

**THE CITY OF NEWPORT BEACH**  
**KEY AND MANAGEMENT EMPLOYEES**  
**COMPENSATION PLAN**



**January 1, 2019 through December 31, 2021**

City of Newport Beach  
KEY AND MANAGEMENT COMPENSATION PLAN  
Effective January 1, 2019 through December 31, 2021

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## INTRODUCTION

The following represents the salary and benefit program established by the City Council for Key and Management. The Key and Management Compensation Plan shall in no manner be interpreted as a guaranteed or implied contract between the City and any employee or group of employees.

The Key and Management Group is divided into five categories:

- Executive Management
- Administrative Management
- Administrative Management-Safety
- Division Management
- Confidential

Appendix A lists all classifications in each category.

## COMPENSATION

### A. SALARY

#### Non Safety:

Key and Management non-safety employees\* will receive the following cost of living adjustments, as provided in Appendix A:

*Effective the pay period that includes January 1, 2019, salary schedules will be adjusted to provide a two percent (2.0%) cost of living adjustment to base salaries.*

*Effective the pay period that includes January 1, 2020, salary schedules will be adjusted to provide a two percent (2.0%) cost of living adjustment to base salaries.*

*Effective the pay period that includes January 1, 2021, salary schedules will be adjusted to provide a two percent (2.0%) cost of living adjustment to base salaries.*

#### Safety:

Key and Management safety employees\* will receive the following adjustments, as provided in Appendix A:

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Cost-of-living adjustments for the Assistant Police Chief classification shall be tied to the cost-of-living adjustments received by Police Management Association employees *during the term of this Plan*.

Cost-of-living adjustments for the Assistant Fire Chief classification shall be tied to the cost-of-living adjustments *outlined in the Key & Management Compensation Plan during the term of this Plan*.

The Assistant Chief, Lifeguard Operations classification's cost-of-living adjustments are tied by prior Council resolution to the cost-of-living adjustments received by Lifeguard Management Association *Battalion Chiefs during the term of this Plan*.

*\* Although the salary ranges for City Manager, City Attorney, City Clerk, Police Chief and Fire Chief are modified by the cost of living adjustments received by Key and Management Employees, any changes to their compensation are tied to their individual employment agreements.*

**B. RANGE ADVANCEMENT**

Advancement through the salary range varies depending on the Group to which the employee is assigned:

Executive Management - No steps; movement at the discretion of the City Manager.

Administrative Management - Five-step range with eligibility for merit step increases on an annual basis.

Administrative Management-Safety - Five-step range with eligibility for merit step increases on an annual basis.

Division Management - Five-step range with eligibility for merit step increases on an annual basis.

Confidential - Eight-step range with eligibility for merit step increases on an annual basis.

Salary steps are placed in five percent (5%) increments within the range for Administrative Management, Administrative Management-Safety, Division Management, and Confidential groups.

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**C. PERFORMANCE REVIEWS AND ANNIVERSARY DATES**

All Key and Management employees hired prior to December 31, 2001 will have a December 1, or first full pay period in December, anniversary date. Key and Management employees hired after December 2001 will have an anniversary date based upon hire date and hours of service. All Executive Management performance evaluations will be reviewed by the City Manager prior to implementation of any range advancement.

**D. BILINGUAL PAY**

Upon determination by the Department Director that an employee's ability to speak, read and/or write in Spanish or other language as approved, contributes to the Department, the employee shall be eligible to receive \$150 per month in bilingual pay. A certification process will be conducted *by the Human Resources Department* which will confirm that the employee is fluent at the street conversational level in speaking, reading and/or writing Spanish or other approved language.

*The parties agree that to the extent permitted by law, the Bilingual pay in this section is special compensation and shall be reported to Ca/PERS as such pursuant to Title 2 CCR, Section 571 (a)(4) and 571.1 (b)(3) Bilingual Premium.*

**E. NON-EXEMPT OVERTIME AND COMPENSATORY TIME OFF**

Employees in non-exempt positions are eligible to receive overtime or compensatory time off. *FLSA overtime for non-exempt positions shall be paid at one-and-one-half (1½) times the employee's regular rate of pay. The rate at which Non-FLSA Overtime is calculated shall not include the City's Cafeteria Plan Allowance, the opt-out Cafeteria Plan Allowance, or any cash back an employee may receive from the Cafeteria Plan Allowance by choosing benefits which cost less than the Allowance.* Overtime work must be approved by the employee's supervisor.

Compensatory time off for non-exempt positions shall accrue at the rate of one-and-one-half (1½) times for every overtime hour worked. Employees may accumulate up to eighty (80) hours of compensatory time off. *If such an employee accrues eighty (80) hours of compensatory time off, he or she will not be able to accrue additional compensatory time off (and will be paid for any overtime worked) unless and until he/she uses some of his/her hours and reduces his compensatory time off bank below eighty (80) hours.*

**F. JURY DUTY**

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A Key and Management employee called to serve as a juror shall notify his/her supervisor as soon as he/she is notified that he/she has to appear for duty. If an employee calls in the night before and finds out he/she has to report for jury duty the next day, the employee should send an email to his/her supervisor as soon as possible to let the supervisor know that the employee will be reporting to jury duty the following day. Key and Management employees of the City legally required to serve as a juror shall be entitled to leave with pay and all benefits for a period of up to sixty (60) days so long as his/her presence is legally required and the process outlined in the Employee Policy Manual is followed.

**G. UNIFORM ALLOWANCE – PUBLIC SAFETY**

As permissible by law, the City shall report to PERS the annual value of uniform allowance at the following rates:

*Police Chief - \$1,350*  
*Assistant Police Chief - \$1,350*  
*Fire Chief - \$1,519*  
*Assistant Fire Chief - \$1,519*  
*Assistant Chief, Lifeguard Operations - \$838*

*PERS Reporting of Uniform Allowance - To the extent permitted by law, the City shall report to the California Public Employees' Retirement System (CalPERS) the uniform allowance for each employee as special compensation in accordance with Title 2, California Code of Regulation, Section 571(a)(5). Notwithstanding the previous sentence, for "new members" as defined by the Public Employees' Pension Reform Act of 2013, the uniform allowance will not be reported as pensionable compensation to CalPERS.*

**H. ONE-TIME PAYMENT**

Effective following adoption of the Key & Management Compensation Plan, or as soon thereafter as practicable, then currently employed (*i.e., on the day of City Council approval of the Plan*) eligible Key & Management employees (excluding City Manager, City Attorney, City Clerk, *Police Chief and Fire Chief*) will receive a one-time payment of *twenty-seven hundred dollars (\$2,700)*. It is understood this one-time payment does not meet the criteria under California Code of Regulations 571(b) as reportable compensation for retirement purposes.

**LEAVES**

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Employees hired or promoted into classifications *in the Key and Management group* following adoption of the Compensation Plan shall be tied to the leave benefits provided to the Key and Management group at large.

**A. HOLIDAY LEAVE**

| <u>Holidays</u>             | <u>Observed</u>                        |
|-----------------------------|--|
| Independence Day            | July 4                                 |
| Labor Day                   | First Monday in September              |
| Veteran's Day               | November 11                            |
| Thanksgiving Day            | Fourth Thursday in November            |
| Day After Thanksgiving      | Friday following Thanksgiving          |
| Christmas Eve               | December 24 - last half of working day |
| Christmas Day               | December 25                            |
| New Year's Eve              | December 31- last half of working day  |
| New Year's Day              | January 1                              |
| Martin Luther King Birthday | Third Monday in January                |
| Washington's Birthday       | Third Monday in February               |
| Memorial Day                | Last Monday in May                     |
| Floating Holiday            | (1) July 1 <sup>st</sup> *             |

*\*The floating holiday (eight (8) hours of holiday leave) is awarded on July 1. The hours are added to the employees' Flex Leave account.*

Holidays will be paid based on the employee's regular work day schedule. For example, if an employee is on a 9/80 schedule and the holiday is observed on a day that the employee is regularly scheduled to work 9 hours, the employee is entitled to receive 9 hours of holiday pay. However, if an employee is on a 9/80 schedule and the holiday is observed on a day that the employee is regularly scheduled to work 8 hours, the employee is entitled to receive 8 hours of holiday pay. Employees will receive 8 hours of holiday pay annually for the Floating Holiday.

