

EXHIBIT A

to Resolutions:

Resolution No. 2017-011

Resolution HHA 2017-02

Resolution CDC 2017-03

Resolution HWD 2017-05

Non-Represented Employees'

Salaries, Benefits and Related Policies

January 1, 2017 through January 31, 2019

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NON-REPRESENTED EMPLOYEES

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EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 1: Non-Represented Classifications/Other

The non-represented job classifications include all job classifications and employees not represented by a recognized employee organization as approved by the Hesperia City Council.

The non-exclusive listing of classifications that are non-represented includes the City Council as Elected Officials, the City Manager, full-time, part-time, temporary employees and any other employees to include the following full-time classifications:

FULL-TIME POSITIONS

GENERAL

Accountant
Accounting Technician
Administrative Aide
Administrative Secretary
Construction Inspector
Deputy City Clerk
Executive Secretary
Facility Electrician
Facility Maintenance Technician
Geographical Information Systems Technician
Information Systems Technician
Maintenance Crew Supervisor
Office Assistant
Payroll Analyst
Personnel Technician
Purchasing Analyst
Senior Code Enforcement Officer
Senior Community Development Technician
Senior Engineering Technician
Senior Office Assistant
Senior Office Specialist

PROFESSIONAL/SUPERVISORY

Administrative Analyst
Animal Control Supervisor
Assistant City Clerk
Assistant Engineer
Assistant Planner
Associate Planner
Building Inspection Supervisor
Building and Safety Supervisor
Code Enforcement Supervisor
Community Development Coordinator
Community Development Supervisor
Construction Inspection Supervisor
Customer Service Supervisor
Emergency Services Coordinator
Environmental Programs Coordinator
Facilities Supervisor
Financial Analyst
Human Resource Analyst
Human Resources Specialist
Management Analyst
Plans Examiner
Public Works Supervisor/Water
Secretary to the City Manager & City Council
Shelter Supervisor

MANAGEMENT

Animal Services Manager
Assistant to the City Manager
Budget/Finance Manager
Building & Safety Manager
Code Compliance Manager
Community Relations and Media Coordinator
Geographical Information Systems Manager
Human Resources Manager
Information Systems Manager
Information Systems Specialist
Principal Planner
Project Construction Manager
Public Works Manager
Purchasing Supervisor
Senior Accountant
Senior Engineer
Senior Financial Analyst
Senior Human Resources Analyst
Senior Management Analyst
Senior Planner
Senior Plans Examiner

SENIOR MANAGEMENT

City Engineer
Deputy Director of Development Services/Community Development
Deputy Director of Economic Development
Deputy Finance Director
Deputy Human Resources/Risk Management Director
Economic Development Director
Public Works Director

AT-WILL SENIOR MANAGEMENT

Assistant City Manager-Management Services (Unclassified/At-Will)
Deputy City Manager (Unclassified/At-Will)
City Clerk (Unclassified/At-Will)
Director of Development Services (Unclassified/At-Will)
Economic Development Manager (Unclassified/At-Will)

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 2: Salary

A. Salary Provisions

The salary provisions are effective as follows:

1. Effective the first full pay period after July 1, 2010, salary ranges and step increases will be frozen. (July 1, 2010 through June 30, 2016)
2. Effective July 1, 2016, the salary ranges will be unfrozen. All employees (other than those on Step 11) are eligible to advance step(s) based on merit on their anniversary date. The City's Personnel Rules, Rule 1, Section 7 (2) define anniversary date as "the date an employee is appointed promoted, demoted, or reinstated to a position within the classified service.
3. For the first full pay period of Fiscal Year 2016-17, all salary ranges will reflect in base salary a 2.5% increase plus an additional, Cost of Living Adjustment (COLA) increase of no less than 0.5% and no more than 1.5% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2015 to February 2016. Salary ranges will reflect a 3.9% (2.5% plus 1.4% CPI) COLA increase in base salary.
4. Effective for the pay period starting on March 18, 2017 and ending March 31, 2017 to be paid on April 6, 2017, all salary ranges will reflect in base salary a Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 2.0% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2016 to February 2017.
5. For the first full pay period of Fiscal Year 2018-19, all salary ranges will reflect in base salary a Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 3.0% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2017 to February 2018.
6. The City will establish a Bonus Program for employees on Step 11 based on merit on their anniversary date. The Bonus Program will be submitted to the City Council for approval prior to implementation.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

B. Range Table

RANGE SUMMARY
NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS
(No less than 1% and no more than 2%)

CPI not available until 3/15/2017, and Agenda was completed 3/14/2017. Once Resolutions are approved, Exhibit A will be updated to reflect COLA change.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

C. Assignment of Position Classifications to Pay Ranges (Monthly Amounts):

CITY POSITION SUMMARIES AND SALARY RANGE TABLES
NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS
(No less than 1% and no more than 2%)

CPI not available until 3/15/2017, and Agenda was completed 3/14/2017. Once Resolutions are approved, Exhibit A will be updated to reflect COLA change.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

C. Assignment of Position Classifications to Pay Ranges (Monthly Amounts Continued):

CITY POSITION SUMMARIES AND SALARY RANGE TABLES
NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS
(No less than 1% and no more than 2%)

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NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 3: Three-Tiered Management Program

Employees designated as either Professional/Supervisory, Management or Senior Management are not eligible for overtime pay or compensatory time for working hours over and above the normal daily work schedule. Employees so designated shall be entitled to all benefits provided to general employees and the following:

Professional/Supervisory

1. Administrative leave of a maximum of forty-four (44) hours per fiscal year at the discretion of appropriate supervisor. Effective July 1, 2017 a maximum of fifty-five (55) hours per fiscal year at the discretion of appropriate supervisor.

Management

1. Administrative leave of a maximum of sixty (60) hours per fiscal year at the discretion of appropriate supervisor. Effective July 1, 2017 a maximum of sixty-five (65) hours per fiscal year at the discretion of appropriate supervisor.

Senior Management

1. Administrative Leave to a maximum of eighty-four (84) hours per fiscal year at the discretion of appropriate supervisor.
2. Automobile allowance of \$600 per month is provided to Senior Management employees, including Elected Officials, if a City vehicle is not provided, effective April 1, 2017. Elected Officials may select to receive an amount up to \$600 per month. The City Engineer, Deputy Finance Director, and Deputy Human Resources/Risk Management Director effective October 1, 2005 are in the Senior Management category, however do not receive the Automobile Allowance monthly payment.

