



COMPENSATION AND BENEFITS PROFILE

FOR

Executive Management

Effective July 1, 2010

ONTARIO
SOUTHERN CALIFORNIA'S
NEXT URBAN CENTER

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Article I. ADMINISTRATION

Section 1.01 Introduction

The Executive Management Compensation/Benefit Profile is a summary of benefits and compensation practices adopted by the City Council over several years to be applied on an ongoing basis. The provisions of this document apply to all employees appointed to Executive Management positions, Executive Level Contract employees (if applicable) and all elected officials and not in conflict with governing statutes.

This document sets forth policies and procedures to follow in implementing and administering this Executive Management Compensation/Benefit program. The various sections and provisions of the Government Code, Municipal Code, Personnel Rules and Regulations, Administrative Manual and City policies in effect and applicable to the above mentioned positions will remain in effect unless expressly superseded by provisions within this document.

The terms and conditions of employment for the City Manager and other Executive Management employees may also be addressed in individual employment contracts. Such contracts are considered to be supplemental to this document to address terms and conditions of employment that may not be addressed in this document. However, if an individual's employment agreement is in conflict with this document, then the provisions of the agreement will supersede the provisions of this document.

Employees in Executive Management positions are considered to serve at the will and pleasure of the City Manager. The appointment of a person to a position in the Executive Management Group will not require the establishment of an eligibility list. Appointment and termination actions relating to the Police Chief and Fire Chief positions are subject to confirmation by the City Council.

Section 1.02 Purpose

Persons employed in Executive Management positions are not represented by an employee organization.

This Executive Management Compensation/Benefit Profile is intended as a comprehensive document to define and describe the forms and amounts of compensation and benefits for Executive Management employees. This comprehensive document is intended to reflect all City Council actions in effect relating to the Executive Management Compensation Program.

The various forms of compensation and benefits described in this comprehensive document recognize that individuals in Executive Management positions should be compensated appropriately for exhibiting accountability, cost effectiveness, application of new technologies and maximizing the utilization of human, physical and fiscal resources; for exerting leadership to enhance the mission and future of the City; and for stimulating the development of people and methods which will facilitate the meeting of program goals and objectives.

Section 1.03 Objectives of the Plan Relative to Executive Management

- A. Recruit and retain well-qualified Executive Managers and enhance their management capabilities in areas such as leadership and accountability.
- B. Facilitate and enhance effectiveness and productive efforts of Executive Managers through evaluations of performance and the recognition of merit in determining compensation.
- C. Enable the City Manager, who is in the best position to judge merit and value to the City of an Executive Management employee's performance, to appropriately compensate Executive Management employees in recognition of such value.

Article II. COMPENSATION**Section 2.01 Pay Plan and Benefit Review**

Salary and benefit levels will be reviewed on a periodic basis. Such review will contain comparisons with other similar agencies within the appropriate job market. Such comparisons will be utilized to recommend competitive salary and benefit levels for Executive Management positions. Salary and benefit levels for individual positions may be adjusted from time-to-time, with the approval of the City Council (or City Manager, if appointed as its designee).

Section 2.02 Compensation Adjustment

- A. Compensation and benefit levels for positions in this group may be modified from time to time by the City Council by amendment to this document, or by the City Manager as authorized by the City Council.
- B. The Executive Management Salary Range Table (Appendix A) is established to provide the minimum and maximum monthly salary levels for Executive Management positions.
- C. The City Manager is responsible for determination of each individual employee's salary rate within the assigned salary range. Such determination will be based on job performance and/or other competitive and economic factors.
- D. Salary compensation for elected officials of the City is determined in accordance with Ontario Municipal Code provisions and State law. Elected officials may also receive compensation for attendance at meetings of the Ontario Redevelopment Agency and Housing Authority. Such compensation is determined by the City Council by resolution or ordinance and may be reviewed on a periodic basis.

Article III. BENEFITS**Section 3.01 Health Insurance Contribution**

Active and retired employees are eligible to participate in the City health insurance program. The City contributes up to a maximum of \$563 per month toward health insurance premiums for active and retired employees. The contribution rate is contingent upon the category of employee/dependent coverage. The health insurance contribution for active and retired

employees for the position of Fire Chief shall be the same as for employees in the Fire Management Group. The health insurance contribution for active and retired employees for the positions of Police Chief and Deputy Police Chief shall be the same as for employees in the Police Management Group.

Section 3.02 Fringe Benefit Contribution

Active employees except the Fire Chief, Police Chief and Deputy Police Chief will receive a fringe benefit contribution of \$820 per month to be applied to premiums for City insurance coverage or to defer to a City-offered deferred compensation program. This amount is inclusive of the Health Insurance amount described in Section 3.01 above. Active employees may also choose to receive any unapplied amounts as salary compensation. Elected officials may direct unapplied amounts to the annuity plan (Section 4.01B) and/or the health reimbursement accounts (Section 3.10D). If an employee is not participating in the City's medical program, the employee must provide verification of other than City-provided health insurance coverage.

The active Fire Chief shall receive the same health insurance contribution as active employees in the Fire Management Group. The active Police Chief and Deputy Police Chief shall receive the same fringe benefit contribution as active employees in the Police Management Group.

Section 3.03 Dental Insurance

The City will contribute the full premium amount towards the cost of coverage for the employee and eligible dependents in the City's dental insurance programs.

Section 3.04 Vision Care Insurance

The City will contribute the full premium amount for coverage for the employee and eligible dependents in the City designated Vision Program.

Section 3.05 Short-Term and Long-Term Disability

The City will contribute the full premium amount for coverage for the employee in the City designated short-term and long-term disability programs.

Section 3.06 Life Insurance

The City will contribute the premium amount for group term life insurance coverage in the amount of \$106,000 for basic life and \$109,000 for accidental death or dismemberment.