Holidays listed above (except the floating holiday) occurring on a Saturday shall be observed the preceding Friday. Holidays occurring on a Sunday shall be observed on the following Monday. (Half day holidays shall be observed prior to the observed holiday).

**B. HOLIDAYS – PUBLIC SAFETY**

The provisions contained in this section apply to Administrative Management-Safety (Assistant Chiefs) who are required to work without regard to holidays

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based on assignment. Said employees shall receive 3.7 hours per pay period of Holiday compensation as pay and reported to PERS as compensation earnable as defined in Government Code Sec. 20636.

*The parties agree, to the extent permitted by law, the compensation in this section is special compensation for those employees who are normally required to work on an approved holiday because they work in positions that require scheduled staffing without regard to holidays and shall be reported as such pursuant to Title 2 CCR, Section 571(a)(5) Holiday Pay.*

**C. FLEX LEAVE**

Regular full-time employees in the Administrative Management, Administrative Management-Safety, Division Management and Confidential categories enrolled in the flex leave program will earn leave according to the below.

| <u>Years of Continuous Service</u> | <u>Hrs Accrued per Pay Period</u> | <u>Annual hours</u> | <u>Maximum Allowable Balance (hours)</u> |
|------------------------------------|-----------------------------------|---------------------|--|
| 1 but less than 5                  | 6.00                              | 156.00              | 468.00                                   |
| 5 but less than 9                  | 6.61                              | 171.86              | 515.58                                   |
| 9 but less than 12                 | 7.23                              | 189.98              | 563.94                                   |
| 12 but less than 16                | 8.15                              | 211.90              | 635.70                                   |
| 16 but less than 20                | 8.77                              | 228.02              | 684.06                                   |
| 20 but less than 25                | 9.38                              | 243.88              | 731.64                                   |
| 25 and over                        | 10.00                             | 260.00              | 780.00                                   |

Spillover: Employees hired prior to July 1, 1996 shall be paid for earned Flex leave in excess of the employee's maximum accrual rate (spillover) provided that they utilized at least 80 hours Flex leave the previous calendar year. Employees with 16 or more years of continuous service are required to use 120 hours of Flex leave the previous calendar year.

Regular full-time employees in the Executive Management categories will earn Flex leave according to the following schedule:

| <u>Years of Continuous Service</u> | <u>Hrs Accrued per Pay Period</u> | <u>Annual hours</u> | <u>Maximum Allowable Balance (hours)</u> |
|------------------------------------|-----------------------------------|---------------------|--|
| 1 but less than 15                 | 8.77                              | 228                 | 684.06                                   |
| 15 and over                        | 9.69                              | 252                 | 755.82                                   |



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Note: If an employee becomes sick in the first three months of employment, the City will advance up to three (3) months of accrued Flex leave time to be used for the illness only. If the employee terminates employment prior to three (3) months, the employee will repay the equivalent to the number of Flex leave days that were advanced to the employee.

*Employees shall accrue three (3) months of Flex leave (as provided in the chart above) upon completion of three (3) months of continuous employment with the City of Newport Beach, provided however, this amount shall be reduced by any Flex leave time advanced during the first three (3) months of employment.*

(1) Limit on Accumulation

Employees first hired, or rehired by the City subsequent to July 1, 1996, shall not be eligible for Flex leave spillover pay and shall not be entitled to accrue Flex leave in excess of the Flex leave accrual threshold.

(2) Method of Use

Flex leave may not be taken in excess of that actually accrued, and in no case, except for illness, may it be taken prior to the completion of an employee's initial probationary period.

The Department Director shall approve all requests for Flex leave, taking into consideration the needs of the Department, and whenever possible, the seniority and wishes of the employee.

**D. SICK LEAVE**

Key and Management employees employed by the City prior to initiation of the Flex leave program had separate sick and vacation leave banks. With the initiation of the Flex leave program, vacation leave was converted to Flex leave on an hour for hour basis and any sick leave hours remained in a bank to be used as provided in Section 11.2 (Sick Leave) of the Employee Policy Manual.

**E. KIN CARE**

Employees may use up to ½ of Flex leave accrued per year to provide care for any member of the employee's immediate family in need of care due to illness or injury.

**F. BEREAVEMENT LEAVE**

Bereavement leave shall be defined as "the necessary absence from duty by an employee because of the death or terminal illness in his/her immediate family."

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Unit members shall be entitled to forty (40) hours of bereavement leave per calendar year per incident (terminal illness followed by death is considered one incident). Bereavement leave shall be administered in accordance with the provisions of the Employee Policy Manual. Leave hours need not be used consecutively, but should occur in proximate time to the occurrence. For the purposes of this section, immediate family shall mean an employee's father, mother, stepfather, stepmother, brother, sister, spouse/domestic partner, child, stepchild, grandparents and the employee's spouse/domestic partner's father, mother, brother, sister, child and grandparents. An employee requesting bereavement leave shall notify his/her supervisor as soon as possible of the need to take leave.

**G. ADMINISTRATIVE LEAVE**

*For Key and Management employees who are exempt from overtime, Administrative Leave may be granted, for a minimum of 8 hours and a maximum of 80 hours, as recommended by the Department Director with the approval of the City Manager. The determination as to how much Administrative Leave will be granted will be based upon the number of overtime hours normally worked each year by the individual exempt employee. Administrative Leave does not accrue and therefore has no cash value. As such, it cannot be carried over from year to year.*

**H. LEAVE SELLBACK**

*During calendar year 2019, employees shall have the option (on two occasions) of selling back, on an hour for hour basis, accrued Flex leave. In no event shall the Flex leave balance be reduced below one hundred and sixty (160) hours. Hours sold back will be subject to the Retiree Health Savings Plan Part C contributions, per Section 2 (a), Retiree Medical Benefits. For the term of this Compensation Plan the Part C contributions for Flex will be at twenty percent (20%).*

*Effective in calendar year 2020 and thereafter, employees shall have the option of converting accrued Flex Leave to cash on an hour for hour basis subject to the following: On or before the pay period which includes December 15 of each calendar year, an employee may make an irrevocable election to cash out accrued flex leave which will be earned in the following calendar year. The employee can elect to receive the cash out in the pay period which includes June 30 and/or the pay period which includes December 15 for those Flex Leave benefits that have been earned during that portion of the year. In no event shall the flex leave balance be reduced below one hundred and sixty (160) hours. On or before December 31, 2019, each employee shall have the one-time option of cashing out all or a portion of Flex Leave benefits credited to his/her account as of that date. However, in no event shall the flex leave balance be reduced below one hundred and sixty (160)*

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*hours when the leave is cashed out.*

## **BENEFITS**

### **A. INSURANCE**

#### **1. Medical Insurance**

The City has implemented an IRS qualified Cafeteria Plan. In addition to the contribution amounts listed below, the City shall contribute the minimum CalPERS participating employer's contribution towards medical insurance for employees enrolled in a CalPERS medical plan, per Government Code Section 22892.

The City's contribution towards the Cafeteria Plan is \$1,725 per month (plus the minimum CalPERS participating employer's contribution).

Employees shall have the option of allocating Cafeteria Plan contributions towards the City's medical, dental and vision insurance/programs. Employees shall be allowed to change coverages in accordance with plan rules and during regular open enrollment periods.

