COMPENSATION PLAN

FOR
LOMPOC PUBLIC LIBRARY
MANAGEMENT, SUPERVISORY, AND
CONFIDENTIAL EMPLOYEES

Effective August 9, 2011
The Lompoc Public Library, hereinafter referred to as Library, Compensation Plan is approved by the Library Board of Trustees for the full time budgeted positions of Library Director, Librarian I, II and III, and Library Administrative Aide, that are in the Management, Supervisory, and Confidential classifications as follows:

ARTICLE 1

SALARIES AND COMPENSATION

1-1 Cost-of-living Increase:

Furlough Days – Miscellaneous

Upon adoption of this Compensation Plan through June 15, 2012, an employee hired prior to July 1, 2011 or until such time as the City can affect a change in its CalPERS contract implementing a second tier, shall be assigned ten and a half (10.5) unpaid furlough days (the total equivalent of eight-four (84) work hours). Prior to March 1, 2012, and with two weeks notice to their immediate supervisor, employees may request unpaid furlough hours/days. With the exception of one day wherein a four (4) hour increment must be taken, requests must be made in a minimum of eight (8) hour increments and shall be granted based on the operational need of the department/division. An employee who fails to schedule off the required amount of unpaid hours/days by March 1, 2012, shall be unilaterally assigned such remaining hours/days by the department prior to June 15, 2012.

During the second period June 16, 2012 through June 14, 2013, an employee hired prior to July 1, 2011 or until such time as the City can affect a change in its CalPERS contract implementing a second tier, shall receive eight (8) unpaid furlough days (the total equivalent of sixty-four (64) work hours). Prior to March 1, 2013, and with two weeks notice to their immediate supervisor, employees may request unpaid furlough hours/days. Requests must be made in a minimum of eight (8) hour increments and shall be granted based on the operational need of the department. An employee who fails to schedule off the required amount of unpaid furlough hours/days by March 1, 2013 shall be unilaterally assigned such remaining days by the department prior to June 14, 2013.

An employee may not use/substitute paid leave (e.g., ATO, vacation, etc.,) to cover the above-unpaid time off.

Part-time/job share employees shall be assigned a pro-rated number of unpaid vacation or unpaid hours in each of the above periods which shall be subject to the above scheduling requirements.
Miscellaneous employees hired on or after such time as the City can affect a change in its CalPERS contract implementing a second tier wherein they will be paying all of the Employee Member Paid Contribution, will not be required to take furlough time off.

1-2 Bilingual Pay: Individuals determined to be qualified by the City Human Resources Department will be eligible for $100 per month bilingual pay. Employees with both oral and written bilingual skills shall receive $140 per month bilingual pay. Qualifications for this pay shall be based on regular use of bilingual language skills in their capacity as an employee. Further, employees will be required to pass a City-administered proficiency exam to qualify and may be retested annually. The Library will determine which positions will qualify and which languages will be included in this program.

ARTICLE 2

HEALTH AND WELFARE BENEFITS

2-1 The Library will continue to pay health and dental premiums at the City’s current contribution rate for regular status full time employees.

<table>
<thead>
<tr>
<th></th>
<th>CITY COSTS HEALTH Effective 1/1/11</th>
<th>COSTS DENTAL Effective 7/01/11</th>
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</table>

*Includes vision hardware plan costs

The Library participates in the PERS Health Benefit Program, with the "unequal contribution option" at the PERS minimum direct contribution rate for year 2011, the PERS minimum contribution rate for active employees is $108.00 per month with the balance as a flexible credit allocation.

In converting to the PERS Health Program the benefit contribution will be based on the Library’s primary health provider and vision hardware plan. The Library will provide a direct health insurance contribution which is annually adjusted based on
the rules outlined by the California Public Employees Retirement Law, § 22892 and the balance will be in a flexible credit allocation in a flexible benefit plan. The amount of the direct health insurance contribution will increase as outlined in the California Public Employees Retirement Law, § 22892 until such time as the contribution for active employees and retirees are equal.

The PERS Health Program plan year is from January 1 through December 31. Premiums will be deducted the month in advance consistent with the existing health insurance plan.

2-2 The Library will contribute a benefit amount identified above. The flexible credit amount will be used within a flexible benefit (“cafeteria”) plan in which employees will enroll. Employees will pay a monthly processing fee for the cafeteria plan administrator's services. An additional fee will be charged to those employees who also elect to have a medical reimbursement account or a dependent care reimbursement amount. Increases in such fees shall be the employee's responsibility.