New employees' accrual of administrative leave shall be prorated to the end of the fiscal year. Administrative leave is intended to be used in the fiscal year. If an employee separates from employment, however, the employee will be compensated for any accrued, but unused, administrative leave. During the last full pay period of the fiscal year, any unused administrative leave may be converted to vacation hours with the written approval of the department head or City Manager

Section 4: 401 (a) Program

The City will provide to all Non-Represented employees a 401 (a) program with contributions every pay period beginning with the April 6, 2017 pay date as follows:

General – One percent of base salary

Professional/Supervisory – Two percent of base salary

Management – Three percent of base salary

Senior Management – Four percent of base salary

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 5: Confidential Employees

Confidential employees are designated as such when an employee, in the course of his or her duties, has access to information relating to the City's administration of employer-employee relations. Employees designated as confidential employees may not represent any employee organization which represents other City employees concerning the wages, hours or other terms and conditions of employment of such other employees. The employees designated as confidential employees are as follows:

Budget/Finance Manager
Executive Secretary
Human Resources Manager
Human Resources Specialist
Personnel Technician
Secretary to the City Manager/City Council

SECTION 6: Holidays

The City offices shall be closed on the following days. All full-time continuous salaried employees shall be compensated at the regular rate for these days:

1. Independence Day
2. Labor Day
3. Veteran's Day
4. Thanksgiving Day
5. Day after Thanksgiving
6. Christmas Eve
7. Christmas Day
8. New Year's Day
9. Martin Luther King Jr. Day
10. President's Day
11. Memorial Day

Whenever a holiday falls on a Sunday, the following Monday shall be observed as a holiday. Whenever a holiday falls on a Saturday, the preceding Friday shall be observed.

City facilities will be closed between Christmas Day and New Year's Day in what was a regular work week. For example, in 2013 the City shall be closed December 26, 27, 30 and 31 and in subsequent years, dates could be different based on the calendar. Each employee shall be paid for those days for the same amount of hours for which the employee would have been regularly scheduled and would have worked if the City were not closed on those dates. Emergency service employees may not be eligible for this closure but shall be eligible for overtime if worked.

Effective July 1, 2017 for employees to be compensated (vacation or sick leave) for a day off prior to or following a Holiday, the employee must request and have approved the time off prior to the Holiday. If the employee does not have written approval for the absence, the employee must provide the City with a certification of absence from a physician for the absence or the absence will result in a non-paid leave.

The floating holiday benefit is eliminated.

EXHIBIT A
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SECTION 7: Vacation

All full-time employees shall, with continuous service, accrue working hours of vacation monthly according to the following schedule:

| <u>Years of Service</u> | <u>Annual Hours Accrued</u> |
|-------------------------|-----------------------------|
| 1 | 80 |
| 2 | 88 |
| 3 | 96 |
| 4 | 104 |
| 5 | 112 |
| 6 | 120 |
| 7-9 | 128 |
| 10 | 136 |
| 11-13 | 144 |
| 14 | 152 |
| 15+ | 160 |

Employees may use up to forty (40) hours of accrued vacation after six (6) months of service.

Employees will have a maximum of 500 hours carry-over of vacation per fiscal year. On June 30, if an employee exceeds the maximum accrual allowable, the vacation accrual will stop until such time as the employee is at or below the maximum allowable, as long as the employee has not been denied vacation time off. This will be evaluated on a fiscal year basis.

Employees shall be allowed to cash out twenty (20) or more hours of vacation during any pay period in the fiscal year through the last full pay period during the fiscal year, as long as the employee has forty (40) hours of vacation remaining on the books. Effective July 1, 2017 employee must have at least eighty (80) hours of vacation remaining on the books in order to cash out twenty (20) or more hours.

All accrued but unused vacation shall be paid out to the employee upon separation of employment.

SECTION 8: Health Insurance

All employees must enroll in an available City health insurance plan unless they opt out with proof of alternate group coverage.

1. Health Insurance Provider:

The City will make available a comparable health insurance plan(s) for all full-time regular employees and elected officials.

2. City Contributions:

The City contributions for full-time regular employees and elected officials are exclusively for the premiums of health, dental and optical only.

a. Full-time Regular Employees and Elected Officials Contributions:

- Effective July 1, 2016 for the August 2016 insurance premiums, the City shall pay up to \$844 per month, the employee shall be responsible for paying the difference, or the amount greater than \$844, through payroll deduction.
- Effective April 1, 2017, for the May 2017 insurance premiums, the City shall pay up to \$928 per month; the employee shall be responsible for paying the difference, or the amount greater than \$928, through payroll deduction.

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SECTION 8: Health Insurance (Continued)

- Effective July 1, 2018, for the August 2018 insurance premiums, the City shall pay up to \$1,013 per month; the employee shall be responsible for paying the difference, or the amount greater than \$1,013, through payroll deduction.
- Cash Back Provision: Should the employee/elected official select plans that total premium cost less than the City Contribution, the employee/elected official can elect to have the difference up to \$665 per month placed into a deferred compensation plan or paid out in cash. The City's payment above \$665 will be paid for insurance costs only, with no difference available as cash. Cash payments shall be subject to taxation. This cash back provision shall not be available to employees hired on or after January 1, 2013.

b. Opt-out of City Health Coverage Contribution:

Full-time regular employees and elected officials who opt-out of the City's health insurance with proof of alternate group coverage and hired before January 1, 2013 are eligible to receive the difference less the mandatory dental and vision plan selections up to \$665. The cash back provision is not available to employees hired on or after January 1, 2013.

In order to opt out, an employee must provide the following: (1) proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction for the taxable year or years that begin or end in or with the City's plan year to which the opt out applies ("tax family"), 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 sign an attestation that the employee and his/her tax family 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. The opt-out payment cannot be made and the City will not in fact make payment if the employer knows that the employee or tax family member doesn't have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

c. Retiree Health Contribution:

The City shall provide each employee who retires with a \$50 per month contribution toward a health care plan selected by the retiree. Said contribution shall terminate upon the retiree's sixty-fifth (65th) birthday.