*Key and Management employees hired prior to the first day of the pay period following City Council adoption of this 2019-2021 Compensation Plan who elect to opt out of medical coverage offered by the City because they have provided proof of minimum essential coverage ("MEC") through another source (other than coverage in the individual market, whether or not obtained through Covered California) and execute an opt-out agreement releasing the City from any responsibility or liability to provide medical insurance coverage on an annual basis will receive \$1,000 per month in taxable cash. For these same employees, if they elect medical coverage and spend less than the City contribution provided above, those unused cafeteria plan funds shall be paid to the employee as taxable cash.*

*Employees hired on or after the first day of the pay period following City Council adoption of this 2019-2021 Compensation Plan (or a part-time employee who was hired by the City prior to this same date who is then hired into a classification in the Key and Management Group) who elect to opt out of medical coverage offered by the City because they have provided proof of minimum essential coverage ("MEC") through another source (other than coverage in the individual market, whether or not obtained through Covered California) shall receive \$500 per month in taxable cash. For these same employees, if they elect medical coverage and spend less*

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*than the City contribution provided above, there shall be no cash back provided.*

2. Vision Insurance

Employees may purchase vision insurance upon hire and during benefits open enrollment.

3. Dental Insurance

*The existing or comparable dental plans shall be maintained as part of the City's health plan offerings as agreed upon by the Benefits Information Committee.*

4. Disability Insurance

The City shall provide disability insurance with the following provisions:

|                        | <i>Short-Term Disability</i>   | <i>Long-Term Disability</i>    |
|------------------------|--------------------------------|--------------------------------|
| <i>Benefit Amount</i>  | <i>66.67% of covered wages</i> | <i>66.67% of covered wages</i> |
| <i>Maximum Benefit</i> | <i>\$1,846 weekly</i>          | <i>\$15,000 monthly</i>        |
| <i>Waiting Period</i>  | <i>30 calendar days</i>        | <i>180 calendar days</i>       |

Employees shall not be required to exhaust accrued paid leaves prior to receiving benefits under the disability insurance program. Employees may not supplement the disability benefit with paid leave once the waiting period has been exhausted.

Employees are responsible for the payment of the disability insurance cost in the amount of one (1%) percent of base salary *as a post-tax deduction for this benefit.*

**B. ADDITIONAL BENEFITS**

1. IRS Section 125 Flexible Spending Account

The City provides a qualified Section 125 Flexible Spending Account which authorizes an employee to reduce taxable income for payment of allowable expenses such as child care and medical expenses.

2. Life Insurance

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*The City shall provide life insurance for all regular full-time employees in \$1,000 increments equal to one times the employee's annual salary up to a maximum of \$50,000. At age 70 the City-paid life insurance is reduced by 50% of the pre-70 amount. This amount remains in effect until the employee terminates from City employment.*

3. Employee Assistance Program

Key and Management employees are eligible to receive EAP benefits, which provide confidential counseling and education on work and life issues, subject to provider guidelines.

4. Executive Management Physicals

*Employees in those classifications designated as Executive Management shall receive a reimbursement of up to one thousand dollars (\$1,000.00) per year for an executive management physical examination.*

**C. RETIREMENT BENEFITS**

1. PERS

a. Retirement Formula

The City contracts with California Public Employees Retirement System (PERS) to provide retirement benefits for its employees. Pursuant to prior agreements and state mandated reform, the City has implemented first, second and third tier retirement benefits:

Tier 1 ("Legacy"): For employees hired by the City on or before November 23, 2012, the retirement formula for safety members shall be 3%@50 and the retirement formula for non-safety members shall be 2.5%@55, calculated on the basis of the highest consecutive 12 month period selected by the employee.

Tier 2 ("Classic"): For employees first hired by the City between November 24 and December 31, 2012, or hired on or after January 1, 2013 and who are not new members as defined in Government Code Section 7522.04(f), the retirement formula for safety members shall be 2%@50 (Lifeguard/Fire) or 3%@55 (Police), and the retirement formula for non-safety members shall be 2%@60, calculated on the basis of the highest consecutive 36 month

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period selected by the employee as set forth in Government Code section 20037.

Tier 3 ("PEPRA"): For employees first hired by the City on or after January 1, 2013, who are new members, the safety retirement formula shall be 2.7%<sup>@57</sup> and the non-safety retirement formula shall be 2%<sup>@62</sup>, calculated on the basis of the highest consecutive 36-month period selected by the employee provided for by the Public Employees' Retirement Law at Government Code section 7522.25(d).

b. Employee Contributions

Non Safety:

Key and Management employees will contribute toward their PERS retirement benefit.

Employee retirement contributions that are in addition to the normal PERS Member Contribution shall be calculated on base pay, special pays, and other pays normally reported as "PERSable" compensation (*known either as compensation earnable or pensionable compensation*), and will be made on a pre-tax basis through payroll deduction, to the extent allowed by law.

***Tier 1:*** Employees shall contribute 13.0% of compensation earnable as follows: 8.0% as the statutory member contribution 2.42% as cost sharing per 20516(a) and 2.58% as cost sharing per 20516(f).

***Tier 2:*** Employees shall contribute 13.0% of compensation earnable as follows: 7.0% as the statutory member contribution 2.42% as cost sharing per under 20516(a) and 2.58% as cost sharing per 20516(f).

***Tier 3:*** The minimum statutory employee contribution for employees in Tier 3 is subject to the provisions of the (PEPRA) and equals 50% of the "total normal cost". Tier 3 employees shall make an additional contribution of pensionable compensation toward retirement pursuant to Government Code Section 20516(f), for a total employee contribution of 13% of pensionable compensation.

Safety:

A. Assistant Police Chief

An Assistant Police Chief's employee contribution will depend on what Tier the employee is in as defined above.

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***Tier 1 and 2*** members will contribute the full statutory member contribution, equal to 9% of compensation earnable, plus an additional 5.6% of compensation earnable toward retirement costs as permitted under Government Code §20516(f), for a total contribution of 14.6%.

***Tier 3*** members: In addition to the statutorily required 50% contribution of total normal costs ("member contribution rate" which in FY18-19 is 10.5% of pensionable compensation), Tier 3 members shall contribute an additional percentage of pensionable compensation toward retirement costs as cost sharing pursuant to Government Code § 20516(f), so that their total contribution is 14.6%.

PERS retirement contributions for the Assistant Police Chief classification shall be tied to the retirement contributions required by members of the Police Management Association. If there are future changes to those employee retirement contributions, the same changes will be made for the Assistant Police Chief.

***B. Assistant Fire Chief***

An Assistant Fire Chief's employee contribution will depend on what tier the employee is in as defined above.

***Tier 1 and 2*** members will contribute the full statutory member contribution, equal to 9% of compensation earnable, plus an additional percentage of compensation earnable toward retirement costs as permitted under Government Code § 20516(f), for a total contribution that is the same percentage as contributed by members of the Newport Beach Fire Management Association.

***Tier 3*** members: In addition to the statutorily required 50% contribution of total normal costs ("member contribution rate" which in FY18-19 is 10.5% of pensionable compensation), Tier 3 members shall contribute an additional percentage of pensionable compensation toward retirement costs as cost sharing pursuant to Government Code § 20516(f), so that their total contribution is the same percentage as contributed by members of the Newport Beach Fire Management Association.

***C. Assistant Chief, Lifeguard Operations***

The employee contribution for the Assistant Chief of Lifeguard Operations will depend on what tier the employee is in as defined above.

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***Tier 1 and 2** members will contribute the full statutory member contribution, equal to 9% of compensation earnable, plus an additional 4.6% of compensation earnable toward retirement costs as permitted under Government Code § 20516(f), for a total contribution of 13.6%.*

***Tier 3** members: In addition to the statutorily required 50% contribution of total normal costs ("member contribution rate" which in FY18-19 is 10.5% of pensionable compensation), Tier 3 members shall contribute an additional percentage of pensionable compensation toward retirement costs as cost sharing pursuant to Government Code § 20516(f), so that their total contribution is 13.6%.*

*PERS retirement contributions for the Assistant Fire Lifeguard Operations classification shall be tied to the retirement contributions required by members of the Lifeguard Management Association. If there are future changes to those employee retirement contributions, the same changes will be made for the Assistant Chief Lifeguard Operations.*

c. Optional Benefits

The City's contract with PERS also provides the 4<sup>th</sup> Level 1959 Survivor Insurance Benefit, \$500 Lump Sum Death Benefit, Sick Leave Credit (Miscellaneous only), Military Service Credit, 2% Cost of Living Adjustment and the pre-retirement option settlement 2 death benefit (Section 21548).