2-3 Eligible regular status part-time employees (“job share” / part-time employees in permanent budgeted positions working less than full-time) shall receive a prorated Library contribution for health and dental based on the proportional hours worked per week in relation to a full-time 40-hour work schedule. For example, regular status part-time employee working a 20-hour per week work schedule will receive one-half of the Library premium contribution provided to full-time regular status employees.

Example: For year 2009 a 20 hour per week employee enrolling in one party coverage will receive a $101.00 per month direct health contribution and a prorated flexible credit (50% of full time benefit allocation less $101.00 – 20 hour/week employee flexible credit) for the composite health and vision hardware insurance.

2-4 Employees on a leave of absence without pay due to a work related injury or illness will have their health insurance premiums paid subject to the following:

a. During the first three (3) months, the Library will pay 100% of the total Library group health insurance premium, including employee’s share.

b. During months four (4) through six (6), the Library will pay 50% of the Library group health insurance premium and the employee will pay 50%.

c. During the seventh (7th) month and thereafter, the employee will pay 100% of the Library group health insurance premium.

d. The Library will continue to provide dental and employee assistance program premium contributions at the active employee rate for current level of coverage when the employee meets eligibility criteria for the federal Family and Medical Leave Act.
Employees on a leave of absence without pay due to a non-job related illness or injury, who meet eligibility criteria under the federal Family and Medical Leave Act, will continue to have their health, dental, and the employee assistance program premiums paid by the Library at the active employee rate for 12 weeks or 3 months, whichever is greater. This benefit may be used once every 12 months measured forward from date leave is first used. The employee must have completed a minimum of one year of regular status service and 1,250 hours the preceding year in a permanent position to qualify.

The Library will provide optional continuation of health insurance benefits to eligible employees separating from Library service according to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Retiree Health and Dental Insurance - The Library will offer extended health and dental insurance coverage to retirees who meet the current eligibility standard and retired after December 15, 1990.

The amount of Library participation will be based upon the Library’s primary health/dental provider.

Criteria:

Current standards for eligibility for retiree health and dental benefits are as follows:

a. Employees must be covered by the Library group health insurance program at the time of retirement.

b. Employee must have a minimum of ten consecutive years of full-time permanent service with the City of Lompoc or the Library and are at least 50 years of age.

c. Employees eligible for a PERS Disability Retirement with a minimum of 20 consecutive years of full-time permanent service with the City of Lompoc or the Library, regardless of age.

d. Benefits will be as similar as possible to those offered under the active employee plan.

e. Coverage for retired employees and dependents will cease when the employee reaches age 65 or becomes eligible for Medicare. Coverage for dependents will also cease when the retiree becomes ineligible for continued coverage or the dependent reaches age 65 or becomes eligible for Medicare.

f. In the event of the death of a retired Library employee who is covered under this program or other qualifying event, any dependent will be allowed to continue existing coverage for 18 or 36 months payable at 102% of the full premium in accordance with the Consolidated Omnibus Budget Reconciliation Act (COBRA) regulations.
g. If a retired Library employee is ineligible for Medicare benefits because the City of Lompoc or the Library did not participate in the Social Security system, the retired Library employee will be removed from the Library's health plan at age 65 and he/she will be reimbursed for the cost of part A Medicare premiums.

h. City or the Library participation towards the cost of the coverage will be computed based upon the following formula:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Years of Service</th>
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<tbody>
<tr>
<td>50%</td>
<td>15</td>
</tr>
<tr>
<td>52.5%</td>
<td>16</td>
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<td>72.5%</td>
<td>24</td>
</tr>
<tr>
<td>75%</td>
<td>25</td>
</tr>
</tbody>
</table>

i. After 10 years service with the City of Lompoc or the Library, employees will receive 50% credit for prior service with another qualifying public agency toward the City's current requirement for retiree health and dental benefits.

Example:

City of Lompoc/Library Service  
City of Santa Maria Service  
Total credit for the purpose of current retiree health and dental benefits

j. City of Lompoc/Library Service Credit. For the purpose of vacation and retiree health insurance, employees shall receive City of Lompoc or Library Service credit if they return to City or Library employment after a separation of less than two (2) years.

Employees shall receive credit for temporary employment with the City or Library toward service years for vacation accrual and retiree health and dental. Vacation entitlement would be applied retroactively to the 1st of the year.

For retirees, PERS minimum contribution rate is based on rules outlined by California Public Employees Retirement Law, § 22892(c) with the balance as a flexible credit allocation. In accordance with California Public Employees
Retirement Law, § 22892(c), the Library’s minimum contribution toward retirees shall be increased annually until such time as the contribution for active employees and retirees are equal.