3. Affordable Care Act (ACA) Anti-Retaliation

- a. Prohibition on Retaliation: It is the City's policy to comply in full with Section 1558 of the U.S. Patient Protection and Affordable Care Act (ACA), which prohibits retaliation against employees who report violations of Title I of ACA or who receive tax credits or cost-sharing reductions (under section 36B of the Internal Revenue Code or section 1402 of ACA) in connection with participation in the health insurance exchange.

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NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 8: Health Insurance (Continued)

b. Protected Activity

- i. "Whistleblowing" re Violations of Title I of ACA: ACA protects an employee, former employee, or applicant who reports, testifies (or is about to testify) in a proceeding, assists or participates (or is about to assist or participate) in a proceeding, objects to, or refuses to participate in any activity, policy, practice, or assigned task that the employee (or other person) reasonably believed to be in violation of Title I of ACA, including any order, rule, regulation, standard or ban under Title I of ACA.
- ii. Title I of ACA includes but is not limited to consumer protections such as the following:
 1. Elimination of lifetime and annual limits on benefits by 2014;
 2. Prohibition on rescissions of coverage;
 3. Elimination of pre-existing conditions exclusions;
 4. Coverage of preventive services and immunizations;
 5. Extension of dependent coverage up to age 26;
 6. Development of uniform coverage documents; and
 7. Implementation of appeals processes for consumers.
- iii. Receipt of Affordability Assistance: ACA also protects an employee, former employee, or applicant who receives a tax credit under Section 36B of the Internal Revenue Code or a cost-sharing reduction under Section 1402 of the Act as a result of enrolling in a qualified health plan offered by the health insurance exchange. In California, this state-run marketplace is known as "Covered California."

c. Prohibited Retaliatory Conduct

Prohibited conduct includes but is not limited to discharge or otherwise retaliatory conduct, including intimidating, restraining, coercing, blacklisting, or disciplining an employee, former employee, or applicant with respect to compensation or any other terms, conditions or privileges of employment as a result of that individual's participation in a protected activity as defined in paragraph 2 above.

d. Complaint Procedure

Any City employee, former employee, or applicant who wishes to report a violation of Title I of ACA, or who believes he or she has been subject to retaliation in violation of this policy should immediately notify either his or her supervisor, Human Resources staff, or the City Manager. It is the City's policy that no City employee shall retaliate against any person who participates in a protected activity as defined by Section 1558 of ACA.

An employee, former employee, or applicant who believes that he or she has been retaliated against under this policy may file or have filed by any person on his or her behalf, a complaint with United States Department of Labor, Occupational Safety & Health Administration (OSHA) within 180 days after an alleged violation occurs. For more information on filing an OSHA complaint, visit www.osha.gov

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SECTION 9: Dental Insurance

The City shall provide group dental insurance coverage. Full-time regular employees and elected officials are required to enroll in group dental coverage at the minimum single-party rate. Effective April 1, 2017 for the May 2017 premium the City will pay the single party rate of the dental plan and if the selected dental plan is higher, then the employee shall be responsible for paying the difference, which shall be paid from the City's contributions as set forth in Section 8.

SECTION 10: Optical Insurance

The City shall provide group optical insurance coverage. Full-time regular employees and elected officials are required to enroll in group optical coverage at the minimum single-party rate. Effective April 1, 2017 for the May 2017 premium the City will pay the single party rate of the optical plan and if the selected optical plan is higher, then the employee shall be responsible for paying the difference, which shall be paid for from the City's contributions as set forth in Section 8.

SECTION 11: Long Term Disability Insurance

The City agrees to provide access to a short-term/long-term disability insurance policy or coverage. Employees are required to pay for this short-term/long-term disability insurance.

SECTION 12: Life Insurance

The City will provide a life insurance plan. All non-represented employees shall be provided coverage amounts of one time their annual salary. Elected officials will continue to receive life insurance coverage of \$50,000. The City shall continue to pay the life insurance premiums for all non-represented full-time, continuous salaried employees and elected officials.

SECTION 13: Sick Leave

All full-time employees will accrue sick leave at the rate of eight (8) hours per month, ninety-six (96) hours per year. Sick leave can be accrued without limit. Eighteen (18) hours of sick leave per fiscal year may be utilized for personal time. Effective July 1, 2017 as long as the employee has forty (40) hours of sick leave accrued, employee may use eighteen (18) hours of sick leave per fiscal year for personal time. Personal time hours must be requested prior to the time of use and used during the fiscal year and can be neither cashed out nor carried over into the new fiscal year. If not used during the fiscal year any remaining personal time hours shall be lost.

The City will establish a Sick Leave Conversion Program which will allow a full-time employee with a sick leave accrual balance of 268 hours to convert sick leave hours to their vacation accrual balances once during the pay periods in October 2017, under the following conditions:

1. Eighteen (18) hours may be converted if the full-time employee reported to work each day during the prior fiscal year and did not call in sick.
2. Nine (9) hours may be converted if the full-time employee called in sick once during the prior fiscal year.

Pre scheduled sick leave use will not be considered as "not calling in sick" in numbers 1. and 2. above. Please refer to Sick Leave Conversion Program for further details.

There will be no buyout or conversion of unused sick leave upon termination of employment.

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SECTION 13: Sick Leave (Continued)

Effective July 1, 2015, the following only applies to all part-time, temporary, and seasonal employees and Administrative Interns, in accordance with California's Paid Sick Leave law the City of Hesperia is required to provide paid sick leave with the following conditions:

- A. Three (3) days or twenty-four (24) hours of paid sick leave at the beginning of each twelve (12) month period beginning on the first date of employment or July 1, 2015, whichever is later. An employee is not eligible to begin using any accrued paid sick leave until after 90 days of employment with the City.
- B. An employee may use sick leave for one of the following reasons:
 - a. For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
 - b. For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
 - i. Child (including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis.)
 - ii. Spouse or Registered Domestic Partner
 - iii. Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.)
 - iv. Grandparent
 - v. Grandchild
 - vi. Sibling
 - c. To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:
 - i. A temporary restraining order or restraining order.
 - ii. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
 - iii. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
 - iv. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
 - v. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
 - vi. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

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NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 13: Sick Leave (Continued)

- C. An employee shall provide reasonable advance notification of their need to use accrued paid sick leave to their supervisor if the need for paid sick leave use is foreseeable (e.g., doctor's appointment scheduled in advance). If the need for paid sick leave use is unforeseeable, the employee shall provide notice of the need for the leave to their supervisor as soon as is practicable.
- D. An employee who uses paid sick leave must do so with a minimum increment of two (2) hours of sick leave.
- E. Paid sick leave will not be considered hours worked for purposes of overtime calculation. An employee will not receive compensation for unused accrued paid sick leave upon termination, resignation, retirement, or other separation from employment from the City.
- F. If an employee separates from City employment and is re-hired by the City within one year of the date of separation, previously accrued and unused paid sick leave hours shall be reinstated. However, if a rehired employee had not yet worked the requisite 90 days of employment to use paid sick leave at the time of separation, the employee must still satisfy the 90 days of employment requirement collectively over the periods of employment with the City before any paid sick leave can be used.

