

RESOLUTION R25-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, SETTING FORTH TERMS AND CONDITIONS OF EMPLOYMENT WITH REFERENCE TO THE CLASSIFICATION AND COMPENSATION OF MANAGEMENT-ADMINISTRATION POSITIONS WITH THE PALOS VERDES ESTATES CITY SERVICE.

THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA RESOLVES:

SECTION 1. EFFECTIVE DATE

Resolution 24-55 is hereby repealed and superseded by this Resolution, effective on the date of adoption and continue in effect through June 30, 2028.

SECTION 2. CLASSIFICATIONS

This Resolution shall cover the following classifications:

Community Development Director
Deputy City Manager
Finance Director
Public Works Director

SECTION 3. COMPENSATION

3.1 Basic Salary Schedule.

- (a) The schematic schedule of salary ranges listed constitutes the compensation plan.
- (b) Salaries prescribed are monthly rates. In those positions where it is more appropriate to pay on an hourly or daily basis, the hourly and daily rates shall be shown.
- (c) Salaries or compensation shall be payable for all positions in two equal bi-weekly installments.
- (d) Monthly base salaries paid to represented employees shall be as set forth in Appendix "A". {Appendix A is attached}

3.2 Application of Compensation Plan.

The Salary Schedule for the respective classes of positions as set forth in Appendix "A" with such amendments as may be adopted by the City Council from time to time, shall have the force and effect and shall be interpreted and applied as follows:

- (a) The salaries or rates of compensation are fixed on the basis of full-time service in full-time positions unless otherwise designated.

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- (b) The rates of pay prescribed shall be deemed to include pay in every form, except for necessary expenses authorized and incurred incidental to employment or except as herein provided.
- (c) Where a salary range for a given class is revised upward or downward, the incumbents of positions in classes affected shall have their existing salary adjusted to the same relative rate in the new range.
- (d) All monthly compensation shall be paid in even dollars rounded off to the nearest even dollar.
- (e) Cost of Living Adjustment (“COLA”)

3.3 All classifications will receive the following COLA increases.

- (a) Effective July 1, 2024, all classifications’ salary schedules and incumbents hired before June 30, 2024, will receive a COLA increase of 7.00%.
- (b) On July 1, 2025, all classifications’ salary schedules and incumbents will receive a COLA increase based on the March 2025 12-month Consumer Price Index (CPI) from the U.S. Bureau of Labor Statistics for the Los Angeles-Long Beach-Anaheim area with a cap of 3.00%.
- (c) On July 1, 2026, all classifications’ salary schedules and incumbents will receive a COLA increase based on the March 2026 12-month CPI for the Los Angeles-Long Beach-Anaheim area with a cap of 3.00%.
- (d) On July 1, 2027, all classifications’ salary schedules and incumbents will receive a COLA increase based on the March 2027 12-month CPI for the Los Angeles-Long Beach-Anaheim area with a cap of 3.00%.

3.4 Recognition for performance-based merit adjustments from the pool of funds will typically be commensurate with the following scale.

0% - 2% for satisfactory or higher performance

3.5 Salary Schedule Adjustments:

Community Development Director and Public Works Director top of the pay scale aligns with Finance Director.

3.6 Deferred Compensation

For the Deputy City Manager, the City will contribute a matching amount of up to 5% of the employee’s base salary onto the Employee’s 457 plan in equal installments and only

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during the term of this Agreement and Employee's employment as the Deputy City Manager.

3.7 Annual Certification Bonus

Annual certification bonus for the Public Works Director for having and maintaining the status of a Registered Civil Engineer. An annual bonus at a minimum of \$3,120 (\$260 per month).

3.8 Books and Tuition Reimbursement.

Employees hired after September 27, 2022 are not eligible for this benefit.

For employees hired on or before September 27, 2022 who have worked for the City for two (2) years or more shall be eligible for reimbursement for tuition as follows.

The City will reimburse employees for tuition for job-related courses taken at an accredited college or university upon completion of said course or courses with a final passing mark of "C" or better, or the equivalent of "C" or better. The City Manager and the Department Head shall determine what courses are sufficiently job-related to be eligible for tuition reimbursement. A member may also be reimbursed for tuition costs for courses taken in foreign languages that are deemed by the City Manager and the Department Head as necessary to the proper operation of the designated Department. The courses must result in a proficiency such that the member is able to use the language in the performance of his/her duties as may be required. These courses do not need to be undertaken at an approved college or university.