Retirees who meet current Library’s MS&C Compensation Plan eligibility standards for Library’s health contribution (retired after December 15, 1990 and age 50) shall be eligible to receive a benefit contribution under the health plan until age 65. Such retirees shall receive a 50% contribution with 15 years of service, increasing by two and one-half percent (2½%) for each year of service up to the maximum 75% contribution at 25 years (as detailed above).

The flexible credit allocation will be adjusted to provide a total contribution not to exceed the contribution specified in the Library’s MS&C Compensation Plan. Retirees will pay a monthly processing fee for the flexible benefit administration.

Employees who retire on or after July 1, 1990 with a minimum of 15 years of continuous service with the Library, and retired employees, who on July 1, 1990 are members of the Library’s Health Insurance Plan, will be reimbursed up to $100 per month for Medicare Supplement Insurance when eligible for Medicare coverage. Reimbursement may be made for a spouse’s Medicare supplement, however, the total reimbursement for retiree and spouse may not exceed $100.00 per month.

2-8 **Life Insurance:** The Library agrees to continue to provide at its cost life insurance coverage equivalent to one time annual salary for regular full-time employees and job share or regular part-time employees in permanent budgeted positions covered by this compensation plan.

The Library reserves its right to determine the provider of life insurance.

2-9 **Long-Term Disability Insurance:** The Library agrees to provide at its cost a long-term disability plan, with a maximum benefit of $3,000 based on maximum insured salary of $4,500 per month for regular full-time employees and job share or regular part-time employees in permanent budgeted positions.

The Library reserves its right to determine the provider of long-term disability insurance.

2-10 **Flexible Spending Account:** The Library will provide a Flexible Spending Account program (tax deferred employee contribution) that can be applied to specific expenses, e.g. childcare, medical expenses not covered by insurance plan, and orthodontic work).
ARTICLE 3

COMPENSATION FOR UNUSED VACATION/ADMINISTRATIVE LEAVE

Employee classifications exempt from the overtime requirements under the Fair Labor Standards Act (“FLSA”) will be credited with 5.334 hours additional vacation hours per month (64 hours per year). This additional vacation time shall be in lieu of equivalent time off for overtime worked as provided in Rule IV, Section 4 of the Personnel Rules for Management, Supervisory, and Confidential employees. Employees may elect to cash in up to eight (8) days of unused vacation time per year. Payment may be made during the first payroll in December.

Employees in classifications subject to the overtime provisions under FLSA (“non-exempt” classifications) will be credited with four (4) additional vacation hours per month (48 hours per year). Employees may elect to cash in up to six (6) days of unused vacation time per year. Payment may be made during the first payroll in December.

ARTICLE 4

SICK LEAVE

4-1 Twelve days per year with unlimited accumulation is provided for the employees.

4-2 All employees working in positions covered by this Compensation Plan who have a period of full-time service with the City or Library equal to ten years or more shall, at termination, be paid 50% of the current balance of sick leave accumulated between 30 and 120 days.

4-3 Effective December 15, 1990, regular full time employees will be eligible to use 4 days per year of their accumulated sick leave when dependent children are ill. This policy will also apply when a spouse or parents are ill. A [NOTE: State law provides that 50% of annual sick leave accrual may be used for family sick leave to attend to illness of child, parent, or spouse.]

4-4 Full-time employees shall accumulate 3.692 hours of sick leave credit for every completed bi-weekly payroll period. Job share and regular status part-time employees who occupy a budgeted position will accrue sick leave on a pro-rated basis determined by the number of hours worked.

4-5 Sick leave, except for pre-approved doctors appointments that require a partial days absence, shall not be counted as time worked for the purpose of overtime calculation.

4-6 A Catastrophic Leave Donation Policy provides for the transfer of vacation leave or holiday leave time, from one employee to an employee with a serious catastrophic illness who has exhausted all leave balances, subject to a maximum credit of 520 hours.
A serious or catastrophic illness or injury is defined as an adverse medical condition in which a physician has verified that an employee will be absent from work for more than 20 consecutive work days.

4-6 Family Sick Leave: If an employee has an accrued balance of 24 days (192 hours) of sick leave, he/she shall be eligible to use one additional day (for a total of 7 days) for family sick leave. The accrued balance will be evaluated based on the pay period prior to the family sick leave use.

