

CITY COUNCIL RESOLUTION NO. 26-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ESTABLISHING A CLASSIFICATION AND COMPENSATION POLICY FOR THE MANAGEMENT EMPLOYEES OF THE CITY OF IRVINE, AND SUPERSEDING RESOLUTION NO. 25-12 EFFECTIVE THE PAY PERIOD THAT INCLUDES JANUARY 3, 2026

WHEREAS, revisions have been made to the Classification and Compensation Policy.

NOW, THEREFORE, the City Council of the City of Irvine DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. ANNUAL COMPENSATION FOR MANAGEMENT EMPLOYEES

The pay grades for Management Employees of the City of Irvine shall be set forth as shown in the applicable salary resolution adopted by the City Council.

SECTION 2. OTHER COMPENSATION COMPONENTS

Eligible Management employees shall receive additional compensation benefits as follows:

1. Pension:
 - A. The provisions of this Section 2.1 shall apply to all employees, as of June 30, 2003, who elected to decline the CalPERS benefits.
 1. The City shall invest an amount equal to 12.448% of each employee's base salary in the City of Irvine Defined Contribution Pension Plan (DCPP) for employees who are actively employed in the unit on or after this Resolution is approved by the City Council. Employees shall become fifty percent (50%) vested in such plan upon completion of the initial six months of employment. Thereafter, such vested interest shall increase at the rate of 5% for every Plan Year in which the employee completes 1000 hours of service. Once the employee has completed five (5) years of service, he/she shall become 100% vested in the retirement plan.
 2. The City will deduct an amount equal to 6.552% of each employee's base salary to invest in the City of Irvine DCPP. It is understood that this payroll deduction shall be mandatory for all employees who elect to remain in the City of Irvine DCPP.

3. All employees who elected to remain in the City of Irvine DCPD shall not be entitled to any CalPERS benefits, past, present or future, as provided under Section 2.1.B of this Resolution. If employees elected to remain in the City of Irvine DCPD, such participation shall continue until the employee terminates their employment from the City for any reason.
 4. The City will utilize retirement plan forfeitures to offset the cost of City of Irvine DCPD account management and administrative fees.
- B. The provisions of this section B.1 shall apply to employees, as of June 30, 2003, who elected to waive their rights to the City of Irvine Defined Contribution Pension Plan (DCPP) and who elected to transfer to the CalPERS program.
1. The City's contract with CalPERS shall include the following options:
 - a. 2.7% @ 55 Full Formula for Local Miscellaneous Members (Cal. Govt. Code Section 21354.5)
 - b. One Year Final Compensation (Cal. Govt. Code Section 20042)
 - c. Military Service Credit as Public Service (Govt. Code Section 21024), in which the employee pays the entire cost
 - d. Improved Non-Industrial Disability Allowance (Cal. Govt. Code Section 21427)
 - e. 4th Level 1959 Survivor Benefits (Govt. Code Section 21574)
 - f. Limit Prior Service to Members Employed on Contract Date (Govt. Code Section 20938)
 2. All eligible employees hired on or after July 5, 2003, the effective date of the CalPERS contract, shall become members of the CalPERS Retirement Program.
 3. All active eligible employees shall be members of CalPERS, unless they elected to decline the CalPERS benefits through the irrevocable election process. All employees covered by CalPERS shall no longer be entitled to any benefits past, present or future, provided under the City of Irvine DCPD referenced in Section 2.1.A above.
 4. Once a member of the CalPERS plan, such participation shall continue until the employee terminates employment with the City for any reason.

5. The CalPERS vesting schedule will apply (Cal. Govt. Code Section 21060).
6. Employer-Paid Member Contributions and New CalPERS Miscellaneous Tiers
 - a. The full eight percent (8%) cost of the CalPERS member contributions will be paid by the employee.
 - b. Effective April 14, 2012, the City implemented the 2% @ 55 retirement program with the average of the three highest paid consecutive years for all miscellaneous employees hired on or after that date. Employees in the 2% @ 55 plan will pay the full 7% Member Contribution for the entire term of their employment.
 - c. All "new members" within the meaning of the California Public Employees' Pension Reform Act of 2013 hired by the City on or after January 1, 2013, will be placed in the City's Tier 3 plan; 2% at 62 formula for Miscellaneous employees. Employees will pay the full employee contribution, which will be one-half the normal rate as determined by CalPERS and there shall be no employer payment of any of the required employee contribution.
 - d. Effective the pay period including July 1, 2024, all Classic and PEPRA members shall contribute through payroll deductions an amount equal to one-half percent (0.5%) of compensation earnable as cost sharing of the City's required contribution to CalPERS under Government Code Section 20516(f).

