pay may be authorized, with the condition that the employee be available by phone if the City Manager needs to contact him/her. The City Manager's decision on granting a leave of absence without pay is final and not subject to grievance or appeal. The City Manager may also terminate or cancel early any authorized leave by giving the employee notice of ten (10) calendar days. Notice will be given by any means including, but not limited to phone call, text, email, or U.S. mail.

During the period of authorized leave of absence without pay, the employee will not be entitled to any City-paid benefits nor will he/she accrue leave.

### **SECTION 11. JURY DUTY AND COURT APPEARANCES**

#### **11.1 JURY DUTY**

Employees shall be granted fifteen (15) work days of jury duty service leave annually. For jury service that exceeds fifteen (15) days, an employee may request approval to use vacation, floating holiday, or administrative leave to cover the additional time for jury service.

#### **11.2 NON-JOB-RELATED COURT APPEARANCES**

In the case where an action does not pertain to a job-related matter, leave without pay shall be granted for an appearance before a court, legislative committee, judicial or quasi-judicial body as a witness in response to a subpoena or other order by proper authority compelling his/her attendance under penalty described by law. The employee may also seek approval of use of his or her earned vacation, administrative leave, or floating holiday leave to cover the required time off.

#### **11.3 JOB-RELATED COURT APPEARANCES**

In the case where an action is job-related, upon review and approval of the appropriate authority the time required will not be subject to any need for leave, and the employee will be considered on-duty.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **SECTION 12. EMPLOYEE BENEFITS**

#### **12.1 MEDICAL CONTRIBUTIONS**

The City participates in the CalPERS medical program (per the Public Employees' Medical and Hospital Care Act – "PEMHCA"). For employees enrolled in a CalPERS medical plan, the City contributes the required statutory minimum (per Government Code Section 22892) toward the medical premium. Amounts are determined by CalPERS and adjusted annually. Every full-time active employee must be covered by a healthcare (medical) plan verified by the Human Resources Department. Impacts of the Affordable Care Act may require the City to modify benefit provisions.

##### **A. FLEXIBLE BENEFIT CONTRIBUTIONS**

Pursuant to the Section 125 flexible benefit plan adopted by the City, employees covered under these Rules receive a monthly allowance (in addition to the CalPERS statutory minimum) to pay for eligible qualified benefits as identified in the Plan Document, for example: Premiums for medical, dental, vision, and supplemental life insurance.

Effective the first paycheck date starting on or after July 1, 2021, employees covered by these Rules receive a monthly allowance of \$1,210 per month.

Effective the first paycheck date starting on or after July 1, 2022, employees covered by these Rules receive a monthly allowance of \$1,310 per month.

Effective the first paycheck date starting on or after July 1, 2023, employees covered by these Rules receive a monthly allowance of \$1,410 per month.

If at any time during the term of these Rules, other City employees receive a higher monthly allowance, Executive members shall automatically be increased to match the higher amount.

Employees may receive unused portions of the flexible benefit allowance as cash. The maximum amount of cash received is limited to the following:

- \$750 per month for employees hired before January 1, 2013;

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

- \$300 per month for employees hired on or after January 1, 2013; and
- \$150 per month for employees hired on or after May 28, 2019.

Cash payments are treated as taxable income.

The City will administer this provision so that any benefits which are purchased by each employee will be deducted from his/her monthly allowance on a pre-tax basis. Any remaining funds will be paid out up to the maximums described above.

Employees who opt out of the CalPERS medical plan and receive cash must provide the following:

1. Proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction, have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies (“opt out period”); and
2. The employee must provide proof (sign an attestation) that the employee and his/her tax family (“tax family” is defined as individuals the employee expects to claim for personal tax exemption deductions) have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within thirty (30) calendar days after the start of the plan year.

Cash-in-lieu payments will not be made if the City knows or has reason to know that the employee or tax family member does not have minimum essential coverage, or if the conditions in the previous paragraph are not satisfied.

### **12.2 DENTAL & VISION PLANS**

Enrollment in the City’s dental and vision plans is voluntary.

### **12.3 LIFE INSURANCE**

The City shall provide a \$100,000 Term Life Insurance policy for all Executive Management personnel. The Chief of Police shall receive a Term Life Insurance



## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

policy equal to one-and-one-half times (1.5x) his/her annual salary provided by the City.

### **12.4 LONG-TERM DISABILITY INSURANCE**

Employees covered by these Rules are provided with a long-term disability plan. The City pays all premium costs.

### **12.5 PUBLIC OFFICIALS ERRORS AND OMISSIONS INSURANCE**

Employees covered by these Rules shall be covered by a Public Officials Errors and Omissions insurance policy. The City shall pay for the premium for the policy.

### **12.6 UNIFORM ALLOWANCE**

The Chief of Police shall receive a uniform allowance the same as provided to the Police Management Group (PMG).

### **12.7 CELLPHONE ALLOWANCE**

Effective August 15, 2017, employees shall have available to them an allowance of \$75.00 per month (paid bi-weekly) for cellular service. The employee must submit a written request for this allowance to the City Manager.