Eligibility for family sick leave use based on accrued sick leave balance will be as follows:

<table>
<thead>
<tr>
<th>Sick Leave Balance</th>
<th>Family Sick Leave Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>6+Days 48 Hours</td>
<td>6+ Days 48 Hours</td>
</tr>
<tr>
<td>24 192</td>
<td>7 56</td>
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<td>36 200</td>
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<td>11 88</td>
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<tr>
<td>84 672</td>
<td>12 96</td>
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</table>

4-7 Sick Leave Incentive: Employees with a minimum of one (1) year full-time employment shall be eligible for an annual payment of $300, if their sick leave utilization for the calendar year (prior 12 months) is three equivalent regular work days or less. The payment shall be calculated after the first pay period ending in December. It will be paid on the second pay period ending in December.

ARTICLE 5

VACATION LEAVE ACCRUAL

Full-time regular status employees who have served more than six months in the City or Library service shall be eligible for vacation leave with pay. Vacation credits will be granted to such employees who have worked less than six months upon receiving a permanent appointment. Other eligible employees who work less than full-time, but more than 1040 hours during a fiscal year shall be credited vacation on a prorated basis on hours in excess of 1040. Vacation Leave Benefits will accrue to full-time, regular status employees on the following schedule:
** Does not reflect administrative leave days for exempt or non-exempt employees. (See Article 3)

Part-time, temporary service in an established classification shall be credited on prorated basis toward service time for vacation accrual rate, as long as no break in service. Employees reinstated within 24 months after resigning from City or Library service shall be credited with their prior service time for determining their vacation accrual rate.

ARTICLE 6

PERS RETIREMENT BENEFITS

6-1 For those Miscellaneous member employees hired prior to July 1, 2011 or until such time as the City can affect a change in its CalPERS contract implementing a second tier, the Library provides the One Year Final Compensation (Section 20042) PERS retirement benefit to miscellaneous PERS classifications represented by this compensation plan.

Miscellaneous employees hired on or after July 1, 2011 or at such time as the City can affect a change in its CalPERS contract implementing a second tier, shall have their retirement base calculation based upon their final three year average of compensation.

6-2 The Library provides the following PERS benefits to miscellaneous classifications:

a. Credit for Unused Sick Leave (Section 20965).

b. Military Service Credit As Public Service (Section 21024).

c. Post-Retirement Survivors’ Allowance to Continue After Re-marriage (Section 21635)
d. **1959 Survivor's Benefit** - Third Level (Section 21573) increases maximum monthly benefit from $430 to $840 per month. This benefit applies to pre-retirement survivor's (spouse and dependent children).

e. For Miscellaneous PERS members, Employer Paid Member Conversion in accordance with Government Code Section 20636(c) and California Code of Regulations Section 571(a). (By Resolution Method).

### 6-3 PERS Member Contributions:

**PERS Miscellaneous Members:** Miscellaneous member employees hired prior to July 1, 2011 or until such time as the City can affect a change in its CalPERS contract implementing a second tier, shall receive the “2.7% at age 55 Full Formula” (Government Code Section 21354.5) benefit.  

Effective the first pay cycle after adoption of this Compensation Plan, Miscellaneous member employees hired prior to July 1, 2011 or until such time as the City can affect a change in its CalPERS contract implementing a second tier, shall be required to pay one percent (1%) of the employee paid members contribution (EPMC) and will have the option to have a salary adjustment in the form of a deferred income payment for their member contribution. Likewise, effective pay period beginning June 16, 2012, those employees shall be required to pay a total of two percent (2%) of the EPMC.

Miscellaneous member employees hired on or after July 1, 2011 or at such time as the City can affect a change in its CalPERS contract implementing a second tier, shall receive the “2% at age 60 Full Formula” (Government Code Section 21353) benefit. Likewise, they shall have their retirement base calculation based upon their final three year average of compensation and pay the entire EPMC in an amount defined by statute (currently seven percent (7%)).

### ARTICLE 7

**HOLIDAYS**

Regular full-time employees shall be eligible for the following paid holidays:

- January 1
- Third Monday in January (Martin Luther King Day)
- Third Monday in February
- Last Monday in May
- July 4
- First Monday in September - Labor Day
- November 11
- Thanksgiving Day
- Friday following Thanksgiving Day
- December 24
- December 25
One Floating Holiday

Any public holiday(s) which may be proclaimed by the President or Governor and City Council of the City of Lompoc and authorized by the Library Board of Trustees.

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

The Library Board of Trustees establishes the Library holiday observance schedule.