SECTION 14: Education Reimbursement/Certification Incentive Pay

The City's Tuition Reimbursement Policy for non-represented employees shall provide a maximum of \$2,500 reimbursement per fiscal year per non-represented full-time employees. Effective Fiscal Year 2017-18, the City shall provide all full-time non-represented employees a maximum of \$3,000 reimbursement per fiscal year. For full-time non-represented employees with five consecutive years of employment based on an employee's hire date, the City shall provide \$4,000 reimbursement per fiscal year.

In all other respects, the Tuition Reimbursement Policy shall remain in full force and effect.

When the City determines that a reclassification of a position requires the incumbent to obtain a specialized license or certificate, or if such a requirement is established for the position by a federal or state agency during an employee's employment in the position, the City agrees to assume the cost for such certification or license. The City may pay directly or reimburse the employee if proof of cost is presented by the employee.

All employees who hold or earn certifications in excess of those certifications required as part of the employee's job description shall receive a one-time "Certification Incentive" payment of \$100 each year.

The Certification Incentive payment shall be made no later than February 1st each year for those employees who already hold the certification or thirty (30) days after the employee submits the required documentation demonstrating he/she has earned the certification. In order to qualify for the Certification Incentive pay, the following must apply:

- A. The certification must be related to the employee's job performance. Satisfactory completion of at least one semester of coursework (3 semester units is equivalent to 36 hours of coursework) with a grade of "C" or better is required. Also, one year of full-time directly related job experience, and/or passing of a written examination, if required by applicable certification program is necessary. Some certificates will require more coursework than others.

Certification and their applicable job classification are as follows:

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SECTION 14: Education Reimbursement/Certification Incentive Pay (Continued)

1. Administrative Assistant Certificate (requires 29 units) for Senior Office Assistant, Executive Secretary and Secretary to the City Manager.
 2. Building Construction Certificate (requires 31 units) for Senior Building Inspector, Plans Examiner and Senior Plans Examiner.
- B. No employee may earn Certification Incentive Pay of more than \$100 per year, regardless of the number of certifications held or obtained.
- C. An employee earning Certification Incentive Pay cannot use that fact to assert that the employee is working out of class and is therefore entitled to reclassification.
- D. The employee must maintain the certification for the entire year after the Certification Incentive Pay is earned. No employee shall be eligible for Certification Incentive Pay if his/her certification is due to expire in less than one year as of the time the payment is to be made. The employee must first be re-certified in order to earn payment.

SECTION 15: CalPERS Retirement Plan

The City has amended its contract with the Board of Administration of CalPERS to provide the 2.7%@55 full retirement formula, which increased the employee's rate of contribution to 8% of reportable earnings.

The City has elected and continues to elect to be subject to the following optional retirement provisions:

- a. Section 20042 (One-Year Final Compensation).
- b. Section 20903 (Two Years Additional Service Credit).
- c. Section 21574 (Fourth Level of 1959 Survivor Benefits. The City funds the Employer and Employee contribution of the Survivor Benefits. The Survivor "Employee Contribution" is not credited to the member's account and is not refundable.
- d. Section 21024 (Military Service Credit as Public Service).

Effective July 1, 2010, the City's funding contribution towards CalPERS local miscellaneous members' contribution rate will be 3% of reportable earnings, and each local miscellaneous member shall fund 5% of the 8% of the individual member employee contribution rate by payroll deduction.

Effective the first full pay period after July 1, 2012, the City's contribution towards the local miscellaneous member's contribution will be zero percent of reportable earnings, and each local miscellaneous member's contribution shall be 8% of the individual member's reportable earnings.

Employees hired by the City on or after January 1, 2013, who qualify as "new members" as that term is defined in the Public Employee Pension Reform Act (AB 340) shall be subject to the Act including but not limited to:

- a. 2% at 62 retirement formula
- b. Pension benefit is based on the highest annual final compensation during a consecutive 36 month period.
- c. CalPERS contribution of 50% of the CalPERS "normal cost" as that term is defined in the Act.

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NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 15: CalPERS Retirement Plan (Continued)

In addition to paying the full CalPERS member contribution, each employee covered by the CalPERS 2.7% @ 55 full retirement formula shall, effective the first full pay period after July 1, 2015, pay one percent of reportable earnings by payroll deduction as cost sharing of the City's normal costs pursuant to Government Code sections 7522.30 (e) and 20516 (f).

SECTION 16: Stand-by Duty

Employees required to standby to handle overtime work which may arise shall be compensated at the rate of one-hundred fifty dollars (\$150) per seven (7) day period. Effective the standby schedule beginning on Thursday, June 30, 2016, employees required to standby shall be compensated at the rate of two hundred dollars (\$200) per seven (7) day period.

Standby status is defined as time in which an employee can be reached at his/her residence or by pager and be able to respond in thirty minutes.

Standby time is not considered hours worked under the Fair Labor Standards Act and will not be compensated except as set forth above. Time compensated in this manner shall not constitute hours worked for purpose of FLSA.

SECTION 17: Uniforms and Boot Reimbursement

Affected employees will receive eleven (11) sets of uniforms rented by the City. The City will pay for the cleaning of these uniforms. Maintenance Crew Supervisors and Construction Inspectors may be reimbursed up to \$250 per fiscal year for purchasing their uniforms based upon a policy to be established by the City Manager.

In accordance with CalPERS regulations, any "Classic" employee required to wear a full uniform that is rented and maintained by a uniform vendor through a contract with the City shall have the monetary value of the City-provided uniforms reported to CalPERS as special compensation. The monetary value is based on the pricing for the rental and maintaining (i.e. laundering) the eleven (11) sets of uniforms provided to each employee. The current monetary value that will be reported bi-weekly to CalPERS is \$7.30; however, should a new contract between the City and a uniform vendor be approved, which results in a change to the monetary value, the new amount will be reported to CalPERS. The pricing will be specified in the contract between the City and the uniform vendor and will be adjusted accordingly when a change in the cost of renting and maintaining (i.e. laundering) of uniforms occurs. The uniform vendor contract will remain on file with the City Clerk's office and is selected via a formal bid process.