Effective the pay period including July 1, 2025, all Classic and PEPRA members shall contribute through payroll deductions an additional one-half percent (0.5%) of compensation earnable as cost sharing of the City's required contribution to CalPERS under Government Code Section 20516(f) for a total of one percent (1%).

- C. The Sworn employees listed in Attachment I shall become a member of the CalPERS retirement plan for local safety employees, pursuant to the contract between the City and CalPERS.
 1. Once a member of the CalPERS plan, such participation shall continue until the employee terminates employment with the City for any reason.
 2. The CalPERS vesting schedule will apply (Cal. Govt. Code Section 21060).

For employees who are members of the City's 3% at 50 CalPERS, the full nine percent (9%) member contribution will be paid by the

member, through pre-tax payroll deduction.

3. All "new members" within the meaning of the California Public Employees' Pension Reform Act of 2013 hired by the City on or after January 1, 2013, will be placed in the City's Tier 3 plan; 2.7% at 57 for Sworn employees. Employees will pay the full employee contribution, which will be one-half the normal rate as determined by CalPERS and there shall be no employer payment of any of the required employee contribution.
4. Employer paid member contributions shall be considered deferred income for federal and state income tax purposes. Should any state or federal agency alter the current income tax treatment of such payments, the consequences of such action shall be the sole responsibility of the affected employees and shall in no way alter any obligation of the City toward such employees.
5. Effective the pay period including July 1, 2024, all Classic and PEPRA members shall contribute through payroll deductions an amount equal to one-half percent (0.5%) of compensation earnable as cost sharing of the City's required contribution to CalPERS under Government Code Section 20516(f).

Effective the pay period including July 1, 2025, all Classic and PEPRA members shall contribute through payroll deductions an additional one-half percent (0.5%) of compensation earnable as cost sharing of the City's required contribution to CalPERS under Government Code Section 20516(f) for a total of one percent (1%).

2. Retiree Health Plan:

- A. The City shall contribute an amount equal to two percent (2%) of each employee's base salary in a Retiree Health Savings (RHS) account, which shall be administered by the employees covered by this Resolution.
- B. An employee who has retired from the City and has either attained the age of sixty (60) years or is fifty (50) years old and has completed five (5) years of service with the City shall be entitled to purchase the medical insurance plan in effect at the time of retirement at the City's rates for the employee and the employee's dependents at the cost to the former employee, now retiree.
- C. The City will allow a spouse of an eligible retired unit member to continue to purchase the medical insurance after the death of the retired employee, provided that the spouse was covered under a City insurance plan at the time of employee's death and provided that there has been no break in coverage since the employee's retirement. This eligibility for continued

coverage ceases if such spouse remarries.

- D. Each representation unit has determined the type of retiree health program in which its members shall participate. In order to ensure that the employees can maximize their benefits, the City agrees to allow employees to remain in the designated type of retiree health program throughout their service with the City, whether or not the employee moves to another representation unit(s). In the event an employee moves to another representation unit, the City will contribute an amount up to the contribution established for the new unit's retiree health plan and the employee will not be eligible to participate in any other non-voluntary health plan offered to City employees. If the City's contribution toward a retiree health plan in the new unit is less than what is required for the employee's designated retiree health plan, the difference will be deducted from the employee's pay.

3. 401a Retirement Plan:

The City shall contribute an amount equal to four percent (4%) of each employee's base salary in a 401a retirement plan biweekly, which shall be administered by the employees covered by this Resolution.

4. Health Insurance Benefits:

A. Indemnity Medical Insurance

The City shall provide the option to employees to enroll in a medical indemnity insurance plan.

B. Indemnity Dental Insurance

The City shall provide the option to employees to enroll in a dental indemnity insurance plan.

C. Health Maintenance Organizations

The City shall provide the option to employees to enroll in a health maintenance organization and/or a dental maintenance organization.

D. Vision Care Plan

The City shall provide one or more vision care plans.