Requests for reimbursement for tuition must be submitted in writing and pre-approved by the City Manager and the Department Head. Requests shall be considered on a first come, first served basis. Requests may be submitted no sooner than 30 calendar days prior to the start of registration, nor later than 30 calendar days prior to the last day of registration for the fall and spring semesters, respectively, at California State University, Long Beach. Requests also may not be submitted sooner than six (6) months prior to the first scheduled day of class to be attended by the employee.

Reimbursement shall not be paid until the employee presents an official transcript from the college or university reflecting that the employee received a final passing mark of "C" or better, or the equivalent of a "C" or better. Prior to enrollment in a course or courses, Employees who intend to submit future tuition reimbursement requests must complete FORM I, which is available through the Human Resources Department. FORM I must be approved by the City Manager and the Department Head prior to submission of any request for reimbursement. Upon approval of FORM I, reimbursement requests must be submitted on FORM II, which is available through the Human Resources Department.

The amount of tuition reimbursement paid to any individual employee in a single fiscal year

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(July 1 to June 30) shall not exceed the basic annual tuition fee for the California State University, Long Beach for the academic year that begins soonest after the start of the City's fiscal year (July 1).

The total collective amount of reimbursement paid by the City to one or more employees in the Management-Administration positions covered by this Resolution shall not exceed \$30,000 in any fiscal year.

Requests for reimbursement will not be approved for amounts in excess of the individual annual cap or the collective annual cap (\$30,000).

In addition to the aforementioned annual caps on reimbursement, no employee shall be reimbursed by the City for tuition in excess of \$25,000 in that employee's lifetime. Tuition reimbursements approved and/or paid for by the City prior to October 1, 2017 shall not be counted towards the lifetime cap.

There shall be no tuition buy back.

3.3 Exempt Status.

Management-Administration employees shall be classified as "exempt." An exempt employee meets one or more of the duties test exemptions from overtime under the Fair Labor Standards Act (FLSA) and is paid on a salary basis, meaning he/she is compensated in a predetermined amount that is not reduced, regardless of quality or quantity of actual work performed. An FLSA-exempt employee is not entitled to overtime compensation.

3.4 Vehicle Allowance.

Management-Administration employees may each receive a vehicle allowance in the amount of up to \$375.00 per month.

3.5 Cellular Phone Allowance.

Management-Administration employees shall each receive a cellular phone allowance in the amount of up to \$60.00 per month or elect for a City issued cell phone.

SECTION 4. INSURANCE

4.1 Health and Life Insurance Benefits.

- (a) Effective the date of adoption of this Resolution, the maximum amount that the City will contribute on behalf of an employee toward the purchase of medical, dental, vision and life and accidental death and dismemberment, insurance programs is \$1,773 per month, increasing to \$2,000 per month on December 1, 2025. Any

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amount in excess of the maximum contribution shall be the obligation of the employee.

Effective December 1, 2025, the City will change the health insurance options it offers to employees by contracting directly with Kaiser Permanente and Blue Shield of California to offer the following health plan options:

Kaiser Permanente Platinum 90 HMO 010 PCP + Child Dental Alt ;

Blue Shield Platinum Full PPO 0/10 OffEx; and

Blue Shield Platinum Access + HMO 0/20 OffEx.

City Reimbursement Toward Higher Out of Pocket Maximums- The City will reimburse employees who are billed by the carrier for medical costs in excess of the individual and family out of pocket maximums in the current health plans up to the amount of the new plan out of pocket maximum, or a maximum reimbursement of \$5,000 per employee per plan year, whichever is lower. The \$5,000 cap applies to both in-network and out of network out of pocket maximums. The City's obligation to reimburse employees for higher out of pocket maximums shall expire on June 30, 2027.

Health Reimbursement Account ("HRA")-Employees will submit proof that their out of pocket costs have exceeded the out of pocket maximums under their old plan to an Administrator, who will process the request and provide the reimbursement. The City will pay the administrative costs of the HRA.