2. LIUNA Supplemental Pension

*Key and Management employees are members of the LIUNA Supplemental Pension Fund ("Plan"). Effective in the pay period which includes January 1, 2019, the Plan will be funded exclusively by contributions from the members. The City will not make any contributions to the Plan. In addition, as there are increases (which typically occur annually) to the costs (whether identified as employer or employee contributions) to fund the Plan, they will be made by Key and Management employees (i.e., the participants in the Plan). The City is not responsible for, nor does it make any representation regarding, the payment of benefits to Key & Management employees.*

Employees cannot receive the contributed amounts directly instead of having them paid to the Plan. Participation in the Plan will continue to be mandatory for Key & Management employees.



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Key & Management employees who leave City employment prior to vesting in the LIUNA pension plan will have no right to the return of amounts contributed, or other recourse against the City concerning LIUNA.

**D. RETIREE MEDICAL BENEFITS**

1. Background

In 2005, the City and all Employee Associations agreed to replace the previous “defined benefit” retiree medical program with a new “defined contribution” program. The process of fully converting to the new program will be ongoing for an extended period. During the transition, employees and (then) existing retirees have been administratively classified into one of four categories. The benefit is structured differently for each of the categories. The categories are as follows:

- a. Category 1 - Employees newly hired after January 1, 2006.
- b. Category 2 - Active employees hired prior to January 1, 2006, whose age plus years of service as of January 1, 2006, was less than 50 (46 for public safety employees).
- c. Category 3 - Active employees hired prior to January 1, 2006, whose age plus years of service was 50 or greater (46 for public safety employees) as of January 1, 2006.

2. Program Structure

This is an Integral Part Trust (IPT) Retiree Health Savings (RHS) Plan (formerly the Medical Expense Reimbursement Program - "MERP").

- a. For employees in Category 1, the program is structured as follows:

Each employee will have an individual RHS account (Employee Account). This account will accumulate contributions to be used for health care expense after separation. All contributions to the plan are either mandatory employee contributions or City paid employer contributions, so they are not taxable to employees at the time of deposit. Earnings from investment of funds in the account are not taxable when posted to the account. Benefit payments are not taxable when withdrawn, because the plan requires that all distributions be spent for specified health care purposes.

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Contributions will be in three parts:

Part A contributions (mandatory employee contributions): 1% of Salary.

Part B contributions (employer contributions): \$2.50 per month for each year of service plus year of age (updated every January 1<sup>st</sup> based on status as of December 31<sup>st</sup> of the prior year).

Part C contributions (leave settlement as determined by Key and Management employees):

Key and Management employees will determine the level of contribution, subject to the following constraints. All employees within Key and Management must participate at the same level. The participation level should be specified as a percentage of the leave balance on hand in each employee's leave bank at the time of separation from the City.

For example, if Key and Management employees determine to specify 50% of the leave balance as the participation level, then each member leaving the City or cashing out leave at any other time, would have the cash equivalent of 50% of the amount that is cashed out added to the RHS, on a pre-tax basis. The remaining 50% would be paid in cash as taxable income. Individual employees would not have the option to deviate from this breakout.

Sick leave balances may also be included in the RHS Part C contributions, but only to the extent and within all the numeric parameters specified in the Employee Policy Manual. Sick leave participation is a separate item from Flex leave participation, and thresholds must be separately identified by the Key and Management group.

Key and Management employees have agreed to Part C contributions at the level of sixty-five percent (65%) of Sick leave and twenty percent (20%) of Flex leave. This amount may be changed on a go forward basis, as determined among the Key and Management group.

Nothing in this section restricts taking leave for time off purposes.

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Part A contributions may be included in PERS compensation. Part B and Part C contributions will not be included in PERS compensation.

Part A contributions begin upon enrollment in the program and are credited to each RHS Employee Account each pay period. Eligibility for Part B contributions is set at five years of vested City employment. At that time, the City will credit the first five years' worth of Part B contributions into the Employee Account (interest does not accrue during that period). Thereafter, contributions are made bi-weekly. Part C deposits, if any, will be made at the time of employment separation.

Each Employee has a right to reimbursement of medical expenses (as defined below) from the Plan until the Employee Account balance is zero. This right is triggered upon separation. If an employee leaves the City prior to five years employment, only the Part A contributions and Part C leave settlement contributions, if any, will be in the RHS Employee Account. Such an employee will not be entitled to any Part B contributions.

Distributions from RHS Employee Accounts are restricted to use for health insurance and medical care expenses after separation, as defined by the Internal Revenue Code Section 213(d) (as explained in IRS Publication 502), and specified in the Plan Document. In accordance with current IRS regulations and practices, this generally includes premiums for medical insurance, dental insurance, vision insurance, supplemental medical insurance, long term care insurance, and miscellaneous medical expenses not covered by insurance for the employee and his or her spouse and legal dependents – again only as permitted by IRS Publication 502. Qualification for dependency status will be determined by guidelines in IRC 152. If used for these purposes, distributions from the RHS accounts will not be taxable. Cash withdrawal for any other purpose is prohibited. Under IRS Revenue Ruling 2005-24, any balance remaining in the Employee Account after the death of the employee and his or her spouse and/or other authorized dependents (if any) must be forfeited. That particular RHS Employee Account will be closed, and any remaining funds will become general assets of the plan.

The City's Part B contributions during active employment constitute the minimum CalPERS participating employer's contribution (*i.e.*,

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*the CalPERS statutory minimum amount*) towards medical insurance after retirement. In addition, retirees selecting a CalPERS medical plan or any other plan with a similar employer contribution requirement, the required City contribution will be withdrawn from the retiree's RHS account.

- b. For employees in Category 2, the program is the same as for those in Category 1, with the following exception:

In addition to the new plan contributions listed above, current employees who fully convert to the new plan will also receive a one-time City contribution to their individual RHS accounts that equates to \$100 per month for every month they contributed to the previous "defined benefit" plan, to a maximum of 15 years (180 months). This contribution will be made only if the employee retires from the City and at the time of retirement. No interest will be earned in the interim.

Employees in Category 2 who had less than five years' service with the City prior to implementation of the new program will only receive Part B contributions back to January 1, 2006 when they reach five years total service.

- c. For employees in Category 3, the program is the same as for those in Category 2, with the following exception:

For employees in this category, the City will make no Part B contributions while the employees are still in the active work force. Instead, the City will contribute \$400 per month into each of their RHS accounts after they retire from the City, to continue as long as the employee or spouse is still living.

Each employee will contribute a flat \$100 per month to the plan for the duration of their employment to partially offset part of this expense to the City. The maximum benefit provided by the City after retirement is \$4,800 per year, accruing at the rate of \$400 per month. There is no cash out option for these funds, and they may not be spent in advance of receipt.

Employees in this category will also receive an additional one-time City contribution of \$75 per month for every month they contributed to the previous plan prior to January 1, 2006, up to a maximum of 15 years (180 months). This contribution will be made to the RHS

City of Newport Beach  
KEY AND MANAGEMENT COMPENSATION PLAN  
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account at the time of retirement, and only if the employee retires from the City. No interest will be earned in the interim.

3. Administration

Vendors have been selected by the City to administer the program. The contract expense for program-wide administration by the vendor will be paid by the City. However, specific vendor charges for individual account transactions that vary according to the investment actions taken by each employee, such as fees or commissions for trades, will be paid by each employee.

The City's Deferred Compensation Committee, or its successor committee, will have the authority to determine investment options that will be available through the plan.