In accordance with CalPERS PEPRA regulations, any "New Member" employees required to wear a full uniform that is rented and maintained by a uniform vendor through a contract with the City shall not have the monetary value of the City-provided uniforms reported to CalPERS as special compensation.

In addition, each affected employee will be allowed reimbursement of up to \$200 for boot purchases made during each fiscal year. Effective July 1, 2017 each affected employee will be allowed reimbursement of up to \$300 for boot purchases made during each fiscal year. A second pair of boots may be reimbursed in a fiscal year with the supervisor's approval prior to the purchase. Affected employees must purchase boots which meet applicable requirements and specifications as set forth in the American National Standard for personal protection protective boot wear, Z41 1991 and must purchase the boots at a City approved store if the employee wants the store to bill the City directly.

Any portion of this reimbursement which is not used to purchase boots may be used to purchase boot accessories such as laces and inserts. Reimbursement for these expenses shall occur at the same time reimbursement occurs for boot purchases and the total shall not exceed the amount as stated above.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 18: Compensatory Time Flexibility

In lieu of receiving overtime pay pursuant to this article, an employee may elect to receive compensatory time off on a time and one-half basis. No employee shall accrue more than eighty (80) hours of such compensatory time. Should any employee exceed eighty (80) hours of accrued compensatory time, he/she shall be paid at time and one-half his/her regular rate for all hours in excess of eighty (80) hours.

An employee may use such compensatory time within a reasonable period after making the request if the use of compensatory time does not unduly disrupt the operations of the department.

On June 30th of each year, all employees accrued compensatory time shall be paid down to zero.

Employees designated as professional/supervisory, management, or senior management are excluded from this provision.

SECTION 19: Overtime Pay

A. Overtime Calculation

All employees required to perform in excess of forty (40) hours in a seven (7) day cycle or in excess of their regularly scheduled workday, shall receive compensation at the rate of time and one-half his/her regular rate of pay.

In determining an employee's eligibility for overtime, the below listed paid leaves of absence shall be included in the total hours worked. Excluded are duty-free lunches, travel time to and from work, and time spent conducting bona fide volunteer activities. Paid leaves of absence include the following:

- Holiday Leave
- Jury Duty
- Bereavement Leave

There shall be no pyramiding of overtime. Hours worked by an employee in any workday or workweek in which premium rates have once been allowed shall not be used again in any other overtime calculation other than computing total actual hours worked.

Time worked shall be computed by rounding the nearest quarter of an hour.

B. Overtime Authorization

All overtime requests must have the prior authorization of a supervisor prior to the commencement of such overtime work. Where prior written authorization is not feasible, explicit verbal authorization must be obtained. Calls for service beyond the end of the duty time are considered as authorized.

An employee's failure to obtain prior approval may result in the denial of the overtime request.

Employees designated as professional/supervisory, management, or senior management are excluded from this provision.

EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

Section 20: Out of Class and Acting Assignment Pay

Out-of-class pay may be provided to non-represented employees whenever the needs of the City make it necessary to require an employee to temporarily perform the duties of a higher classification. Situations where out-of-class pay may be necessary usually are due to a higher classification employee being on a leave of absence, medical leave, or other non-routine circumstances, or when a higher classification position is vacant. Generally, out-of-class pay is not provided to an employee while filling in for a higher classification for less than two workweeks or vacation and is not required for longer time periods.

The employee approved to receive out of class pay shall receive five percent (5%) or more salary than the salary (step) of his/her current salary, but in no case shall such salary exceeds the top step of the higher classification. The employee approved to receive out-of-class pay shall be eligible to receive merit increases in his/her regular position during the out-of-class pay assignment. Benefits will be calculated using the current base salary of the employee's regular position during the out-of-class pay assignment. When the out-of-class pay assignment is ended, the employee will receive his/her original salary rate. Out-of-class pay must be requested by a department head and approved by the City Manager.

Acting assignment pay is for short-term assignments, special projects or specific purpose and/or programs which will terminate in a given period of time, usually six months or less. A non-represented employee approved for an acting assignment is being compensated for performing duties at a level higher than their current classification level. The acting assignment pay is five (5) percent or more salary than the salary step of his/her current salary, but in no case shall exceed twenty (20) percent.

The employee approved to receive acting assignment pay shall be eligible to receive merit increases in his/her regular position during the assignment. Benefits will be calculated using the current base salary of the employee's regular position during the acting assignment pay assignment. When the acting assignment pay is ended, the employee will receive his/her original salary rate. Acting assignment pay must be requested in writing by the department head and approved by the City Manager.

SECTION 21: Bilingual Pay

The City has established a Bilingual Pay Program which compensates designated employees who provide translation to and from a foreign language and related services. Department heads will recommend which classifications and employees to be considered for bilingual pay, and the City Manager will approve assignment recommendations based on the customer services needs of the City. Eligible employees will be required to pass a test that shall be administered by a qualified agency or individual. Employees who pass the test and are assigned to provide bilingual translation services will receive \$75 per month as compensation. If the employee is reassigned to no longer provide bilingual translation services, the \$75 bilingual pay will be discontinued and will not be paid in the following month. It should be noted that regardless of whether or not an employee is receiving bilingual pay, all employees having bilingual capability shall be expected to reasonably respond to non-English inquiries directed to them in their capacity as a City employee.

Section 22: Cell Phone Allowance

The City shall provide a cell phone allowance of \$100 per month (24 pay periods per year) to Senior Management employees as designated by the City Manager, effective July 1, 2016.

The City Manager may designate employees in the role of Public Information Officer and Emergency Responders in the Management and Professional Supervisory Tier to receive a Cell Phone allowance of \$100 per month (24 pay periods per year), effective April 1, 2017.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 23: Management Structure

All employees work for the City Manager, however they have supervisors assigned to them based upon the organizational structure included in the annual budget and as determined by the City Manager.

SECTION 24: Outside Employment

It is the policy of the City of Hesperia to allow employees to hold a second job as long as the second job does not present a conflict of interest to their position with the City. In addition, it is required that a second job be reported to the Management Services Department.