The medical tier that the employee selects will drive the insurance cap that is applied to the employee's health benefit selections. The employee will be required to pay the difference in premiums in excess of the City

Cap. The City Cap for each tier is calculated based on the sum of:

- Medical Coverage Premium:
 - Single Coverage: \$904.94
 - Two-Party Coverage: \$1,900.46
 - Family Coverage: \$2,712.86
- Family Dental HMO Coverage (100% of cost)
- Single Base Vision Coverage (100% of cost)

Employees have the option of enrolling themselves and/or their dependents into a no-cost medical plan rather than being subject to the cap as set forth in item E., above. Under the no-cost plan, the City will provide any HMO Medical Plan and any HMO Dental Plan offered by the City, as described in item E. above. Under this option, employees may choose to upgrade from the HMO Dental Plan to the PPO Dental Plan, however the employee will be required to pay the difference in premium between the HMO Dental Plan and the PPO Dental Plan.

Effective January 1, 2026, any increase in the cost of the HMO Medical Plans over the costs in effect December 31, 2025, will be applied to the City Cap calculation as follows: The City will increase the contribution towards the City Cap by paying 95% of the increased cost of annual premiums. Each year thereafter, 95% of the increased cost will continue to be added to calculation of the amount paid by the City towards the City Cap.

5. Disability Insurance:

The City shall provide a long-term disability insurance plan for employees.

6. Life Insurance:

Employees covered by this Resolution shall be provided a life insurance policy in the amount equal to a full year's base salary rounded up to the next \$1,000.

7. Flexible Spending Account:

Employees may use pre-tax dollars to pay for eligible medical and dependent care expenses per Internal Revenue Code Sections 125 and 129. The City will use what legal means exist to recover cost for claims paid in advance of sufficient employee payroll deduction being made upon the employee's separation from the City.

8. Expense Allowances:

A. Vehicle Allowance

Management employees listed on Attachment I shall be provided a monthly vehicle allowance. The City Manager may approve use of a City vehicle or mileage reimbursement for those miles traveled in the

employee's vehicle, which exceed the miles covered by the vehicle allowance based on the current mileage rate

Classifications in Section A, B, and C \$550

Classifications in Section D \$300

Upon approval of the City Manager or designee, employees may be assigned a City vehicle and forgo the monthly vehicle allowance.

B. Telecommunications Allowance

Employees covered by this agreement shall be provided with either a \$100 monthly allowance for cellular service, or a City issued cellular phone. In addition, for employees who are not issued a City cellular phone, a reimbursement of up to \$1,000 for cellular equipment will be provided upon receipt of invoice once during a two-year period, resetting in January of odd numbered years. All contracts for cellular service for employee not issued a City cellular phone shall be between the provider and the individual.

9. Vacation:

Management employees covered by this agreement shall accrue vacation credits on a monthly basis as follows:

<u>Years of Service</u>	<u>Annual Vacation Credits</u>
1 through 3	120 hours
After 3 through 10	160 hours
After 10 years or more	200 hours

As an incentive for filling critical management positions, as part of an offer of employment, the City Manager may grant a vacation balance of one week upon appointment.

Employees covered under this agreement may not accrue more than three (3) times their annual accrual rate of vacation. When an employee earns vacation in excess of the maximum accrual, the employee shall be paid for vacation during the pay period earned and at the employee's regular rate of pay.

The dates an employee may take her/his vacation shall be determined by the Department Director or the City Manager with due regard for the wishes of the employee and particular regard for the needs of the City. Other policies related to the accrual and use of vacation shall be as provided in the Personnel Rules and Procedures.

10. Vacation Buyback:

On or before the pay period which includes December 15 of each calendar year, an employee may make an irrevocable election to cash out up to eighty (80) hours of accrued vacation (in whole hour increments) which will be earned in the following calendar year at the employee's regular rate of pay (inclusive of all specialty pays). The employee will receive cash for the amount of vacation the employee irrevocably elected to cash out in the prior year. Payment will be made by Thanksgiving. However, if the employee's vacation leave balance is less than the amount the employee elected to cash out (in the prior calendar year) the employee will receive cash for the amount of leave the employee has accrued at the time of the cash out.

11. Personal Sick Leave:

Employees shall accrue personal sick leave credits at the rate of eight (8) hours per month.

Unless unforeseen and extenuating circumstances arise, in order to receive compensation while absent on sick leave, the employee shall notify her/his immediate supervisor or the Personnel Officer prior to or within one (1) hour after the time set for beginning her/his daily duties, or as may be specified by the head of her/his department. When absence is for one workday or more, the employee may be required to file a physician's certificate with the Personnel Officer, stating the cause of absence.

An employee receiving temporary disability payments under the Workers' Compensation laws may use a pro-rated amount of accumulated sick leave in order to continue to maintain her/his regular income. Under such circumstances, the employee shall submit any benefit payments from the Workers' Compensation fund to the Finance Officer.