**E. TUITION REIMBURSEMENT**

Key and Management employees attending accredited community colleges, colleges, trade schools or universities, or recognized professional organizations or agencies may apply for reimbursement of the cost of tuition, books, fees or other student expenses for approved job-related coursework, seminars or professional development programs. The maximum *annual benefit* is \$2,000 per fiscal year. Reimbursement is contingent upon the successful completion of the course. Successful completion means a grade of "C" or better for undergraduate courses and a grade of "B" or better for graduate courses. All claims for tuition reimbursement require the approval of the Human Resources Director or designee.

**F. AUTO ALLOWANCE**

Positions in the Executive Management and Administrative Management groups may be eligible for a limited auto allowance, between \$200 and \$400 per month, based on operational necessity and upon the determination of the City Manager.

**MISCELLANEOUS**

**A. PROBATIONARY PERIOD**

Newly hired employees shall serve a twelve-month probationary period. Any employee who is promoted shall be required to successfully complete a six (6) month probationary period in the new position. All Executive Management positions serve *as at-will employees as that term is defined in California Labor Code section 2922* and can be released from employment at any time *without cause or due process*.

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The City Manager, City Attorney and City Clerk serve at the pleasure of the City Council.

**B. DIRECT DEPOSIT**

All newly hired employees shall participate in the payroll direct deposit system.

**C. EXEMPT AND NON-EXEMPT STATUS**

All classifications in Key and Management are classified as exempt *from overtime* under the FLSA, with the following exceptions:

Administrative Assistants to the Police Chief, Fire Chief, City Attorney,  
Assistant City Manager, Human Resources Director  
Administrative Assistant-Confidential  
Fiscal Specialist - Confidential  
Human Resources Specialist I/II  
Paralegal

**D. ALTERNATIVE WORK SCHEDULES**

The City agrees to maintain flex-scheduling where it is currently operating successfully. Any new flex scheduling must be approved by the City Manager prior to implementation.

*Employees assigned to the 9/80 work schedule will have alternating Fridays off with the City determining which employees will work on each alternating Friday to ensure effective coverage of the work. These employees' FLSA workweeks shall begin four hours after the start time of their alternating regular day off and end exactly 168 hours later.*

**E. EMPLOYEE POLICY MANUAL**

The City of Newport Beach's Employee Policy Manual shall govern all issues not addressed in this document with respect to wages, hours and other terms and conditions of employment.

APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

Revision Date: December 22, 2018  
2.0% Cost of Living Adjustment

| POSITION TITLE                                    | SUBGROUP             | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---|----------------------|------------------------------|----------|-------------------------------|----------|
|   |                      | MIN                          | MAX      | MIN                           | MAX      |
| Accounting Manager                                | Division Mgmt.       | \$65.58                      | \$79.69  | \$11,367                      | \$13,813 |
| Administrative Analyst                            | Confidential         | \$34.88                      | \$49.10  | \$6,047                       | \$8,510  |
| Administrative Assistant (K&M)                    | Confidential         | \$29.34                      | \$41.31  | \$5,085                       | \$7,160  |
| Administrative Manager                            | Division Mgmt.       | \$48.75                      | \$59.26  | \$8,450                       | \$10,271 |
| Assistant City Attorney                           | Executive Mgmt.      | \$67.92                      | \$101.86 | \$11,773                      | \$17,656 |
| Assistant City Clerk                              | Confidential         | \$34.00                      | \$47.84  | \$5,893                       | \$8,292  |
| Assistant City Engineer                           | Division Mgmt.       | \$67.17                      | \$81.63  | \$11,642                      | \$14,149 |
| Assistant City Manager                            | Executive Mgmt.      | \$79.47                      | \$119.19 | \$13,774                      | \$20,659 |
| Assistant Fire Chief                              | Admin Mgmt. - Safety | \$84.23                      | \$102.36 | \$14,600                      | \$17,743 |
| Assistant Fire Chief - LG Operations <sup>3</sup> | Admin Mgmt. - Safety | \$64.03                      | \$77.83  | \$11,099                      | \$13,491 |
| Assistant Police Chief <sup>3</sup>               | Admin Mgmt. - Safety | \$85.14                      | \$103.50 | \$14,758                      | \$17,939 |
| Budget Analyst                                    | Confidential         | \$37.62                      | \$52.91  | \$6,521                       | \$9,171  |
| Budget Analyst, Senior                            | Confidential         | \$43.52                      | \$61.26  | \$7,544                       | \$10,619 |
| Budget Manager                                    | Division Mgmt.       | \$65.58                      | \$79.69  | \$11,367                      | \$13,813 |
| City Attorney <sup>4</sup>                        | Executive Mgmt.      | \$77.75                      | \$116.61 | \$13,477                      | \$20,213 |
| City Clerk <sup>4</sup>                           | Executive Mgmt.      | \$48.06                      | \$72.09  | \$8,331                       | \$12,495 |
| City Manager <sup>4</sup>                         | Executive Mgmt.      | \$92.30                      | \$138.44 | \$15,999                      | \$23,997 |
| City Traffic Engineer                             | Division Mgmt.       | \$67.17                      | \$81.63  | \$11,642                      | \$14,149 |
| Civil Engineer, Principal                         | Division Mgmt.       | \$63.94                      | \$77.72  | \$11,084                      | \$13,472 |
| Civil Engineer, Senior                            | Confidential         | \$49.70                      | \$69.91  | \$8,615                       | \$12,118 |
| Community Development Director                    | Executive Mgmt.      | \$75.40                      | \$113.08 | \$13,069                      | \$19,601 |
| Deputy City Attorney                              | Division Mgmt.       | \$65.58                      | \$79.69  | \$11,367                      | \$13,813 |
| Deputy City Clerk                                 | Confidential         | \$30.81                      | \$43.37  | \$5,341                       | \$7,517  |
| Deputy City Manager                               | Executive Mgmt.      | \$62.20                      | \$83.47  | \$10,782                      | \$14,469 |
| Deputy Community Development Director             | Admin Mgmt.          | \$70.64                      | \$85.86  | \$12,245                      | \$14,882 |
| Deputy Finance Director                           | Admin Mgmt.          | \$70.64                      | \$85.86  | \$12,245                      | \$14,882 |
| Deputy Public Works Director                      | Admin Mgmt.          | \$82.83                      | \$100.68 | \$14,358                      | \$17,452 |
| Deputy PW Director-Municipal Operations           | Admin Mgmt.          | \$70.64                      | \$85.86  | \$12,245                      | \$14,882 |
| Deputy Recreation & Sr. Services Director         | Admin Mgmt.          | \$67.22                      | \$81.71  | \$11,652                      | \$14,163 |
| Equipment Maintenance Superintendent              | Division Mgmt.       | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Executive Assistant                               | Confidential         | \$32.24                      | \$45.37  | \$5,588                       | \$7,863  |
| Field Maintenance Superintendent                  | Division Mgmt.       | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Field Superintendent II                           | Division Mgmt.       | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Finance Director                                  | Executive Mgmt.      | \$75.40                      | \$113.08 | \$13,069                      | \$19,601 |
| Fire Chief <sup>5</sup>                           | Executive Mgmt.      | \$76.62                      | \$114.92 | \$13,281                      | \$19,919 |
| Fire Division Chief - Emergency Med. Svcs.        | Division Mgmt.       | \$61.79                      | \$75.11  | \$10,711                      | \$13,019 |
| Fire Marshal (Civilian)                           | Division Mgmt.       | \$61.79                      | \$75.11  | \$10,711                      | \$13,019 |
| Fiscal Specialist (Confidential)                  | Confidential         | \$28.45                      | \$40.05  | \$4,932                       | \$6,942  |
| Harbormaster                                      | Executive Mgmt.      | \$48.06                      | \$72.08  | \$8,331                       | \$12,494 |
| Human Resources Analyst                           | Confidential         | \$38.50                      | \$54.17  | \$6,674                       | \$9,389  |
| Human Resources Analyst, Senior                   | Confidential         | \$42.49                      | \$59.79  | \$7,364                       | \$10,363 |
| Human Resources Director                          | Executive Mgmt.      | \$71.33                      | \$106.98 | \$12,363                      | \$18,544 |
| Human Resources Manager                           | Division Mgmt.       | \$61.79                      | \$75.11  | \$10,711                      | \$13,019 |
| Human Resources Specialist I                      | Confidential         | \$29.16                      | \$40.98  | \$5,054                       | \$7,102  |
| Human Resources Specialist II                     | Confidential         | \$32.24                      | \$45.37  | \$5,588                       | \$7,863  |

APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

Revision Date: December 22, 2018  
2.0% Cost of Living Adjustment

| POSITION TITLE                        | SUBGROUP        | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---------------------------------------|-----------------|------------------------------|----------|-------------------------------|----------|
|                                       |                 | MIN                          | MAX      | MIN                           | MAX      |
| Information Technology (IT) Manager   | Admin Mgmt.     | \$67.22                      | \$81.71  | \$11,652                      | \$14,163 |
| Information Technology Supervisor     | Confidential    | \$58.69                      | \$71.33  | \$10,174                      | \$12,364 |
| Library Services Director             | Executive Mgmt. | \$71.33                      | \$106.98 | \$12,363                      | \$18,544 |
| Library Services Manager              | Division Mgmt.  | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Management Analyst, Senior            | Confidential    | \$40.12                      | \$56.47  | \$6,954                       | \$9,788  |
| Operations Support Superintendent     | Division Mgmt.  | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Paralegal                             | Confidential    | \$31.28                      | \$44.01  | \$5,421                       | \$7,628  |
| Park & Tree Superintendent            | Division Mgmt.  | \$56.55                      | \$68.76  | \$9,803                       | \$11,918 |
| Planning Manager                      | Division Mgmt.  | \$58.52                      | \$71.13  | \$10,143                      | \$12,329 |
| Police Chief <sup>5</sup>             | Executive Mgmt. | \$78.87                      | \$118.28 | \$13,670                      | \$20,502 |
| Police Support Services Administrator | Admin Mgmt.     | \$68.85                      | \$83.68  | \$11,935                      | \$14,505 |
| Principal Planner                     | Confidential    | \$45.69                      | \$64.32  | \$7,919                       | \$11,149 |
| Public Information Manager            | Division Mgmt.  | \$62.43                      | \$75.88  | \$10,822                      | \$13,153 |
| Public Information Specialist         | Confidential    | \$30.81                      | \$43.37  | \$5,341                       | \$7,517  |
| Public Works Director                 | Executive Mgmt. | \$75.40                      | \$113.08 | \$13,069                      | \$19,601 |
| Public Works Manager                  | Division Mgmt.  | \$62.43                      | \$75.88  | \$10,822                      | \$13,153 |
| Purchasing Agent                      | Confidential    | \$41.48                      | \$58.32  | \$7,190                       | \$10,108 |
| Recreation & Sr. Services Director    | Executive Mgmt. | \$71.33                      | \$106.98 | \$12,363                      | \$18,544 |
| Recreation Manager                    | Division Mgmt.  | \$45.29                      | \$55.05  | \$7,850                       | \$9,542  |
| Revenue Manager                       | Division Mgmt.  | \$65.58                      | \$79.69  | \$11,367                      | \$13,813 |
| Senior Services Manager               | Division Mgmt.  | \$49.98                      | \$60.76  | \$8,663                       | \$10,531 |
| Systems & Administration Manager      | Division Mgmt.  | \$52.91                      | \$64.32  | \$9,171                       | \$11,149 |
| Utilities Director                    | Executive Mgmt. | \$71.33                      | \$106.98 | \$12,363                      | \$18,544 |
| Y-Rate Administrative Manager         | Division Mgmt.  | \$78.13                      |          | \$13,542                      |          |

<sup>1</sup> Hourly pay rates are rounded to the nearest hundredth.

<sup>2</sup> Monthly pay rates are rounded.

<sup>3</sup> Range adjustments are subject to change as these positions are not tied to K&M COLAs.

<sup>4</sup> The cost-of-living-adjustment will apply to the salary ranges for these positions.

A change to the compensation for these positions is determined by the Employee Agreement/City Council.

<sup>5</sup> The cost-of-living-adjustment will apply to the salary ranges for these positions.

A change to the compensation for these positions is determined by the Employee Agreement/City Manager.



APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

Revision Date: December 21, 2019  
2.0% Cost of Living Adjustment

| POSITION TITLE                                    | SUBGROUP             | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---|----------------------|------------------------------|----------|-------------------------------|----------|
|   |                      | MIN                          | MAX      | MIN                           | MAX      |
| Accounting Manager                                | Division Mgmt.       | \$66.89                      | \$81.28  | \$11,594                      | \$14,089 |
| Administrative Analyst                            | Confidential         | \$35.58                      | \$50.08  | \$6,168                       | \$8,680  |
| Administrative Assistant (K&M)                    | Confidential         | \$29.92                      | \$42.13  | \$5,187                       | \$7,303  |
| Administrative Manager                            | Division Mgmt.       | \$49.73                      | \$60.44  | \$8,620                       | \$10,476 |
| Assistant City Attorney                           | Executive Mgmt.      | \$69.28                      | \$103.90 | \$12,008                      | \$18,009 |
| Assistant City Clerk                              | Confidential         | \$34.68                      | \$48.80  | \$6,010                       | \$8,458  |
| Assistant City Engineer                           | Division Mgmt.       | \$68.51                      | \$83.26  | \$11,875                      | \$14,432 |
| Assistant City Manager                            | Executive Mgmt.      | \$81.06                      | \$121.57 | \$14,050                      | \$21,072 |
| Assistant Fire Chief                              | Admin Mgmt. - Safety | \$85.92                      | \$104.41 | \$14,892                      | \$18,098 |
| Assistant Fire Chief - LG Operations <sup>3</sup> | Admin Mgmt. - Safety | \$64.03                      | \$77.83  | \$11,099                      | \$13,491 |
| Assistant Police Chief <sup>3</sup>               | Admin Mgmt. - Safety | \$85.14                      | \$103.50 | \$14,758                      | \$17,939 |
| Budget Analyst                                    | Confidential         | \$38.37                      | \$53.97  | \$6,651                       | \$9,355  |
| Budget Analyst, Senior                            | Confidential         | \$44.39                      | \$62.49  | \$7,695                       | \$10,831 |
| Budget Manager                                    | Division Mgmt.       | \$66.89                      | \$81.28  | \$11,594                      | \$14,089 |
| City Attorney <sup>4</sup>                        | Executive Mgmt.      | \$79.30                      | \$118.95 | \$13,746                      | \$20,617 |
| City Clerk <sup>4</sup>                           | Executive Mgmt.      | \$49.02                      | \$73.53  | \$8,498                       | \$12,745 |
| City Manager <sup>4</sup>                         | Executive Mgmt.      | \$94.15                      | \$141.21 | \$16,319                      | \$24,477 |
| City Traffic Engineer                             | Division Mgmt.       | \$68.51                      | \$83.26  | \$11,875                      | \$14,432 |
| Civil Engineer, Principal                         | Division Mgmt.       | \$65.22                      | \$79.28  | \$11,305                      | \$13,742 |
| Civil Engineer, Senior                            | Confidential         | \$50.70                      | \$71.31  | \$8,787                       | \$12,361 |
| Community Development Director                    | Executive Mgmt.      | \$76.90                      | \$115.35 | \$13,330                      | \$19,993 |
| Deputy City Attorney                              | Division Mgmt.       | \$66.89                      | \$81.28  | \$11,594                      | \$14,089 |
| Deputy City Clerk                                 | Confidential         | \$31.43                      | \$44.24  | \$5,448                       | \$7,668  |
| Deputy City Manager                               | Executive Mgmt.      | \$63.45                      | \$85.14  | \$10,997                      | \$14,758 |
| Deputy Community Development Director             | Admin Mgmt.          | \$72.05                      | \$87.57  | \$12,489                      | \$15,179 |
| Deputy Finance Director                           | Admin Mgmt.          | \$72.05                      | \$87.57  | \$12,489                      | \$15,179 |
| Deputy Public Works Director                      | Admin Mgmt.          | \$84.49                      | \$102.70 | \$14,645                      | \$17,801 |
| Deputy PW Director-Municipal Operations           | Admin Mgmt.          | \$72.05                      | \$87.57  | \$12,489                      | \$15,179 |
| Deputy Recreation & Sr. Services Director         | Admin Mgmt.          | \$68.57                      | \$83.34  | \$11,885                      | \$14,446 |
| Equipment Maintenance Superintendent              | Division Mgmt.       | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Executive Assistant                               | Confidential         | \$32.88                      | \$46.27  | \$5,700                       | \$8,021  |
| Field Maintenance Superintendent                  | Division Mgmt.       | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Field Superintendent II                           | Division Mgmt.       | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Finance Director                                  | Executive Mgmt.      | \$76.90                      | \$115.35 | \$13,330                      | \$19,993 |
| Fire Chief <sup>5</sup>                           | Executive Mgmt.      | \$78.16                      | \$117.22 | \$13,547                      | \$20,318 |
| Fire Division Chief - Emergency Med. Svcs.        | Division Mgmt.       | \$63.03                      | \$76.61  | \$10,925                      | \$13,279 |
| Fire Marshal (Civilian)                           | Division Mgmt.       | \$63.03                      | \$76.61  | \$10,925                      | \$13,279 |
| Fiscal Specialist (Confidential)                  | Confidential         | \$29.02                      | \$40.85  | \$5,030                       | \$7,081  |
| Harbormaster                                      | Executive Mgmt.      | \$49.02                      | \$73.53  | \$8,497                       | \$12,744 |
| Human Resources Analyst                           | Confidential         | \$39.27                      | \$55.25  | \$6,807                       | \$9,577  |
| Human Resources Analyst, Senior                   | Confidential         | \$43.34                      | \$60.98  | \$7,512                       | \$10,570 |
| Human Resources Director                          | Executive Mgmt.      | \$72.75                      | \$109.12 | \$12,610                      | \$18,915 |
| Human Resources Manager                           | Division Mgmt.       | \$63.03                      | \$76.61  | \$10,925                      | \$13,279 |
| Human Resources Specialist I                      | Confidential         | \$29.74                      | \$41.79  | \$5,155                       | \$7,244  |
| Human Resources Specialist II                     | Confidential         | \$32.88                      | \$46.27  | \$5,700                       | \$8,021  |

APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

Revision Date: December 21, 2019  
2.0% Cost of Living Adjustment

| POSITION TITLE                        | SUBGROUP        | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---------------------------------------|-----------------|------------------------------|----------|-------------------------------|----------|
|                                       |                 | MIN                          | MAX      | MIN                           | MAX      |
| Information Technology (IT) Manager   | Admin Mgmt.     | \$68.57                      | \$83.34  | \$11,885                      | \$14,446 |
| Information Technology Supervisor     | Confidential    | \$59.87                      | \$72.76  | \$10,377                      | \$12,612 |
| Library Services Director             | Executive Mgmt. | \$72.75                      | \$109.12 | \$12,610                      | \$18,915 |
| Library Services Manager              | Division Mgmt.  | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Management Analyst, Senior            | Confidential    | \$40.92                      | \$57.60  | \$7,093                       | \$9,984  |
| Operations Support Superintendent     | Division Mgmt.  | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Paralegal                             | Confidential    | \$31.90                      | \$44.89  | \$5,530                       | \$7,781  |
| Park & Tree Superintendent            | Division Mgmt.  | \$57.68                      | \$70.13  | \$9,999                       | \$12,156 |
| Planning Manager                      | Division Mgmt.  | \$59.69                      | \$72.55  | \$10,346                      | \$12,575 |
| Police Chief <sup>5</sup>             | Executive Mgmt. | \$80.44                      | \$120.65 | \$13,944                      | \$20,912 |
| Police Support Services Administrator | Admin Mgmt.     | \$70.23                      | \$85.36  | \$12,173                      | \$14,795 |
| Principal Planner                     | Confidential    | \$46.60                      | \$65.61  | \$8,077                       | \$11,372 |
| Public Information Manager            | Division Mgmt.  | \$63.68                      | \$77.40  | \$11,038                      | \$13,416 |
| Public Information Specialist         | Confidential    | \$31.43                      | \$44.24  | \$5,448                       | \$7,668  |
| Public Works Director                 | Executive Mgmt. | \$76.90                      | \$115.35 | \$13,330                      | \$19,993 |
| Public Works Manager                  | Division Mgmt.  | \$63.68                      | \$77.40  | \$11,038                      | \$13,416 |
| Purchasing Agent                      | Confidential    | \$42.31                      | \$59.48  | \$7,334                       | \$10,311 |
| Recreation & Sr. Services Director    | Executive Mgmt. | \$72.75                      | \$109.12 | \$12,610                      | \$18,915 |
| Recreation Manager                    | Division Mgmt.  | \$46.19                      | \$56.15  | \$8,007                       | \$9,733  |
| Revenue Manager                       | Division Mgmt.  | \$66.89                      | \$81.28  | \$11,594                      | \$14,089 |
| Senior Services Manager               | Division Mgmt.  | \$50.98                      | \$61.97  | \$8,836                       | \$10,742 |
| Systems & Administration Manager      | Division Mgmt.  | \$53.97                      | \$65.61  | \$9,355                       | \$11,372 |
| Utilities Director                    | Executive Mgmt. | \$72.75                      | \$109.12 | \$12,610                      | \$18,915 |
| Y-Rate Administrative Manager         | Division Mgmt.  | \$78.13                      |          | \$13,542                      |          |

<sup>1</sup> Hourly pay rates are rounded to the nearest hundredth.

<sup>2</sup> Monthly pay rates are rounded.

<sup>3</sup> Range adjustments are subject to change as these positions are not tied to K&M COLAs.

<sup>4</sup> The cost-of-living-adjustment will apply to the salary ranges for these positions.

A change to the compensation for these positions is determined by the Employee Agreement/City Council.

<sup>5</sup> The cost-of-living-adjustment will apply to the salary ranges for these positions.

A change to the compensation for these positions is determined by the Employee Agreement/City Manager.

APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

Revision Date: December 19, 2020  
2.0% Cost of Living Adjustment

| POSITION TITLE                                    | SUBGROUP             | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---|----------------------|------------------------------|----------|-------------------------------|----------|
|   |                      | MIN                          | MAX      | MIN                           | MAX      |
| Accounting Manager                                | Division Mgmt.       | \$68.23                      | \$82.91  | \$11,826                      | \$14,371 |
| Administrative Analyst                            | Confidential         | \$36.29                      | \$51.08  | \$6,291                       | \$8,854  |
| Administrative Assistant (K&M)                    | Confidential         | \$30.52                      | \$42.97  | \$5,290                       | \$7,449  |
| Administrative Manager                            | Division Mgmt.       | \$50.72                      | \$61.65  | \$8,792                       | \$10,686 |
| Assistant City Attorney                           | Executive Mgmt.      | \$70.66                      | \$105.98 | \$12,248                      | \$18,370 |
| Assistant City Clerk                              | Confidential         | \$35.37                      | \$49.77  | \$6,131                       | \$8,627  |
| Assistant City Engineer                           | Division Mgmt.       | \$69.88                      | \$84.93  | \$12,113                      | \$14,721 |
| Assistant City Manager                            | Executive Mgmt.      | \$82.68                      | \$124.00 | \$14,331                      | \$21,493 |
| Assistant Fire Chief                              | Admin Mgmt. - Safety | \$87.63                      | \$106.50 | \$15,190                      | \$18,460 |
| Assistant Fire Chief - LG Operations <sup>3</sup> | Admin Mgmt. - Safety | \$64.03                      | \$77.83  | \$11,099                      | \$13,491 |
| Assistant Police Chief <sup>3</sup>               | Admin Mgmt. - Safety | \$85.14                      | \$103.50 | \$14,758                      | \$17,939 |
| Budget Analyst                                    | Confidential         | \$39.14                      | \$55.05  | \$6,784                       | \$9,542  |
| Budget Analyst, Senior                            | Confidential         | \$45.28                      | \$63.74  | \$7,849                       | \$11,048 |
| Budget Manager                                    | Division Mgmt.       | \$68.23                      | \$82.91  | \$11,826                      | \$14,371 |
| City Attorney <sup>4</sup>                        | Executive Mgmt.      | \$80.89                      | \$121.32 | \$14,021                      | \$21,030 |
| City Clerk <sup>4</sup>                           | Executive Mgmt.      | \$50.00                      | \$75.00  | \$8,667                       | \$13,000 |
| City Manager <sup>4</sup>                         | Executive Mgmt.      | \$96.03                      | \$144.04 | \$16,645                      | \$24,967 |
| City Traffic Engineer                             | Division Mgmt.       | \$69.88                      | \$84.93  | \$12,113                      | \$14,721 |
| Civil Engineer, Principal                         | Division Mgmt.       | \$66.53                      | \$80.86  | \$11,532                      | \$14,017 |
| Civil Engineer, Senior                            | Confidential         | \$51.71                      | \$72.74  | \$8,963                       | \$12,608 |
| Community Development Director                    | Executive Mgmt.      | \$78.44                      | \$117.65 | \$13,597                      | \$20,393 |
| Deputy City Attorney                              | Division Mgmt.       | \$68.23                      | \$82.91  | \$11,826                      | \$14,371 |
| Deputy City Clerk                                 | Confidential         | \$32.06                      | \$45.12  | \$5,557                       | \$7,821  |
| Deputy City Manager                               | Executive Mgmt.      | \$64.71                      | \$86.85  | \$11,217                      | \$15,053 |
| Deputy Community Development Director             | Admin Mgmt.          | \$73.50                      | \$89.32  | \$12,739                      | \$15,483 |
| Deputy Finance Director                           | Admin Mgmt.          | \$73.50                      | \$89.32  | \$12,739                      | \$15,483 |
| Deputy Public Works Director                      | Admin Mgmt.          | \$86.18                      | \$104.75 | \$14,938                      | \$18,157 |
| Deputy PW Director-Municipal Operations           | Admin Mgmt.          | \$73.50                      | \$89.32  | \$12,739                      | \$15,483 |
| Deputy Recreation & Sr. Services Director         | Admin Mgmt.          | \$69.94                      | \$85.01  | \$12,122                      | \$14,735 |
| Equipment Maintenance Superintendent              | Division Mgmt.       | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Executive Assistant                               | Confidential         | \$33.54                      | \$47.20  | \$5,814                       | \$8,181  |
| Field Maintenance Superintendent                  | Division Mgmt.       | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Field Superintendent II                           | Division Mgmt.       | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Finance Director                                  | Executive Mgmt.      | \$78.44                      | \$117.65 | \$13,597                      | \$20,393 |
| Fire Chief <sup>5</sup>                           | Executive Mgmt.      | \$79.72                      | \$119.56 | \$13,818                      | \$20,724 |
| Fire Division Chief - Emergency Med. Svcs.        | Division Mgmt.       | \$64.29                      | \$78.14  | \$11,144                      | \$13,545 |
| Fire Marshal (Civilian)                           | Division Mgmt.       | \$64.29                      | \$78.14  | \$11,144                      | \$13,545 |
| Fiscal Specialist (Confidential)                  | Confidential         | \$29.60                      | \$41.67  | \$5,131                       | \$7,222  |
| Harbormaster                                      | Executive Mgmt.      | \$50.00                      | \$75.00  | \$8,667                       | \$12,999 |
| Human Resources Analyst                           | Confidential         | \$40.06                      | \$56.36  | \$6,944                       | \$9,769  |
| Human Resources Analyst, Senior                   | Confidential         | \$44.20                      | \$62.20  | \$7,662                       | \$10,781 |
| Human Resources Director                          | Executive Mgmt.      | \$74.21                      | \$111.31 | \$12,863                      | \$19,293 |
| Human Resources Manager                           | Division Mgmt.       | \$64.29                      | \$78.14  | \$11,144                      | \$13,545 |
| Human Resources Specialist I                      | Confidential         | \$30.34                      | \$42.63  | \$5,258                       | \$7,389  |
| Human Resources Specialist II                     | Confidential         | \$33.54                      | \$47.20  | \$5,814                       | \$8,181  |

APPENDIX A  
NEWPORT BEACH KEY & MANAGEMENT EMPLOYEES

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| POSITION TITLE                        | SUBGROUP        | HOURLY PAY RATE <sup>1</sup> |          | MONTHLY PAY RATE <sup>2</sup> |          |
|---------------------------------------|-----------------|------------------------------|----------|-------------------------------|----------|
|                                       |                 | MIN                          | MAX      | MIN                           | MAX      |
| Information Technology (IT) Manager   | Admin Mgmt.     | \$69.94                      | \$85.01  | \$12,122                      | \$14,735 |
| Information Technology Supervisor     | Confidential    | \$61.06                      | \$74.21  | \$10,585                      | \$12,864 |
| Library Services Director             | Executive Mgmt. | \$74.21                      | \$111.31 | \$12,863                      | \$19,293 |
| Library Services Manager              | Division Mgmt.  | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Management Analyst, Senior            | Confidential    | \$41.74                      | \$58.75  | \$7,235                       | \$10,183 |
| Operations Support Superintendent     | Division Mgmt.  | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Paralegal                             | Confidential    | \$32.54                      | \$45.79  | \$5,640                       | \$7,936  |
| Park & Tree Superintendent            | Division Mgmt.  | \$58.84                      | \$71.53  | \$10,199                      | \$12,399 |
| Planning Manager                      | Division Mgmt.  | \$60.88                      | \$74.00  | \$10,553                      | \$12,827 |
| Police Chief <sup>5</sup>             | Executive Mgmt. | \$82.05                      | \$123.06 | \$14,222                      | \$21,331 |
| Police Support Services Administrator | Admin Mgmt.     | \$71.64                      | \$87.06  | \$12,417                      | \$15,091 |
| Principal Planner                     | Confidential    | \$47.53                      | \$66.92  | \$8,239                       | \$11,599 |
| Public Information Manager            | Division Mgmt.  | \$64.96                      | \$78.95  | \$11,259                      | \$13,684 |
| Public Information Specialist         | Confidential    | \$32.06                      | \$45.12  | \$5,557                       | \$7,821  |
| Public Works Director                 | Executive Mgmt. | \$78.44                      | \$117.65 | \$13,597                      | \$20,393 |
| Public Works Manager                  | Division Mgmt.  | \$64.96                      | \$78.95  | \$11,259                      | \$13,684 |
| Purchasing Agent                      | Confidential    | \$43.16                      | \$60.67  | \$7,481                       | \$10,517 |
| Recreation & Sr. Services Director    | Executive Mgmt. | \$74.21                      | \$111.31 | \$12,863                      | \$19,293 |
| Recreation Manager                    | Division Mgmt.  | \$47.12                      | \$57.28  | \$8,167                       | \$9,928  |
| Revenue Manager                       | Division Mgmt.  | \$68.23                      | \$82.91  | \$11,826                      | \$14,371 |
| Senior Services Manager               | Division Mgmt.  | \$52.00                      | \$63.21  | \$9,013                       | \$10,957 |
| Systems & Administration Manager      | Division Mgmt.  | \$55.05                      | \$66.92  | \$9,542                       | \$11,599 |
| Utilities Director                    | Executive Mgmt. | \$74.21                      | \$111.31 | \$12,863                      | \$19,293 |
| Y-Rate Administrative Manager         | Division Mgmt.  | \$78.13                      |          | \$13,542                      |          |

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