SECTION 25: Promotions and Step Placement

Any promotion requires a one (1) year probationary period. Once an employee receives regular full-time status at a position and then is promoted, the employee may not be terminated in the event they are unable to successfully fulfill the requirements of the position promoted to, but may be reassigned to an equivalent position within the organization in which they served prior to being promoted.

Upon promotion, the employee will receive a minimum of five percent (5%) salary increase or the beginning of the classification range, whichever is greater.

The City Manager is authorized to change an employee's step to a higher step on the employee's position classification range in recognition of special accomplishments, retention, or any other circumstances which merit an increase in salary.

SECTION 26: Employer/Employee Relations

The City has an Employer/Employee Relations Resolution adopted which provides the guidelines for forming recognized Employee Associations. (See Resolution No. 90-37).

SECTION 27: Workers' Compensation

The City provides certain supplementary Workers' Compensation benefits for temporary disabilities other than Police and Fire. (See Resolution No. 90-36).

SECTION 28: Jury Duty

Rule VI, Section 3 (1), "Jury Duty" of the Personnel Rules and Regulations is superseded to provide that employees who are summoned to appear and serve for jury duty shall be entitled to up to eighty (80) hours leave.

SECTION 29: Leave Without Pay

Rule VI, Section 4, "Leave of Absence Without Pay" of the Personnel Rules and Regulations is superseded to provide that such maximum leave shall be eighty (80) working hours rather than ten (10) working days.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 30: Bereavement and Sick Leave

Rule VI, Leave, Section 7, Sick Leave, Subsection 8, Bereavement Leave, of the Personnel Rules and Regulations is revised to provide that any eligible employee who is absent from work by reason of a death in their immediate family will be allowed a leave of absence with pay up to five (5) cumulative working days (44 hours) per occurrence or a death of their blood relative, will be allowed a leave of absence with pay up to three (3) cumulative working days (27 hours) per occurrence, effective April 1, 2017. Additional time may be requested by the eligible employee, however, this additional time will be deducted from the employee's leave accrual, e.g. sick (up to 13 hours); vacation.

For the purpose of this section, "immediate family" is defined as employee's spouse or registered domestic partner, employee's parents, employee's spouse's parents, employee's child, step-child, step-parent, grandparent, grandchild, brother, sister, step-brother, and step-sister. "Blood relative" is defined as, aunt, uncle, niece, nephew, brother-in-law, sister-in-law, legal guardian, employee's ex-spouse who is parent of employee's children, domestic partner as defined under California Family Code Section 297, and/or any other individual living in the same household as the City employee. The department head and the City Manager shall approve such bereavement leave with their signature.

The Bereavement Leave change will be retroactive to January 1, 2004, with applicable employee's sick leave hours used to Bereavement Leave restored to their sick leave accrual balance.

SECTION 31: Smoking

The City has a no smoking policy to include all tobacco products, including e-cigarettes, vapors exhalants, etc, effective April 1, 2017. Employees are prohibited from use of products in all City buildings including passenger vehicles and equipment owned or leased by the City. Use of the products will also be prohibited within 20 feet of all vehicles, equipment and entrances, exits, operable windows and ventilation ducts of City buildings.

SECTION 32: Employee Assistance Program

The City shall provide an Employee Assistance Program for all full-time continuous salaried employees, elected officials, and dependent coverage.

SECTION 33: Alternate Work Schedule

The City has instituted a 9/80 workweek effective January 1996. City Hall shall close alternate Fridays.

Employees may switch to a 4/10 work week on a seasonal basis and for temporary periods of time to meet particular work needs with the City Manager's approval. At the end of such periods, the employees shall revert to a 9/80 schedule.

For purposes of continuing the alternate workweek schedule without the City incurring any increased costs or the employees receiving any increase in benefits, the following shall apply:

1. General Agreement - Whenever any oral or written practice, procedure, or policy provides employee economic benefits in terms of days, all such provisions shall be converted to provide such economic benefits in terms of hours and any such practice, procedure, or policy which previously was phrased in terms of days is hereby converted to eight (8) hours for each day.
2. Workweek - The following shall amend Rule XI, Paragraph 1, Subparagraph 1 of the Personnel Rules and Regulations, for the purposes of the non-represented employees. The workweek for employees assigned to an alternate workweek shall begin and end as follows:

EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 33: Alternate Work Schedule (Continued)

- a. For employees assigned to work four (4) days per week, ten (10) hours per day (the "4/10"), their workweek shall begin at 12:01 AM each Monday morning and end the following Sunday night at 12:00 PM midnight.
3. Holidays - Paid holidays will be at nine (9) hours for holidays falling Monday-Thursday, and eight (8) hours if falling on Friday. Effective July 1, 2016, paid holidays will be paid at the same number of hours of the employee approved alternate work schedule. For example, employees working a 4/10 schedule: paid holiday will be at ten (10) hours per holiday.

An employee's normal work schedule may be adjusted during a workweek, with time off on an hour-for-hour basis in lieu of overtime during the same workweek.

Management is authorized to change normal work schedules for employees to include closed Fridays to serve the customer service needs of the City and save overtime costs. Reasonable notice of two weeks must be provided unless the normal work schedule change is mutually agreed to by the supervisor and employee.

SECTION 34: Benefit Amendment Clause

Any other employee benefit expressed in terms of days earned, not specifically mentioned above, is hereby amended to provide eight (8) hours accrued benefit in lieu of days.

SECTION 35: Disciplinary Appeals

This Advisory Arbitration Provision amends the City of Hesperia Personnel Rules and Regulations, Rule XI, "Appeal Procedures," by deleting all current text on Pages 60 and 61, and substituting the following language:

Appeal Procedures

Any permanent employee in the classified service shall have the right to appeal any termination, suspension of forty (40) hours or more, reduction in salary, or non-probationary demotion. The appeal process shall not be applicable to those positions which may be deemed exempt or to probationary employees. The appeal process shall not be applicable to verbal and written reprimands, suspensions of less than forty (40) hours, probationary demotions, performance evaluations and denial of merit increases. An employee desiring to appeal the appointing authority's decision shall have ten (10) calendar days after receipt of the response to file an appeal. The employee's request for appeal must be addressed to the Assistant City Manager/Management Services, and received in the Management Services Department so that same is date stamped by the Management Services Department within the ten (10) day period.

