

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9935-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ESTABLISHING SALARIES, FRINGE BENEFITS AND EXEMPTING CENTRAL MANAGEMENT CLASSIFICATIONS FROM MUNICIPAL CODE SECTION 2.44.390 AND OVERTIME, AND ADJUSTING THE CITY MANAGER BASE SALARY

WHEREAS, Chapter 2.44 of Title 2 of the Garden Grove Municipal Code provides that the City Council shall by resolution: (1) establish salary ranges and salary rates and the allocation of classes thereto; and (2) set forth the classification of full-time positions in the various City departments and offices;

BE IT RESOLVED that the City Council does hereby rescind Resolution No. 9753-22; and

BE IT FURTHER RESOLVED that the City Council does establish the following:

SECTION 1: CENTRAL MANAGEMENT CLASSIFICATIONS

For purposes of this Resolution, Central Management positions are identified as follows:

<u>Classification</u>	<u>Salary Range</u>
Assistant City Manager	C255
Community Development Director	C245
Community Services Director	C240
Economic Development Director	C245
Finance Director	C245
Information Technology Director	C240
Human Resources Director	C240
Police Chief	C258
Public Works Director	C245
Deputy City Manager	C240

SECTION 2: SALARIES AND COMPENSATION

A. Wages

Effective in the pay period following July 1, 2025, all members of the central management group shall receive a three percent (3%) increase to base salary.

Effective in the pay period following July 1, 2025, current step "A" will be

eliminated.

Effective in the pay period following July 1, 2026, step "J" (a five percent (5%) step) on the salary schedule shall be created. Members of the unit who, as of the pay period following July 1, 2026, have been in step "I" for over a year may be eligible for a merit increase.

Effective in the pay period following July 1, 2026, current steps "B" and "C" shall be eliminated.

B. Bilingual Pay

The City will pay eighty-five dollars (\$85) each pay period to a designated bilingual employee required to use his full-range of bilingual abilities (Vietnamese, Korean, Spanish, and/or any other language designated by the City Manager) on City business. Determination of capability shall be made by qualifying test established by the City of reading, writing, and speaking ability in the given language. An employee so designated by the City shall be required to translate at any time.

The City will pay sixty-five dollars (\$65) each pay period to a designated bilingual employee required to use his verbal-only bilingual abilities (Vietnamese, Korean, Spanish and/or any other language designated by the City Manager) on City business. Determination of capability shall be made by qualifying tests established by the City of speaking ability in the given language. An employee so designated by the City shall be required to translate at any time. An employee may cease to be in a designated position as a result of transfer, promotion, or other reassignment.

To the extent permitted by law, Bilingual Pay will be reported to CalPERS as special compensation per Title 2 California Code of Regulations section 571(a)(4) and 571.1(b)(3) for Bilingual Premium.

SECTION 3: FRINGE BENEFITS

Unless otherwise provided, benefits and leave policies as offered to the Middle Management group will be offered to the classifications listed in this Resolution.

A. Cafeteria Benefit

Upon authorization from the City Manager, changes to the cafeteria benefit contribution may be afforded to Central Management members if changes to the cafeteria benefit contribution rates and terms are negotiated for other bargaining units. The distribution of this monthly rate into tiers (e.g., single, two-person, family, and waiver) shall be determined annually by the Human Resources Director and approved by the City Manager.

B. Health Insurance

The City shall contribute on behalf of each employee and each eligible retiree, the monthly PERS statutory minimum toward the payment of premiums for health insurance under the PERS Health Insurance program.

Retiring employees and their dependents shall have available the ability to continue to participate in the PERS Health Insurance program. The eligibility of participation shall be determined by the PERS program.

C. Tuition Reimbursement

Central Management employees are not eligible for any education incentive programs offered by the City but are eligible to participate in the Tuition Reimbursement Program.

D. Vacation Buy-Back

Central Management employees may elect to convert unused vacation benefit at their hourly rate of pay into cash anytime during the calendar year, provided that they retain after such conversion at least eighty (80) hours of unused vacation benefits.

E. Sick Leave Sell Back/Payoff

Central Management employees who are eligible and meet the same conditions for annual sick leave sell back as other employees shall receive \$.70 on the dollar based upon the pay rate in effect as of June 30.

At retirement, Central Management employees shall be paid an amount equal to 50% of his/her total accumulated but unused sick leave hours. Any remaining accumulated but unused sick leave hours will be used toward the extension of their service period under the PERS retirement system, subject to Government Code Section 20965.

At the request of the employee, 100% of accumulated but unused sick leave hours may be used toward the extension of his or her service period under Government Code Section 20965 and no payout will occur.