An employee may be required to provide a doctor's release to return to work following an illness or injury resulting in an inability to perform assigned duties.

12. Personal Sick Leave Conversion:

Employees having less than ten (10) years of consecutive full-time service shall be eligible, if they so desire, each quarter (January 1, April 1, July 1, October 1) to convert unused personal sick leave in excess of 168 hours at a ratio of eight (8) hours of vacation for every twenty-four (24) hours of personal sick leave. Employees with at least ten (10) years of full-time consecutive service shall be eligible to convert sick leave in excess of 168 hours at the ratio of eight (8) vacation hours for sixteen (16) sick leave hours. One hundred sixty-eight (168) hours must be accrued and retained prior to converting any excess personal sick leave hours to vacation hours.

Effective the pay period following April 1 of each year, regular full-time employees, whose unused personal sick leave has accumulated to more than 700 hours, must convert those hours in excess of 700 into their respective individual accounts in the Management Retiree Health Savings Plan, subject to a maximum conversion of 120 hours of sick leave per employee per year. The conversion of personal sick leave into the Retiree Health Savings Plan shall occur as follows:

- A. The City will convert unused sick leave into the Retiree Health Savings Plan for regular full-time employees having less than ten (10) years of consecutive full-time service at a ratio of three (3) hours of sick leave to one (1) hour of pay at the employee's current regular salary rate.
- B. The City will convert unused personal sick leave into the Retiree Health Savings Plan for regular full-time employees with at least ten (10) years of consecutive full-time service at a ratio of two (2) hours of sick leave to one (1) hour of pay at the employee's current regular salary rate.

Upon separation regular full-time employees must convert all remaining sick leave hours into their respective individual accounts in the Retiree Health Savings Plan as follows:

- 1. The City will convert unused personal sick leave into the Retiree Health Savings Plan for regular full-time employees having less than ten (10) years of consecutive full-time service at a ratio of two (2) hours of sick leave to one (1) hour of pay at the employee's current regular salary rate.
- 2. The City will convert unused personal sick leave into the Retiree Health Savings Plan for regular full-time employees with at least ten (10) years of consecutive full-time service at a ratio of two (2) hours of sick leave to one and one-half (1.5) hours of pay at the employee's current regular salary rate.

Employees who separate due to termination for cause or resignation/retirement in lieu of termination for cause shall not be eligible to convert their sick leave into the Retiree Health Savings Plan.

13. Personal Leave:

Effective the pay period which includes January 1 of each year, employees shall receive a Personal Leave Benefit of eighty (80) hours per year. Such leave shall be available for employees to use from the beginning of the first pay period beginning in the calendar year through the end of the last pay period beginning in the calendar year. Such hours shall not accrue from year to year. This leave has no cash value and cannot be cashed out. If, at the end of the calendar year,

the employee has any of this leave on the books, with the pay period including January 1, he/she will be provided with whatever amount of leave is necessary to bring his/her bank up to 80 hours. Probationary employees who commence employment with the City after January 1 will receive twenty (20) less Personal Leave hours for every three (3) months the employee is not on paid status with the City.

The employee shall notify his/her immediate supervisor of the use of a Personal Leave day at least 36 hours in advance unless circumstances beyond the employee's control prevent such notification.

Effective January 1, 2023, employees who are unable or choose not to participate in the Irvine Telecommuting Program will receive up to 40 hours of additional, non-cashable Personal Leave annually. This leave is non-cashable and will expire on December 31 of the year it is awarded. This leave will be prorated at a rate of ten (10) hours less of this Personal Leave for every full three (3) months the employee is not participating in the Irvine Telecommuting Program. Employees who commence employment with the City or return from an unpaid leave of absence from the City after January 1 will receive ten (10) hours less of this additional Personal Leave for every three (3) months the employee is not in paid status with the City.

Annually, effective the pay period including July 1, 2024, employees may convert up to 40 hours of personal leave to vacation.

14. Bereavement Leave:

Employees shall receive up to forty (40) hours for any one instance for absence necessitated by the death of immediate family members. Such credit shall not be accrued from year to year. The immediate family shall be defined as father, father-in-law, mother, mother-in-law, step-parent, brother, step-brother, brother-in-law, sister, step-sister, sister-in-law, wife, husband, registered domestic partner, child, step-child, grandparent, grandparent-in-law, grandchild, legal guardian or other individuals whose relationship to the employee is that of a dependent, a domestic partner as defined by California Family Code section 297, or a person who stood *in loco parentis* (in place of a parent) to the employee.