If, within the ten (10) day appeal period, the employee involved does not file said appeal, unless good cause for failure is shown, the action of the appointing authority shall be considered conclusive and shall take effect as prescribed. If within the ten (10) day appeal period, the employee involved files such notice of appeal by giving written notice of appeal to the Management Services Department, an appeal hearing shall be established as follows:

EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 35: Disciplinary Appeals (Continued)

- A. The American Arbitration Association shall be requested to submit a list of seven (7) persons qualified to act as hearing officers to the City and the employee. Within ten (10) days following receipt of the list of hearing officers, the parties shall meet to select the hearing officer. The parties shall alternately strike one (1) name from the list of hearing officers (the right to strike the first name to be determined by lots) until one (1) name remains, and that person shall be the hearing officer.
- B. Where practicable, the date for a hearing shall not be less than twenty (20) calendar days, nor more than sixty (60) calendar days, from the date of filing of the appeal with the Assistant City Manager/Management Services. The parties may stipulate to a longer or shorter period of time in which to hear the appeal. All interested parties shall be notified in writing of the date, time, and place of the hearing.
- C. All hearings shall be private provided, however, that the hearing officer shall, at the request of the employee, open the hearing to the public.
- D. Subpoenas and subpoenas duces tecum pertaining to a hearing shall be issued at the request of party, not less than seven (7) calendar days, prior to the commencement of such hearing. After the commencement of such hearing, subpoenas shall be issued only at the discretion of the hearing officers.
- E. The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rules which might make improper admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The rules of privilege shall be effective to the same extent that they are now or hereafter may be recognized in civil actions, and irrelevant and unduly repetitious evidence shall be excluded. The hearing officer shall not be bound by technical rules of evidence.
- F. Each party shall have their rights: To be represented by legal counsel or other person of his/her choice; to call and examine witnesses; to introduce evidence; to cross-examine opposing witnesses on any matter relevant to the issues, even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him/her to testify; and to rebut the evidence against him/her. If the employee does not testify in his/her own behalf, he/she may be called and examined -as if under cross-examination. Oral evidence shall be taken only on oath or affirmation. A court reporter will be engaged to record the hearing, unless the parties (City, hearing officer, employee/employee representative) mutually agree that same is not necessary.
- G. The hearing shall proceed in the following order, unless the hearing officer, for special reason, otherwise directs:
 - 1. The party imposing discipline shall be permitted to make an opening statement;
 - 2. The appealing party shall then be permitted to make an opening statement;
 - 3. The party imposing disciplinary action shall produce the evidence on his/her part; the City bears the burden of proof and burden of producing evidence;
 - 4. The party appealing from such disciplinary action may then open his/her defense and offer his/her evidence in support thereof; the employee bears the burden of proof and the burden of producing evidence for any affirmative defenses asserted;

EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 35: Disciplinary Appeals (Continued)

5. The parties may then, in order, respectively offer rebutting evidence only, unless the hearing officer for good reason permits them to offer evidence upon their original case;
 6. Closing arguments shall be permitted and written briefs may be permitted at the discretion of the hearing officer.
- H. The hearing officer shall determine relevancy, weight, and credibility of testimony and evidence. He/she shall base his/her findings on the preponderance of evidence. During the examination of a witness, all other witnesses, except the parties, shall be excluded from the hearing unless the hearing officer, in his/her discretion, for good cause otherwise directs. No still photographs, moving pictures, or television pictures shall be taken in the hearing chamber during a hearing. The hearing officer, prior to or during a hearing, may grant a continuance for any reason he/she believes to be important to reaching a fair and proper decision. The hearing officer shall render his/her judgment as soon after the conclusion of the hearing as possible and in no event later than thirty (30) days after conducting the hearing. His/her decision shall set forth which charges, if any, are sustained and the reasons therefore. The opinion shall set forth findings of fact and conclusions.
- I. The hearing officer may recommend sustaining or rejecting any or all of the charges filed against the employee. He/she may recommend sustaining, rejecting, or modifying the disciplinary action invoked against the employee. He/she may not recommend for discipline more stringent than that issued by the department head.

The hearing officer's opinion and recommendation shall be filed with the City Manager, with a copy sent to the charged employee and the Assistant City Manager, Management Services, and shall set forth his/her findings and recommendations. If it is a dismissal hearing and a dismissal is not the hearing officer's recommendation, the opinion shall set forth the date the employee is recommended to be reinstated and/or other recommended action. The reinstatement date, if appropriate, may be any time on or after the date of disciplinary action.

- J. Within thirty (30) days of the receipt of the hearing officer's findings and recommendation, and transcript (which is optional only by the mutual consent of the City and the employee), whichever date is later, the City Manager, or his/her designee, shall adopt, amend, modify, or reject the recommended findings, conclusions, and/or opinions of the hearing officer. Prior to making a decision which modifies or rejects the recommendation of the hearing officer, the City Manager, or his/her designee, shall order and read the transcript of the Third Party Advisory Process. Prior to making a decision which supports the hearing officer, the City Manager, or his/her designee, shall not conduct a de novo hearing. The City Manager, or his/her designee, may, at his/her option, allow limited oral arguments and/or may request and review written statements from either side. The decision of the City Manager, or his/her designee, shall be final and conclusive. Copies of the City Manager's or his/her designee's decision, including the hearing officer's recommendation(s), shall be filed where appropriate, including the employee's personnel file, unless no discipline is upheld by the City Manager.
- K. The decision of the City Manager, or his/her designee, shall be final and conclusive. Copies of the City Manager's, or his/her designee's decision, including the hearing officer's recommendation(s) shall be filed where appropriate, including the employee's personnel file, unless no discipline is upheld by the City Manager, or his/her designee.

EXHIBIT A

NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 35: Disciplinary Appeals (Continued)

- L. Each party shall bear equally the cost of facilities, fees and expenses of the hearing officer, including the court reporter and transcripts. Each party shall bear its own witness and attorney fees. If either party unilaterally cancels or postpones a scheduled hearing, thereby resulting in a fee charged by the hearing officer or court reporter, then the party responsible for the cancellation or postponement shall be solely responsible for payment of that fee. This process shall not apply to mutual settlements by the parties which result in an arbitration fee.
- M. In the case of suspension, demotion, reduction in salary, or dismissal prescribed by the City Manager, the time of such suspension, demotion or dismissal shall be effective from the first day after such delivery of said decision or shall relate back to and be effective as of the date the employee was disciplined pending hearing before and decision by the City Manager, or his/her designee, whichever is applicable. If discipline imposed resulted in loss of pay, and the decision results in reduction or elimination of loss of pay, the pay loss shall be restored to the employee based on the number of standard work hours lost computed at his/her then base hourly rate.
- N. The provisions of Section 1094.6 of the Code of Civil Procedure shall be applicable to proceedings under this Section.