F. Executive Medical Examination

Central Management employees are eligible for an executive medical (physical) examination on an annual basis, to be provided by the City if requested. Central Management employees also receive the executive long-term disability insurance benefit.

SECTION 4: RETIREMENT PLAN

A. Retirement Formula

- (1) Central Management employees who are regarded as "classic members" by the Public Employees' Pension Reform Act of 2013 (PEPRA) are covered by the 2.5% @ 55 formula (Government Code section 21354.4) or 3% @ 50 formula (Government Code section 21362.2) for the designated sworn employees (Police Chief). "Classic member" is generally any member hired before December 31, 2012 as well as any member hired after January 1, 2013 who is a lateral hire from another PERS agency, public agency with reciprocity or a member who has had less than a six month break in service from his/her previous public agency employment.
- (2) Central Management employees hired on or after January 1, 2013 who are defined as "new members" under the PEPRA, are covered by the 2% @ 62 formula (Government Code section 7522.20) or 2.7% @ 57 formula (Government Code section 7522.25(d)) for the designated sworn employees (Police Chief).

B. Employee Contributions to the Retirement System

- (1) Employees subject to the 2.5% @ 55 Formula:

These employees shall contribute eight percent (8%) as an employee retirement contribution.
- (2) Employees subject to the 3% @ 50 Formula:

These employees shall contribute twelve percent (12%) as an employee retirement contribution. The twelve percent (12%) shall be comprised of nine percent (9%) of compensation earnable as the required CalPERS member contribution and three percent (3%) of compensation earnable per Government Code section 20516(a). All 12% shall be reported as member contributions and credited to members' accounts.

- (3) Employees subject to the 2% @ 62 or 2.7% @ 57 Formulas:
Per the PEPPRA and Government Code section 20516.5 these employees shall contribute the statutorily mandated employee contribution rate as determined by CalPERS for the City. The City will receive the normal cost rate from CalPERS in its annual valuation report which will also include the rate (which is in quarter of a percent increments) at which new members will be charged for their employee/member contribution.

- C. The City has adopted the CalPERS resolution in accordance with and as permitted by IRS Code section 414(h)(2) to ensure that the employee contribution (i.e., "pick-up" as that is the term used in section 414(h)(2)) is made on a pre-tax basis.
- D. The City currently contracts with PERS for the following benefits to the miscellaneous retirement plan.
- 1) Section 21354.4 (2.5% at 55 Full formula for local miscellaneous members).
 - 2) Section 20042 (Highest Year).
 - 3) Section 20965 (Credit for Unused Sick Leave).
 - 4) Section 21329 (2% Annual Cost-Of-Living Allowance Increase).
- E. Pursuant to the Public Employees' Pension Reform Act of 2013 (PEPPRA) and notwithstanding any provision of any other City Council Resolution, any new member employee, as defined by PEPPRA, who is hired on or after January 1, 2013, shall be subject to the following retirement benefits:

For Non-Safety Employees

Government Code Section 7522.20 (2% @ 62 retirement formula).

Government Code Section 20037 (final compensation rate used to calculate pension benefit is average of member's highest annual pensionable compensation over a consecutive 36 month period).

For Safety Employees

Government Code Section 7522.25(d) (2.7% @ 57 retirement formula).

Government Code Section 20037 (final compensation rate used to calculate pension benefit is average of member's highest annual pensionable compensation over a consecutive 36 month period).

SECTION 5: POLICE CHIEF

1) General Provision

The Police Chief will receive a bank of 125 hours, which is paid in-lieu of holiday leave for each of the holidays as designated below in subpart 4 of this subsection. To the extent permitted by law, this additional compensation will be paid as the holiday occurs and shall be reported to PERS as Special Compensation pursuant to Title 2, Division 1, Chapter 2 of the California Code of Regulations, specifically § 571 (a)(5) – for classic members as Statutory Items, Holiday Pay.

2) Part-Year Employment

A Police Chief who commences employment at a time other than the beginning of a calendar year shall only be entitled to receive those holidays described in subpart 4 of this subsection that occur during the period actually worked.

3) Effect of Unpaid Leave of Absence

A Police Chief who is on an unpaid leave of absence during any holiday designated in subpart 4 of this subsection is not entitled to receive any holiday benefits for that holiday.

4) Designated Holidays for Police Chief

January 1st (New Year's Day)
Third Monday of January (Martin Luther King Jr. Day)

Third Monday of February (President's Day)
Last Monday of May (Memorial Day)
July 4th (Independence Day)
First Monday in September (Labor Day)
November 11th (Veteran's Day)
Fourth Thursday in November (Thanksgiving Day)
The Day after Thanksgiving
December 24th (Christmas Eve)
December 25th (Christmas Day)
December 26th (Day after Christmas)
December 30
December 31st (New Year's Eve)

5) Peace Officer Standards and Training (POST) Certificate Pay

Police Chief is eligible to receive \$385 per pay period for possession of a POST Management Certificate.