15. Parenthood Leave:

1. A regular employee will be granted parenthood leave of absence with pay not to exceed 160 hours per year upon presentation of evidence to his/her department director of the birth or adoption of the employee's child or children. Any such leave must be taken within one year of the birth or adoption of the employee's child or children.

2. A regular employee may be granted a single parenthood leave of absence without pay upon approval from the City Manager not to exceed 180 calendar days per year upon presentation of evidence to his/her department director of the birth or adoption of the employee's child or children. Any such leave will run concurrently with parenthood leave as provided for under the FMLA and CFRA.

16. Administrative Leave:

Effective the first pay period beginning in January of each year employees covered under this agreement will receive sixty (60) hours of Administrative Leave per calendar year. Administrative Leave will be prorated on a monthly basis for management employees appointed during the calendar year. Additional Administrative Leave may be approved by the Department Director or City Manager. Administrative Leave must be used by the end of the calendar year. Such hours shall not accrue from year to year or be paid out upon termination. This leave has no cash value and cannot be cashed out. If, at the end of the calendar year, the employee has any of this leave on the books, with the pay period including January 1, he/she will be provided with whatever amount of leave is necessary to bring his/her bank up to 60 hours.

17. Health and Wellness Benefit:

Employees covered by this agreement shall receive \$1,000 per year as a health and wellness benefit. While the use of these funds are at the employee's sole discretion, they may be used to offset work related expenses, training costs and may also go toward gym membership fees, exercise classes, and unreimbursed expenses associated with longevity screenings and/or an annual physical annual physical examinations. Annual payments shall be made in lump sum proactively upon hire, and annually in January thereafter, to all employees active at time of processing. Employees will not need to submit receipts to be eligible.

At the City's discretion, employees shall be eligible for reimbursement for one preventative early detection screening provided by Longevity on an annual basis.

18. Public Safety Equipment Program

Due to the unique 24/7 nature of Public Safety operations, employees covered by this agreement assigned to Public Safety shall receive \$300 for work-related equipment purchases and expenses per calendar year. Annual payments shall be made in lump sum proactively upon hire and annually in January thereafter, to all employees active at time of processing. Employees will not need to submit receipts to be eligible.

19. Professional Advancement:

Employees covered by this agreement shall be eligible for a twelve and thirty-five one hundredths of one percent (12.35%) Professional Advancement benefit upon attaining a Master's Degree or equivalent certification

Employees covered by this agreement shall be eligible for up to five percent (5.0%) upon completion of FBI National Academy, P.O.S.T. Executive Development Certificate, or comparable sworn law enforcement command program.

All Special Compensation will be paid at an employee's hourly base rate plus the following additional forms of compensation as described below:

- a. Holiday Pay, where applicable
- b. Holiday Off Pay, where applicable

To the extent permitted by CalPERS or law the City will report Special Compensation pay to CalPERS in accordance with Title 2 CCR Section 571(a)(4) and Section 571.1(b)(3).

20. Requirement Licenses, Trainings and Certifications:

The City will pay for any trainings, licenses, and certifications (including renewals) that are a requirement of a position. This only applies to requirements of positions currently held by the employee and does not apply to positions an employee wishes to attain in the future.

21. Work Schedules – 5/40, 9/80 or 4/10 Workweek

Employees may work a 5/40, 9/80, or 4/10 workweek schedule with a paid lunch. Paid lunch shall be one hour in length. Employees may be subject to recall or work-related inquiries during their paid lunch. Department Directors shall grant a work schedule based on the employee's request.

22. Holidays:

The recognized holidays to be observed by the City in each calendar year shall be as follows:

New Year's Day
Martin Luther King Jr. Day
Washington's Birthday
Memorial Day
Juneteenth
Independence Day (4th of July)
Labor Day
Veterans Day

Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

Prior to the beginning of the calendar year, Human Resources will designate and announce the dates on which the above referenced holidays shall be observed. Human Resources may designate alternate dates the City will observe holidays in order to occur in conjunction with the Holiday Leave benefit provided below.

If a holiday falls on a regularly scheduled day off, the employee may take off another day within the pay period upon approval of his/her supervisor or be paid holiday pay equivalent to their regularly scheduled shift of 8 hours, 9 hours, or 10 hours.