Appeals of Suspensions Less Than Forty (40) Hours

A permanent employee shall have the right to appeal a suspension less than forty (40) hours in the following manner:

- 1. The appointing authority shall cause to be served on the employee affected, by registered mail or personal delivery, a statement signed by the appointing authority of the specific action against the employee. This statement shall clearly inform the employee that he/she has the right, within five (5) working days after receipt of this notice, to request an informal hearing on the action by filing the request with the appointing authority.
- 2. If within the five-day appeal period the employee involved does not file said appeal, unless good cause for the failure is shown, the action of the City shall be considered conclusive and shall take effect as prescribed.
- 3. If within the five-day appeal period the employee involved files such notice of the appeal by giving written notice of appeal to the appointing authority, a time for an appeal hearing before the City Manager, or his/her designee, shall be established. The date for a hearing shall not be less than ten (10) days, nor more than thirty (30) days, from the date of the filing of the appeal, unless the parties stipulate to a different date. All interested parties shall be notified in writing of the date, time, and place of the hearing at least seven (7) calendar days prior to the hearing.
- 4. The City Manager, or his/her designee, shall conduct an informal hearing on the appeal. Each party shall have the opportunity to present all relevant information in support of its respective position. These proceedings may be electronically recorded and either party shall have the right to cause them to be reported by a certified shorthand reporter at the party's expense.

Within ten (10) working days after the conclusion of the hearing, the City Manager, or his/her designee, shall deliver to the employee a written decision which shall either (a) affirm the decision, (b) modify it by (1) holding that certain charges were not established by a preponderance of the evidence and/or (2) reducing the penalty or (3) overturn the decision in its entirety. Said decision shall be final and binding on the parties, subject to their right to seek judicial review pursuant to 1094.5 and 1094.6 of the California Code of Civil Procedure.

EXHIBIT A
NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES

SECTION 36: Layoffs

Amend City of Hesperia Personnel Rules and Regulations (9/15/88), Rule VIII, Section 3, Reduction in Force by Layoff, by deleting all current text on Page 49 and substituting the following language.

- A. Advance Notice. Employees separated by reason of a reduction in force shall be given at least 30 days prior notice of separation and the reasons therefore. If one or more employee to be separated is represented by a duly recognized employee organization, the City will, on request, meet with such organization concerning the impact of the layoff.
- B. Bumping. An employee whose position has been abolished and who would be laid off shall have the right to "bump" into a classification the employee previously held with the City if such position receives the same or lower salary, and is determined by the City Manager or designee to be qualified for such position at the time, based upon the applicable job description.
- C. Offer of Reassignment. An employee's appointment shall not be terminated as a result of a reduction in force procedure before the employee has been made a reasonable offer of reassignment, if such offer is possible.
- D. Offer of Vacant Position. An employee whose position has been abolished and who would otherwise be laid off shall be offered the opportunity to transfer, without examination, to any then currently existing vacant position with the same or lower salary if the employee meets the minimum qualifications for such position, as determined by the City Manager or designee based upon the applicable job description and new application. If two or more employees are eligible for appointment to a vacancy, the criteria set forth in the paragraph entitled Order of Separation shall be applied to determine which employee shall be offered the vacant position.
- E. Laid Off Employee on Reemployment Register. The names of regular employees who have been laid off due to reduction in force shall be placed on an appropriate lay off reemployment list according to date and order separated and shall be eligible for reemployment.

Each employee on a lay off reemployment list shall remain on that list for one (1) year. Employees whose name appears on a lay off reemployment list shall be considered for reemployment in the class from which the employee was laid off prior to using any other available employment eligible list to fill regular vacancies in the subject class. The Personnel Officer can extend the active period of reemployment lists or individual employees eligibility on such lists for six (6) month periods as he/she determines to be in the best interest of the City.

- 1. Notice. The City will notify, by certified mail to the laid off or displaced employee's last known address, of all vacancies for which the employee is eligible for employment under this provision. Such notice shall be given for all such positions which arise for one (1) year from the date of layoff or displacement. A laid off or displaced employee who fails to report for appointment within two (2) workweeks of notice shall be deemed to have rejected appointment and shall be automatically removed from the reemployment register list.
 - 2. Reappointment. An employee who is laid off or displaced to a lower classification under this provision shall be entitled to automatic appointment to any vacant position from which he/she was laid off or displaced or for which he/she is qualified if such employee reports for duty on receiving notice. Appointments shall be made in the reverse order of layoffs, that is, the last laid off shall be the first offered reappointment.
- F. Order of Separation.

Selection for retention shall be based primarily upon seniority of service with performance being taken into account.

SECTION 36: Layoffs (Continued)

While seniority is the primary factor in determining order of separation, it is not in and of itself the only determining factor.

Therefore, this policy does not preclude the retention of members which have less seniority to other members within the class for which the reduction in force action may be taken. The following criteria shall be considered in evaluating performance:

1. The employee's written performance evaluations.
2. The history of an employee's written disciplinary actions.
3. The employee's written record of attendance including patterns of sick leave usage, tardiness and unexcused absences.

All newly hired employees serving an initial probationary period, part-time, temporary, seasonal, or emergency employees, in classifications affected by layoff, shall be laid off before any permanent employee is laid off.

Section 37: Provisions of Law

It is understood that this non-represented employees' salaries, benefits and related policies resolution is subject to all current and future applicable federal and state laws, federal and state regulations. If any section or provision of the resolution is in conflict or inconsistent with such above applicable laws, rules and regulations, or is otherwise held to be invalid or unenforceable by any competent jurisdiction, such section or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this resolution shall not be affected thereby

Section 38: Duration and Implementation

This non-represented employees' salaries, benefits and related policies resolution shall remain in full force and effect up to and including January 31, 2019. However if a successor non-represented employees' resolution is not approved by January 31, 2019, this resolution shall remain in force until a successor resolution is approved.