- (b) The City shall make available to full time employees an Optical Insurance Program. The City shall pay 100% of the insurance premium for employees only. Dependent coverage shall be made available with 100% of the insurance premium paid by the employee.
- (c) The City shall make available to employees Deferred Compensation Plans. The City shall not contribute any amount toward any employee account of such plan. Employees may choose to make contribution to these plans (currently MissonSquare 401a and a variety of 457 plans).
- (d) The City shall make available to full time employees a short- and long-term disability insurance program. The City shall pay 100% of the insurance premium.
- (e) Employees who thereafter, at the time of their termination from City employment, retire under the City's P.E.R.S. retirement program may continue individual coverage under the City's medical, dental, and vision plans, at the retiring employee's cost subject to the agreement and conditions of the carrier(s).

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4.2 Medicare.

- (a) Employees hired by the City on or after April 1, 1986, shall be required to pay the designated employee contribution to participate in the Medicare Program and the City shall be under no obligation to pay or "pick-up" any portion thereof.
- (b) In the event the City and its other employees are required to participate in the Federal Medicare Program, the contribution designated by law to be the responsibility of the employee shall be paid in full by the employee and the City shall not be obligated to pay or "pick-up" any portion thereof.

SECTION 5. RETIREMENT PROVISIONS

5.1 In-Service Retirement.

The City will provide retirement compensation benefits through the California Public Employee Retirement System ("CalPERS") for eligible employees.

- (a) Classic Members. For all employees, except those deemed "new members" within the meaning of the California Public Employees' Pension Reform Act of 2013, the following shall apply:
 - 1. The retirement plan between the City and CalPERS provides for the "2% at 55" retirement formula for all eligible Classic Members.
 - 2. The City has contracted with PERS to provide the "single highest year" financial compensation formula for eligible Classic Members.
 - 3. Each active "Classic Member" shall pay 100% of their Member Contribution, until a majority of classic members covered by this Resolution approves an amendment to the City's contract with CalPERS pursuant to Government Code section 20516(a).
 - 4. Upon approval by a majority of the classic members covered by this Resolution, the City will amend its contract with CalPERS pursuant to Government Code section 20516(a) to require classic members to contribute an additional 1.0% of their salary to reduce employer contributions to CalPERS.
- (b) New Members. For all eligible employees who are deemed "new members" within the meaning of the California Public Employees' Pension Reform Act of

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2013, the following shall apply:

1. The retirement plan between the City and CalPERS provides for the “2% at 62” retirement formula for all eligible New Members hired after January 1, 2013.
2. For the purpose of determining an employee’s retirement benefit, final compensation shall mean the highest average pensionable compensation earned during thirty-six (36) consecutive months of service.
3. Each active “New Member” shall pay fifty percent (50%) of the total normal cost of the retirement benefit, which will fluctuate from time to time as the amount is determined by CalPERS.

- (c) All such contributions shall be deposited in the member's retirement account.
- (d) PERS Survivor Benefit, Level C, shall be provided members of the Association and all non-sworn City employees who participate in PERS, contingent upon approval by vote of a simple majority of all non-sworn City employees. A ballot shall be distributed to all non-sworn employees after July 4, 1994. The 1959 Survivor Benefit shall require a contribution from the employees and a contribution from the City.

5.2 Retiree Medical Insurance.

For employees hired on or after September 27, 2022, the City shall not pay any retiree health stipend to those employees.

For employees hired before September 27, 2022, the City shall pay a maximum of \$275 per month as a retiree health stipend to employees with twenty (20) years of service with the City of Palos Verdes Estates and who retire pursuant to a service retirement with CalPERS. A retiree may continue on the City’s medical insurance plan throughout the tenure of COBRA or obtain medical insurance elsewhere during such period. Thereafter, the retiree shall obtain medical insurance elsewhere. The retiree shall be reimbursed monthly effective the first date of the month after retirement date. Retiree must submit proof of insurance upon date of retirement and each July 1 thereafter in order to continue to receive Retiree Health stipend. Retiree is obligated to report any lapses of coverage to the City which may temporarily or permanently forfeit the Retiree Health stipend. Upon notice of lapses or termination of coverage, the City may not pay the monthly stipend until proof of insurance is received and insurance is current. This benefit is available until such time as the retiree is eligible for Medicare benefits.

SECTION 6. LEAVE PROVISIONS

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6.1 Vacation.

Every full-time employee shall accrue vacation leave with pay at the rate of ninety-six (96) hours each year. Full-time employees shall accrue an additional eight (8) hours of vacation per year of service following the completion of five (5) consecutive years in the City service, but in no event shall annual accrual ever exceed a maximum of one hundred-sixty (160) hours per year.