Holiday Leave:

Effective in December 2017 and each year thereafter, employees in the unit will not be required to come to work and will be provided with three days of paid leave to be used in the pay period that includes the Christmas Eve, Christmas Day, and New Year's Holidays. The dates of the three "Holiday Leave" days will be designated annually by Human Resources. Employees will be provided with three days of paid leave based on the number of hours they are regularly scheduled to work on designated "Holiday Leave" days. Employees must use this leave on the designated days unless directed to work by the Department Director or designee. In cases where the employee is directed to work on such days, the employee will be credited with leave in an amount equivalent to what they would have used had they not been directed to work.

In cases where a designated "Holiday Leave" day falls on an employee's regularly scheduled day off, the employee will be credited with leave in an amount equivalent to what they would have used had it been a regularly scheduled workday. Such leave shall have no cash value and will expire if not utilized within the pay period that includes November 30 of the following year.

Employees wanting to take additional days off in conjunction with the observed Holidays and designated Holiday Leave Days must utilize other accrued leave in accordance with existing rules.

For 2025, the following shall be observed:

Monday 12/22 – Holiday Leave
Tuesday 12/23 – Holiday Leave
Wednesday 12/24 – Christmas Eve
Thursday 12/25 – Christmas Day
Friday 12/26 – Holiday Leave

For 2026, the following shall be observed:

Monday 12/21 – Holiday Leave

Tuesday 12/22 – Holiday Leave
Wednesday 12/23 – Holiday Leave
Thursday 12/24 – Christmas Eve
Friday 12/25 – Christmas Day

For 2027, the following shall be observed:

Monday 12/20 – Holiday Leave
Tuesday 12/21 – Holiday Leave
Wednesday 12/22 – Holiday Leave
Thursday 12/23 – Christmas Eve
Friday 12/24 – Christmas Day

For 2028, the following shall be observed:

Monday 12/25 – Christmas Eve
Tuesday 12/26 – Christmas Day
Wednesday 12/27 – Holiday Leave
Thursday 12/28 – Holiday Leave
Friday 12/29 – Holiday Leave

23. Jury Duty and Subpoenas:

Every employee of the City who is subpoenaed as a witness for a local, state, or federal government shall be entitled to absent herself/himself from her/his duties with the City during the period of such service or while necessarily being present in court as a result of such call or subpoena shall receive full compensation.

In order to balance the City of Irvine's interest in maintaining productivity with the interest that employees are able to support our system of justice by serving on juries, paid Jury Duty is limited to a maximum of 80 hours in a calendar year. If an employee, despite reporting the limit to the Court, is required to serve beyond 80 hours he or she can request an exception of the limit on paid Jury Duty Leave by the City Manager.

If an employee is required to be absent from work to report for jury duty, the employee will notify his/her supervisor of the absence as soon as possible, including a phone message the night before if the employee finds out via a phone recording that he/she must report the next day.

An employee on jury duty must either return to work after the jury service is done for the day if there are still four hours left on his/her shift or call in to his/her supervisor and ask to use leave to cover the rest of his/her shift.

For any additional time taken off before or after jury duty, an employee will be required to utilize paid accrued time subject to supervisor approval.

An employee who is called to jury duty on a non-working day will not receive

compensation or be authorized to change their schedule as a result of being called to jury duty.

24. Military Leave:

Employees shall be entitled to such benefits as are provided by law. An employee requesting such military leave shall present a copy of her/his military orders to her/his Department Director or the City Manager prior to the beginning of the leave.

25. Industrial Accident Salary Continuance:

In the event that it is determined that a full-time employee is absent from work as a result of any injury or disease arising solely out of the employment with the City and in no way related to any prior existing condition, the City shall provide up to six (6) months of Industrial Accident Salary Continuance during any two-year period under the following conditions:

- a. In the event the employee qualifies for compensation under State law, the employee shall receive the difference between the Workers' Compensation payments and his/her regular salary;
- b. The employee shall accrue sick leave or vacation leave during the term of the Industrial Accident Salary Continuance taken;
- c. The employee's condition is not permanent and stationary as determined by the City's appointed physician.

For sworn CalPERS members, the City shall follow the provisions of Section 4850 of the California Labor Code when that member is disabled by injury or illness arising out of and in the course of his/her duties.

In the event of an on-the-job injury or accident resulting in loss of time beyond that required for immediate medical attention, such employee may be required to be examined by a licensed physician appointed by the City of Irvine for 30 days following the report of injury.

Any on-the-job injury or accident must be reported to the employee's immediate supervisor within twenty-four (24) hours after said injury or accident. Failure to report said injury or said accident shall be grounds for disciplinary action.