SECTION 6: ADDITIONAL ASSIGNMENT PAY

The City Manager may authorize additional Management Incentive Premium compensation of up to five percent (5%) over base pay to an employee who has assumed additional job duties due to a vacant position, long-term leave of absence, or a reorganization. The assignment and duration of this additional pay shall be at the sole determination of the City Manager.

To the extent permitted by law, Management Incentive Pay will be reported to CalPERS as special compensation per Title 2 California Code of Regulations section 571(a)(1) for classic members as Management Incentive Pay.

SECTION 7: POSITIONS EXEMPT FROM FLSA

Employees in Central Management classifications are designated as exempt from the provisions of the Fair Labor Standards Act (FLSA). Those employees who have used all their accrued leave benefits and are absent for less than one (1) day, shall not have that time treated as an absence without pay. Employees in this category shall be subject to disciplinary actions involving unpaid time off in accordance with FLSA regulations.

SECTION 8: ADMINISTRATIVE LEAVE

The Central Management positions listed in this Resolution shall be exempt from all overtime provisions contained in the Municipal Code or in any Memorandum of Understanding.

Exempt employees in Central Management positions shall receive forty (40) hours of Administrative Leave each January. The City Manager may approve additional Administrative Leave hours, not to exceed forty (40) hours, for employees involved in extraordinary major projects or assignments. The granting of additional leave time shall be at the sole determination of the City Manager.

Administrative Leave cannot be cashed out at any time. No employee may have more than eighty (80) hours of Administrative Leave time on the books at any time. The Human Resources Director shall establish procedures for employees who are hired or who terminate during a calendar year.

SECTION 9: EXEMPT CENTRAL MANAGEMENT CLASSES

All classes listed in this Central Management Resolution shall be designated as exempt and be considered to be exempt from the provisions of the Municipal Code Section 2.44.390.

The appointment and removal of Department heads and the primary assistants in the City Manager's Office are governed by the Municipal Code Section 2.08.100.

SECTION 10: CITY AUTOMOBILE USAGE

Central Management employees may be assigned a City vehicle by the City Manager to conduct city business in accordance with the Administrative Regulations. The City Manager may, in lieu of assigning a City vehicle, provide the employee with an allowance equal to the City's budgeted equipment rental rate for a standard sedan.

Those employees assigned a City-owned vehicle to conduct City business, may also use the vehicle for private purposes in accordance with Administrative Regulations.

SECTION 11: SPECIAL VACATION ALLOWANCE

The City Manager, in his/her sole discretion, may authorize a Central Management employee to receive up to 80 additional vacation hours each fiscal year to recognize exceptional accomplishment and/or significant and ongoing work beyond the scope of their position. Such special vacation shall not affect the employee's vacation accrual rate.

SECTION 12: UNIFORM ALLOWANCE

Employees may be required to wear uniforms issued by the City if so determined by the City Manager. The City will replace uniforms due to normal wear.

The cost of uniforms shall not constitute compensation for purposes of the regular rate calculation under the Fair Labor Standard Act. This policy shall remain in effect unless a change is dictated by applicable law.

The City shall report to CalPERS the monetary value of uniforms and uniform maintenance for those employees required to wear uniforms. The monetary value of the Police Chief uniform allowance reported to CalPERS each pay period is \$24.22. This shall only apply to "Classic" members, not to new members per Title 2 California Code of regulations section 571(a)(5) as defined by the Public Employees' Pension Reform Act of 2013)

Uniform allowance is defined as compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain.

SECTION 13: CITY MANAGER

The City Manager will be afforded the same salary and fringe benefits adjustments provided to the members of the Central Management group.

SECTION 14: EFFECTIVE DATE

Unless otherwise specified herein, this Resolution shall be effective starting from July 1, 2025.

Adopted this 10th day of June 2025.

ATTEST:

/s/ STEPHANIE KLOPFENSTEIN
MAYOR

/s/ LIZABETH VASQUEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on June 10, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:	(7)	BRIETIGAM, NGUYEN, TRAN, MUÑETON, ARESTEGUI, DOVINH, KLOPFENSTEIN
NOES:	COUNCIL MEMBERS:	(0)	NONE
ABSENT:	COUNCIL MEMBERS:	(0)	NONE

/s/ LIZABETH VASQUEZ
CITY CLERK