Years of Service		Vac. Hours/Month	Vac. Hours/Year
Greater than:	Less than or equal to:		
0 full year	5 full years	8	96
5 full years	6 full years	8.667	104
6 full years	7 full years	9.333	112
7 full years	8 full years	10	120
8 full years	9 full years	10.667	128
9 full years	10 full years	11.333	136
10 full years	11 full years	12	144
11 full years	12 full years	12.667	152
12 full years		13.333	160

During the first year of employment, employees may not use vacation leave. If an employee separates during the first year of employment, the employee will be paid any accrued vacation leave upon separation.

Vacations shall be scheduled so as not to interfere seriously or impair the efficiency of the various departments and when determined to be in the best interest of the City.

The maximum vacation accrual is twice the employee's annual accrual rate. If the employee reaches the maximum accrual, the employee will no longer accrue any vacation until the employee goes under the maximum accrual.

An employee about to separate from City service due to resignation, retirement, lay-off or termination, and who has earned vacation to his credit, shall be paid for any vacation remaining due on the effective date of such separation.

Holidays occurring during a vacation shall not be counted as a day of vacation.

6.2 Holidays.

- (a) The City of Palos Verdes Estates observes the following Holidays:

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JANUARY 1ST, (NEW YEAR'S DAY)

THE THIRD MONDAY IN FEBRUARY (WASHINGTON'S BIRTHDAY),

THE LAST MONDAY IN MAY (MEMORIAL DAY),

JULY 4TH, (INDEPENDENCE DAY)

THE FIRST MONDAY IN SEPTEMBER (LABOR DAY),

NOVEMBER 11TH (VETERAN'S DAY),

THANKSGIVING DAY, AND THE FRIDAY AFTER THANKSGIVING

DECEMBER 25TH (CHRISTMAS DAY)

- (b) If any of the foregoing holidays falls on a Sunday, the following Monday shall be observed as a holiday. If any of the foregoing holidays falls on a Saturday, the preceding Friday shall be observed as a holiday.
- (c) Upon hire, if any of the foregoing holidays falls on an employee's regularly scheduled day off, the employee will be credited with eight (8) floating holiday hours.
- (d) After one (1) year in City service, employees shall be credited with an additional 24 floating holidays hours. The maximum accrual for floating holidays is 48 floating holiday hours. If an employee has reached the maximum accrual, the employee will no longer accrue floating holiday hours until the employee goes under the maximum accrual.

6.3 Sick Leave with Pay.

- (a) Each full-time regular City employee shall be granted eight (8) hours of sick leave with pay for each calendar month of service.
- (b) When an employee is sick and unable to report for work, the employee shall notify the appropriate supervisor of their inability to report for work as soon as possible.
- (c) Sick leave shall not be considered as a right or privilege that the employee may use at the employee's discretion but shall be granted only in case of a bona fide illness of an employee family member (child, parent, spouse, registered domestic partner, grandparent, grandchild, or sibling). An employee may only use in any calendar year a maximum of forty-eight (48) hours of sick leave to attend to a family member's illness.

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- (d) Holidays occurring during sick leave shall not be counted as a day of sick leave.
- (e) Sick leave may not be granted unless the request for such sick leave credit is accompanied by a physician's written certification as to the necessity thereof. The Supervisor may, in his/her discretion, waive the requirement, if in his/her opinion, the reported illness or injury is bona fide.
- (f) Upon retirement with CalPERS from the City of Palos Verdes Estates, all Management-Administration employees shall be entitled to receive a payment of 75% of accumulated sick leave above 960 hours upon retirement. However, if the employee was terminated by the City or had pending discipline at the time of separation, the employee will not be eligible for this benefit.
- (g) Effective the date of adoption of this Resolution, the maximum accrual for sick leave shall be 1,000 hours.

6.4 Bereavement Leave

In the case of a death or serious illness of a member of the employee's immediate family, in addition to any rights an employee may have under the law, including but not limited to, reproductive loss leave (Govt. Code Section 12945.6), compassionate sick leave may be granted up to a maximum of five (5) days upon the recommendation of the Department Head and approval of the City Manager. Immediate family for the purposes of bereavement shall include an employee's child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling, parent-in-law, or sibling-in-law. Compassionate sick leave shall be deducted from the employee's sick leave days. Three (3) paid bereavement days shall not be deducted from the employee's sick leave days.