26. Accrual of Leaves:

All paid leave hours accrued shall be prorated based on the number of hours worked or paid up to eighty (80) hours in a pay period.

27. Select Benefits Program:

The City will provide a cafeteria-style benefit program for Management employees to include the following general elements:

- a. Enhanced choices among City-offered health benefit plans.
- b. Employees not claiming any dependent on any health plan shall receive \$150 per month, paid bi-weekly. The stipend may be taken as taxable cash. Effective January 1, 2026, full-time employees electing single coverage medical insurance or declining any City medical insurance plans shall receive \$150 per month, paid semi-monthly.

28. Management Incentive Pay:

Management employees covered under this agreement shall be eligible to receive 3% Management Incentive Pay above the regular salary, in recognition for the unique nature of their work.

All Special Compensation will be paid at an employee's hourly base rate plus the following additional forms of compensation as described below:

- a. Holiday Pay, where applicable;
- b. Holiday Off Pay, where applicable

To the extent permitted by CalPERS or law the City will report Special Compensation pay to CalPERS in accordance with Title 2 CCR Section 571(a)(4) and Section 571.1(b)(3).

29. Bilingual Pay Program:

Department Directors shall annually designate which positions will be assigned bilingual duties and which languages shall be eligible for bilingual pay. Qualified employees who meet the following criteria shall receive an additional \$50 per month, paid biweekly.

- a. An employee must be assigned to speak or translate a language in addition to English as part of their position responsibilities. This includes such specialized communication skills as sign language.
- b. To become qualified, employees must be certified as qualified by the Personnel Officer or designee.
- c. For positions requiring extensive contact with the public or contractors, bilingual pay will be rotated among employees who are deemed as

qualified by the City. The Department Director will have the discretion to determine the number of employees and the sections/units that qualify to participate in a "rotation pool." Rotations will occur every 12 months, effective the first pay period each November. It is the Department Director's sole discretion to determine the order of rotation among the qualified employees. An employee who has not performed bilingual duties within the rotation for a period of 24 months or longer must be re-certified by the City in order to receive bilingual pay.

An employee in a bilingual assignment may request to have the bilingual assignment and corresponding pay removed.

30. Funeral Expenses:

The City will cover all funeral expenses in the event an employee covered by this agreement dies in the line of duty.

31. Longevity Pay:

Effective the pay period including July 1, 2025, employees covered by this agreement shall be provided compounding longevity compensation in recognition for their full-time, consecutive years of service to the City of Irvine. For employees listed in Sections A and B of Attachment I, prior approved public sector service shall be credited toward the application of Longevity Pay. The compensation will be provided to the employee at the start of their 10, 15, or 20-year period, as follows:

- a. Upon commencement of the 10th year of service, pursuant to the longevity terms outlined above, employee shall earn a 3% longevity increase above the employee's base rate of pay.
- b. Upon commencement of the 15th year of service, pursuant to the longevity terms outlined above, the employee shall earn an additional 3% longevity increase for a total of 6.09% of the employee's base rate of pay.
- c. Upon commencement of the 20th year of service, pursuant to the longevity terms outlined above, the employee shall earn an additional 4% longevity increase, for a total of 10.33% of the employee's base rate of pay.

All Special Compensation will be paid at an employee's hourly base rate plus the following additional forms of compensation as described below:

- a. Holiday Pay, where applicable;
- b. Holiday Off Pay, where applicable

To the extent permitted by CalPERS or law the City will report Special Compensation pay to CalPERS in accordance with Title 2 CCR Section 571(a)(4) and Section 571.1(b)(3).

SECTION 3. PAY PROGRESSION IN A PAY GRADE

1. Base Pay Progression:

Pay progression within a Salary Grade will be based strictly upon individual performance and summarized in an annual performance appraisal. For employees listed in Attachment I, all base pay progression within pay grades will be limited to the Market Point of a pay grade according to the following schedule:

Non-Sworn Employees

<u>Salary Placement in Pay Grade</u>	<u>Performance Level</u>	<u>Pay Increase</u>
Less than Maximum Range	Unsatisfactory or Needs Development	0%
Less than Maximum Range	Accomplished Standards	5% base adjustment, limited to Maximum of pay grade
Less than Maximum Range	Excellent	5 % base adjustment, limited to Maximum of pay grade
Less than Maximum Range	Outstanding	5% base adjustment, Maximum of pay grade

Sworn Employees

<u>Salary Placement in Pay Grade</u>	<u>Performance Level</u>	<u>Pay Increase</u>
Less than Maximum Range	Unsatisfactory or Needs Development	0%
Less than Maximum Range	Accomplished Standards	7% base adjustment, limited to Maximum of pay grade
Less than Maximum Range	Excellent	7% base adjustment, limited to Maximum of pay grade
Less than Maximum Range	Outstanding	7% base adjustment, Maximum of pay grade

Annual merit increases will be effective the payroll period that includes September 1 of each year and will be prospective from that date.