ARTICLE 8

ACTING PAY

8-1 Qualifications:

a. Any person temporarily appointed to serve in a higher level classification and who performs the essential functions of that classification continuously for 10 work days, or 80 hours of working on a compressed work schedule, shall receive the compensation established for the higher classification retroactive, back to and including the first work day.

b. Holidays which fall during the ten (10)-day qualifying period prior to establishing eligibility for "Acting Pay" shall be counted as a workday for purposes of meeting the 10-day time line.

c. Employees absent during the qualifying 10 workday periods shall receive credit for those days worked prior to the absence if he/she returns to higher position on the first day back to work. If the employees returns to work in their regular classification and is reassigned to a higher-level classification at a future date, a new 10-day qualifying period must be met.

Absences due to illness or an injury of less than four hours for eight-hour work days (or 4½ hours for 9-hour days; 5 hours for 10-hour work days) will be counted as a day worked for purposes of the qualifying 10-day period.

ARTICLE 9

BEREAVEMENT LEAVE

Regular full-time employees are entitled to up to five (5) days paid leave to attend or arrange for the funeral of the following immediate family members (whether by kindred or affinity): spouse, son, daughter, father, mother, guardian, brother, sister, grandfather, grandmother and grandchildren. The Library Director or his designee shall determine the length of such leave with due regard for the relationship of the deceased to the employee and necessary travel, if any. In no event shall such leave exceed five days.
ARTICLE 10

RECREATION FACILITIES

The Library will allow employees represented by this compensation plan to use City recreation facilities during regular business hours at no charge to the employee. This will include the weight room, sauna, and the swimming pool during lap swimming and general public swim. Employees will comply with all registration requirements and rules and regulations of the facilities used. Employees will utilize these City facilities during their time off from work.

ARTICLE 11

TUITION REIMBURSEMENT

The Library will provide tuition reimbursement for college courses in accordance with Personnel Procedures Manual Chapter 43 "Tuition Reimbursement for College/University Courses." In addition, the Library will provide community college students up to 100% tuition reimbursement and 100% reimbursement for required course books per semester. (Course syllabus and receipts identifying books purchased are required for books).

ARTICLE 12

PRE-EMPTIVE LAWS

It is understood and agreed that this Compensation Plan for designated Library employees is subject to all current and future applicable federal and state laws, City ordinances and federal and state regulations. If any part or provision of this Compensation Plan is in conflict or inconsistent with such above applicable laws, rules and regulations or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdictions, such part or provision shall be suspended and superseded by any such applicable law or regulations and the remainder of the Compensation Plan shall not be affected thereby.

ARTICLE 13

TERM

It is understood that the terms and conditions contained in the Compensation Plan, and any subsequent amendments, are in effect until such time thereafter that the Library Board of Trustees shall adopt a new Compensation Plan for Management, Supervisory, and Confidential employees.
PREAMBLE
The purpose of this Amendment is to memorialize modifications to the existing Compensation Plan. All other terms and conditions of the existing Compensation Plan shall continue unless expressly modified herein.

ARTICLE 2

HEALTH AND WELFARE BENEFITS
An additional health care contribution of $60.33 for one party plans and $120.00 for two party or family plans will be in effect with the beginning of the CalPERS Health Program plan year on January 1, 2013. The additional contribution for January 1, 2013 will be reflected on employee paychecks beginning December 2012 consistent with existing health insurance premium deductions taken one month in advance of the billing month. The increased contribution is shown in the chart below.

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<tr>
<th>(Effective January 1, 2013)</th>
<th>CITY COSTS HEALTH</th>
<th>CITY COSTS DENTAL</th>
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<tr>
<td>Employee/Children</td>
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</tr>
</tbody>
</table>

ARTICLE 6

PERS RETIREMENT
As soon as practicable and as required by state law, the pension reforms mandated by the recently enacted California Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1 of the Government Code)(hereinafter "PEPRA") and any amendments thereto or related statutes that are enacted with similar mandatory provisions. The specific retirement plan changes for new hires will be incorporated in a further Compensation Amendment once formally adopted by the City Council and/or in any successor Compensation Plan.
ARTICLE 13

RATIFICATION AND IMPLEMENTATION

Upon acceptance by the Library Board of Trustees this Compensation Plan will be amended with an effective date of January 1, 2013.

IN WITNESS WHEREOF, the parties hereto agree to the language of this Compensation Plan. Executed on this 8th day of January, 2013.

LOMPOC LIBRARY BOARD OF TRUSTEES:

[Signature]

Ann Ruhge, President