6.5 Jury Duty.

All Management-Administration employees shall be eligible for a maximum of ten (10) working days of paid jury duty leave per calendar year.

6.6 Administrative Leave.

- (a) Administrative Leave may be used at any time during the year with prior approval of the City Manager, with the exception that no employee may use Administrative Leave for which he/she has not yet been credited.
- (b) Management-Administration employees shall be provided Administrative Leave up to one-hundred and eight (108) hours of Administrative Leave annually. However, when an employee is first hired into a classification subject to this Resolution, the employee will receive a prorated amount of hours based on the date of hire to the end of the fiscal year.

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Every July 1, the City will provide Administrative Leave so that the employee's leave balance will be 108 hours. Any unused Administrative Leave does not roll over to the next fiscal year.

SECTION 7. HOURS OF WORK

- (a) All employment and monthly compensation is based upon a forty (40) hour work week; ten (10) hours per day, forty (40) hours per week. Any authorization for an employee to work less than said 40 hours will be compensated in accordance with the Fair Labor and Standards Act and may result in a proportionate decrease in compensation.
- (b) Management-Administration positions may involve time in excess of ten (10) hours per day, forty (40) hours per week. Exempt employees are not entitled to overtime compensation and are exempt from the Fair Labor Standards Act's work hour's restrictions. Management-Administration employees may modify their work schedules within reason to adjust for their attendance at meetings at night and during other times outside of ordinary business hours.
- (c) Daily hours of work (or shifts) for employees within the departments shall be assigned by the City Manager as required to meet the operational requirements of said departments or City operations.
- (d) Any foreseeable absence or other deviation from regular working hours desired by an employee shall be cleared in advance by the City Manager, and such absence shall be noted on the employee's time record.

SECTION 8. MISCELLANEOUS PROVISIONS

8.1 Incompatible Activities.

No full-time employee of the City shall engage in any occupation or outside activity which is incompatible with his or her employment by the City. Any employee shall inform his or her Department Head of the time required, and the nature of such activity and the Department Head shall determine whether or not such activity is incompatible with City employment. Such approval shall be in writing and a copy forwarded to the City Manager for final authorization.

8.2 Prior Service Credit.

Upon completion of five (5) years of service as Management- Administration employees with the City of Palos Verdes Estates, any service credit earned by the employee in CalPERS or a reciprocal pension system prior to employment at the City of Palos Verdes Estates will be counted as service time in the City of Palos Verdes Estates for the purposes of administering vacation accrual and retiree medical benefits.

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SECTION 9. CERTIFICATION

The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED, APPROVED, AND ADOPTED on this 28th day of October 28, 2025.


VICTORIA LOZZI, MAYOR

ATTEST:


TAMEKA COOK, CITY CLERK

APPROVED AS TO FORM:


TREVOR RUSIN, CITY ATTORNEY

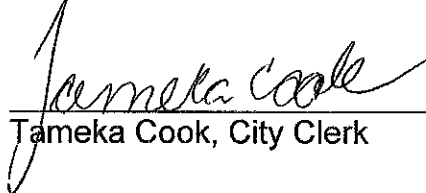
CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF PALOS VERDES ESTATES) SS:

I, Tameka Cook, City Clerk for the City of Palos Verdes Estates, California, do hereby certify that the foregoing Resolution **R25-34** was duly and regularly approved and adopted by the City Council of the City of Palos Verdes Estates at its regular meeting of the City Council on the 28th day of October 2025, by the following vote:

AYES: COUNCILMEMBERS: McGowan, Kempes, and Lozzi
NOES: COUNCILMEMBERS: None
ABSENT: COUNCILMEMBERS: Quinn
ABSTAIN: COUNCILMEMBERS: Lazzaro

ATTEST:



Tameka Cook, City Clerk

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APPENDIX A

SALARY SCHEDULE*

Management & Administration		
Position Title	Minimum	Maximum
Community Development Director	\$11,057.05	\$16,531.50
Deputy City Manager	\$14,592.01	\$18,025.00
Public Works Director	\$11,057.05	\$16,531.50
Finance Director	\$12,858.52	\$16,531.50

* The schedule was revised to reflect COLA increases stipulated in Section 3.3(b)