2. Initial Six-Month Merit Reviews:

Employees listed in Sections B, C, and D of Attachment I who have completed less than six (6) months of service in their Management classification effective June 30 of each year will not be eligible to participate in the annual review process. At the completion of the initial six months of service in their current classification, the employees in Sections B, C, and D of Attachment I will receive a performance review and merit increase appropriate to the performance review rating. The criteria and rating system for six-month reviews will be the same as those for annual performance reviews.

Following the completion of six months of service in their current classifications, the employees in Sections B, C, and D of Attachment I will be eligible to participate in the annual performance review process the following July. The merit increase granted in the first annual review process following the initial six (6) month merit review will be prorated to reflect only the time period since the completion of the initial six months of service. All subsequent performance reviews will be according to the same merit schedule as other Management employees.

SECTION 4. WAGE AND SALARY ADJUSTMENT

Effective July 1, 2025, all employees covered by this agreement shall be provided with an additional one and one-half percent (1.5%) base salary increase. This will be in addition to the previously approved and currently planned base salary increase of three and one-half percent (3.5%) that has already been scheduled to take effect for the pay period including July 1, 2025, for a total of five percent (5%) base salary increase. The bottom of the range will move up five percent (5%) commensurate with this change.

Effective the pay period including July 1, 2026, the salary range for each classification covered under this agreement shall be increased by five percent (5%). The bottom of the range will move up five percent (5%) commensurate with this change.

Effective the pay period including July 1, 2027, the salary range for each position covered under this agreement shall be increased by five percent (5%). The bottom of the range will move up five percent (5%) commensurate with this change.

Effective the pay period including July 1, 2028, the salary range for each classification covered under this agreement shall be increased by five percent (5%). The bottom of the range will move up five percent (5%) commensurate with this change.

SECTION 5. SEVERANCE

In the event of a lay-off within a designated management classification, the City Manager shall be authorized to enter into a severance agreement with the impacted employee.

SECTION 6. EMPLOYEE RESPONSIBILITIES

Since it is the City's policy to recruit highly qualified staff at a competitive total compensation level, the employees shall be responsible for striving to meet the high-performance standards established by the City management.

SECTION 7. EFFECTIVE DATE

The compensation policy provided for by this Resolution shall be operative from and after 12:01 a.m. on January 3, 2026, unless otherwise stated. All previous resolutions are hereby repealed effective on the operative date of this resolution.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 27th day of January 2026.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, CARL PETERSEN, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, held on the 27th day of January 2026.

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

Attachment I
Executive Management and Management
Employees' Classification Titles

- A. City Manager

- B. Assistant City Manager/Chief Development Officer
Assistant City Manager
City Clerk
Director of Administrative Services
Director of Communications & Engagement
Director of Community Development
Director of Community & Library Services
Director of Great Park
Director of Health & Wellness
Director of Human Resources
Director of Public Safety/Chief of Police
Director of Public Works & Sustainability

- C. Assistant Chief of Police
Chief Information Officer
Deputy City Manager
Deputy Director of Administrative Services
Deputy Director of Community Development
Deputy Director of Community Services
Deputy Director of Economic Development
Deputy Director of Great Park
Deputy Director of Human Resources
Deputy Director of Library Services
Deputy Director of Public Works/City Engineer
Deputy Director of Public Works & Sustainability
Deputy Director of Public Safety

- D. Assistant to the City Manager
Chief Veterinarian
Council Services Manager
Library Services Manager
Manager of Accounting
Manager of Advance Planning
Manager of Budget & Purchasing
Manager of Building & Safety/Chief Building Official
Manager of Business Services
Manager of Community Services
Manager of Economic Development
Manager of Emergency Services
Manager of Engineering/Assistant City Engineer
Manager of Fiscal Services

Manager of Great Park
Manager of Housing
Manager of Human Resources
Manager of Information Technology
Manager of Neighborhood Services
Manager of Public Communications
Manager of Public Works
Manager of Transit & Transportation
Manager of Transit & Transportation/Traffic Engineer