### **12.8 AUTO USAGE**

It is understood that this authorization is at the discretion of the City Manager. He/she shall consider the City costs involved, the availability of vehicles, and the potential of the executive employee being called out on emergencies on behalf of the City.

- A. The City Manager may authorize an employee to utilize an assigned City vehicle for commuting to and from his/her home and work.
- B. An employee in a position not provided a City vehicle who occasionally uses his/her private vehicle to perform official City business will be reimbursed for mileage at the current IRS rate per mile.
- C. Employees using their personal vehicles on authorized City business are required to maintain a valid California Driver's License and adequate automobile insurance at all times.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

### **12.9 EDUCATION INCENTIVE**

#### **A. EXECUTIVE PERSONNEL**

Executive personnel who have earned a job-related advanced degree from an accredited college or university (approved by the Human Resources Department) may receive an additional two-percent (2%) of base salary with the approval of the City Manager.

#### **B. CHIEF OF POLICE**

The Chief of Police shall receive education incentive pay the same as provided to the Police Management Group (PMG).

The parties agree that this is special compensation and shall be reported as such to CalPERS, to the extent legally permissible, pursuant to Title 2 CCR, Section 571(a)(2).

## **SECTION 13. RETIREMENT**

### **13.1 RETIREMENT**

#### **A. MISCELLANEOUS EMPLOYEES**

##### **1. Classic Members**

Retirement benefits for miscellaneous employees are provided as specified under the City's contract with the California Public Employees' Retirement System (CalPERS) and include the following benefits:

- a. 2.5% at 55 benefit formula
- b. One-half pay continuance (GC Sections 21624, 21626, 21628)
- c. 1959 Survivors Benefit, Level VI
- d. One (1) year final compensation (single highest year) per GC Section 20042
- e. Purchase of military service as credit for retirement purposes, in accordance with GC Section 21024.
- f. Credit for unused and unpaid Sick Leave per GC Section 20965.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

- g. \$600 Retired Employee Death Benefit per GC Section 21622.

All “classic” miscellaneous employees contribute eleven percent (11%) (eight percent (8%) member contribution and three percent (3%) cost-sharing per contract amendment) toward retirement. The deduction will be made on a pre-tax basis.

### **2. Public Employees’ Pension Reform Act (PEPRA) Members**

Pursuant to PEPRA:

- a. 2% at 62 benefit formula.
- b. Final compensation is equal to the new member’s highest average PERS compensation for 36 consecutive months of employment.

PEPRA members are required to pay a portion of the cost for the 2% at 62 retirement formula. This mandatory member contribution is not a fixed amount, rather it is determined in accordance with the formula established by PEPRA. The mandatory contribution will be equal to at least 50% of the total normal cost rate attributable to the 2% at 62 benefit formula, as determined by CalPERS. The mandatory contribution for PEPRA members is subject to adjustment. In addition, new members contribute 3% cost-sharing (per contract amendment) toward retirement.

## **B. SAFETY EMPLOYEES (CHIEF OF POLICE)**

### **1. Classic Members**

Retirement benefits for safety employees are provided as specified under the City’s contract with the PERS and include the following benefits:

- a. Tier 1- 3% at 50 benefit formula
- b. Tier 2- 3% at 55 benefit formula, effective January 1, 2011
- c. One-half pay continuance (GC Sections 21624, 21626, 21628)
- d. 1959 Survivors Benefit, Level VI

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

- e. One (1) year final compensation (single highest year) per GC Section 20042
- f. Purchase of military service as credit for retirement purposes, for employees hired prior to January 1, 1987 in accordance with GC Section 21024
- g. Unused Sick Leave Credit per GC Section 20965
- h. \$600 Retired Employee Death Benefit per GC Section 21622

All “classic” safety employees contribute nine percent (9%) member contribution. The deduction will be made on a pre-tax basis.

### **2. Public Employees’ Pension Reform Act (PEPRA) members**

Pursuant to PEPRA:

- a. 2.7% at 57 benefit formula for “new members”.
- b. Final compensation is equal to the new member’s highest average PERS compensation for 36 consecutive months of employment

New members are required to pay a portion of the cost for the 2.7% at 57 retirement formula. This mandatory member contribution is not a fixed amount, rather it is determined in accordance with the formula established by PEPRA. The mandatory contribution will be equal at least 50% of the total normal cost rate attributable to the 2.7% at 57 benefit formula, as determined by CalPERS. The mandatory contribution for PEPRA members is subject to adjustment.

### **C. RETIREE MEDICAL BENEFITS**

For all members who are eligible “annuitants” pursuant to Government Code section 22760 and choose to enroll in a CalPERS medical plan as an annuitant, the City will contribute the PEMHCA minimum to CalPERS on the retiree’s behalf.

Effective December 31, 1996, the City shall contribute \$472.00 per month per eligible retiree toward an optional benefit plan until the beginning of the month the retiree reaches Medicare eligibility age. Eligible retirees will receive this amount in cash. Upon reaching Medicare eligibility age (65 years old), an eligible retiree shall receive \$34.00 per month toward optional benefits.

## **EXECUTIVE COMPENSATION RULES**

Effective: July 1, 2021

Employees, who in 1986, while employed with the City, chose to not enroll in Medicare, and who have no other ability to enroll in Medicare optional/supplemental benefits, the City will contribute the actual cost of supplemental benefits up to a maximum of \$472.00 per month. Should the employee be eligible to enroll in optional benefits through Medicare, the City's contribution will be \$34.00 per month toward optional benefits. Any monies received in cash will be considered as taxable income.

"Eligible retiree" means any person who meets the retirement eligibility standards of the Public Employee's Retirement System (PERS) and either was a current full-time employee on December 31, 1996, or is a person who has ten (10) years of uninterrupted service as a fulltime employee with the City of Covina subsequent to December 31, 1996. Additionally, the City Manager may authorize an employee who meets retirement criteria established by PERS to be an eligible retiree; such authorization must be done in writing. An employee retiring due to job-related disabilities shall be entitled to supplemental retiree benefits.

The Chief of Police shall receive the Retiree Medical Benefit the same as provided to the Police Management Group (PMG).

### **SECTION 14. SEVERANCE**

Executives are at-will employees as described in California Labor Code Section 2922. As such, they can be terminated from employment without cause. If an Executive employee is terminated from employment, he/she shall be entitled to receive three (3) months of severance pay unless it is determined by the City Manager that the Executive employee engaged in misconduct. If that occurs, the employee is not entitled to severance pay.

The determination as to whether an Executive employee engaged in misconduct is exclusively the decision of the City Manager and is not subject to challenge in any way. The City Manager does not have a burden of proof, but has the right to make that determination within his/her discretion. If severance is denied, the City Manager will inform the Executive employee in writing of the misconduct.

**RESOLUTION CC 2021-109**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AMENDING THE FISCAL YEAR 2021-22 BUDGET TO APPROPRIATE \$250,000 OF THE AMERICAN RESCUE PLAN ACT (ARPA) FUNDS FOR USE ON ELIGIBLE PROJECTS AND PROGRAMS**

**WHEREAS**, on March 11, 2021, the President of the United States signed into law the American Rescue Plan Act (ARPA) to provide continued relief from the impact of the COVID-19 pandemic; and

**WHEREAS**, approximately \$350 billion of the ARPA funding was allotted to assist state, local, tribal, and territory governments in responding to the COVID-19 pandemic; and

**WHEREAS**, such funds are to be used in accordance with the guidelines of the plan summarized below:

Use of Funds:

- To respond to the public health emergency or its negative economic impacts, including assistance to households, small business, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; and
- To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers; and
- For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- To make necessary investments in water, sewer, or broadband infrastructure.

**WHEREAS**, the City of Covina is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California (“City”); and

**WHEREAS**, the Fiscal Year 2021-22 Operating Budget was approved on June 1, 2021; and

**WHEREAS**, the approved Fiscal Year 2021-22 Operating Budget is in accordance with applicable ordinances of the City and statutes of the State; and

**WHEREAS**, the City of Covina has received the first tranche of American Rescue Plan Act (ARPA) funds in the amount of \$5,675,524 on July 13, 2021, and the remaining funding will be received approximately 12 months later; and

**WHEREAS**, the City of Covina wishes to establish a new fund in order to appropriately account for the American Rescue Plan Act (ARPA) monies, this fund number being 2990.

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

**SECTION 1.** Amend the Fiscal Year 2021-22 Operating Budget as follows:

Account Number	Description	Project Name	Amount
29903300-5XXXX	ARPA-Community Programs	Non-Profit Support, Covina Woman's Club	\$50,000
29904750-5XXXX	ARPA-Information Technology	Cybersecurity and Communication System Upgrades	\$200,000

**SECTION 2.** This Resolution shall take effect immediately upon adoption.

**SECTION 3.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.


**APPROVED** and **PASSED** this 21<sup>st</sup> day of September, 2021.

City of Covina, California

BY:

  
 \_\_\_\_\_  
 JORGE A. MARQUEZ, Mayor

ATTEST:

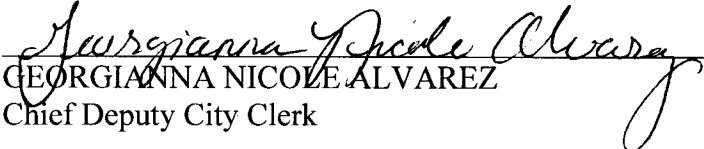
  
 GEORGIANNA NICOLE ALVAREZ  
 Chief Deputy City Clerk

**CERTIFICATION**

I, Georgianna Nicole Alvarez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2021-109 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 21<sup>st</sup> day of September, 2021, by the following vote:

AYES: COUNCIL MEMBERS: ALLEN, KING, LINARES, CORTEZ, MARQUEZ  
 NOES: COUNCIL MEMBERS: NONE  
 ABSTAIN: COUNCIL MEMBERS: NONE  
 ABSENT: COUNCIL MEMBERS: NONE

Dated: September 22, 2021

  
 GEORGIANNA NICOLE ALVAREZ  
 Chief Deputy City Clerk