Section 3.07 Employee Assistance Program

The City maintains an employee assistance program for all members of this group. Confidentiality regarding employee use of this program will be maintained in full compliance with State and Federal Regulations.

Section 3.08 Deferred Compensation

The City will contribute 7.5% of the employee's base salary, up to the maximum amount established by the relevant sections of the tax codes, into a City offered deferred compensation program.

Section 3.09 Vehicle Expense Reimbursement Allowance

- A. From time-to-time the City Manager may assign a City-owned vehicle to an individual in an Executive Management position. Positions in this group not assigned a vehicle may receive a monthly stipend of \$500 as reimbursement for use of the individual's private vehicle for City business. The City Manager may adjust such stipend in

accordance with levels of activity and operational necessity by group or individual position.

- B. The City Manager may be assigned a City-owned vehicle. Alternatively, the City Manager may receive a monthly stipend as reimbursement for use of the individual's private vehicle for City business in accordance with his/her employment contract. The Mayor shall be eligible to receive the same monthly stipend as reimbursement for the use of his/her private vehicle as is available to the City Manager.

Section 3.10 Expense Reimbursement

- A. In situations where expenses are incurred on a frequent or regular basis, the City Manager may designate a monthly reimbursement amount to cover such ongoing expenses. It is the individual's responsibility to maintain appropriate records of such expenses.
- B. Elected officials are eligible to receive designated allowance amounts in recognition of expenses incurred on a regular basis. Elected Officials are eligible for reimbursement of expenses incurred on City business in accordance with the City's Travel Policy.
- C. Elected Officials are eligible to receive electronic communication devices provided by the City, including cellular phones, facsimile machines, pagers, personal digital assistants (PDA), portable personal computers, and other wireless communications devices. City-provided devices shall remain the property of the City. The City shall be responsible for the initial connection fees and on-going fixed-rate basic service costs related to such devices. The City will also provide fixed-rate internet access, including telephone service costs, for elected officials for the purpose of sending and receiving electronic mail messages related to City business and to provide access to City computer networks. Elected Officials shall incur any other variable service charges related to City and personal use of such devices and shall receive an allowance of \$175 per month, as reimbursement for the charges incurred for City business.
- D. Executive Management employees and Elected Officials shall be eligible for City reimbursement of medical, dental or vision care expenses that are not covered by the City's group plans incurred for themselves and their dependents. To be eligible, such expenses must have been incurred for medical, dental, or vision care expenses for the employee or the employee's dependents who are currently enrolled in the City's group plans. Such expenses may include plan deductibles, co-payments and other related expenses, including the expenses related to an annual physical examination. Payments shall not cover transportation expenses related to medical, dental or vision care. Each Executive Management employee may receive a maximum amount of \$2,500 each calendar year. Elected Officials may also direct unapplied fringe benefit contribution amounts (Section 3.02) to their health reimbursement account. Reimbursements or direct payments shall be made based on submitted invoices, bills, or receipts.

Section 3.11 Flexible Spending Account

Employees shall be eligible to participate in the City's Flexible Spending Account (FSA) plan. An FSA allows an employee to make pre-tax deduction for qualifying medical, dental and vision expenses and dependent care expenses. The plan is established and administered in accordance with Section 125 of the Internal Revenue Service Code.

Section 3.12 Uniform Allowance

Safety members of the group who wear their uniforms in public ceremonies or for operational necessity are entitled to a stipend equal to that received by safety management employees.

Section 3.13 Service Weapon Upon Retirement or Honorable Resignation

Upon retirement or honorable resignation, the Police Chief and Deputy Police Chief have the option to purchase his/her service weapon under the same conditions and procedures in effect for all other police safety personnel.

Article IV. RETIREMENT/END OF SERVICE

Section 4.01 PERS Contribution

- A. The City will pay the 8% (of salary) employee's contribution to PERS on the employee's behalf for Executive Management employees covered by the Miscellaneous Employees Group contract with PERS (2.5% @ age 55 including integration with Social Security). The City will pay the 9% (of salary) employee's contribution to PERS on the employee's behalf for employees covered by the Safety Employees Group contract with PERS (3% @ age 50).
- B. Elected officials are eligible for membership in PERS under the City's Miscellaneous Employees Group contract with PERS. PERS membership is optional for elected officials. The City will pay the 8% (of salary) employee's contribution on behalf of elected officials who elect PERS membership. If membership is declined, the City will contribute an equal amount to an alternate annuity plan.

Section 4.02 Post-Termination Compensation

In recognition that Executive Management employees serve at the will and pleasure of the City Manager, the City Manager may extend the compensation and benefits of employees whom are terminated from City employment. The period of such post-termination compensation shall be determined by the City Manager and may be included in the terms of a contractual agreement between the employee and the City made at the time the individual is hired or promoted.

Section 4.03 Continuation of Health Benefits/Life Benefits

Only certain specified employees hired prior to November 10, 1995, and whose rights were vested pursuant to authorization granted to the City Manager by Resolution No. 95-122, are eligible for this benefit. For such specified Executive Management employees, continuation of insurance coverage shall be subject to the following conditions. Additionally, the provisions of Government Code Sections 53201 and 53208.5 shall apply and shall supersede these conditions to the extent there are any conflicts.

"Upon termination of City service, the City will upon request, continue health benefits or life insurance for individuals covered by this document. Such coverage may be in the form of PERS Health if applicable, or any other available equivalent health or life insurance plan. Eligibility is determined by no less than five years of executive level City service or one consecutive full four-year term in office.

This provision does not preclude individuals from participating in the PERS Health Plan, if eligible. The continuation of this program will be reviewed on an on-going basis relative to cost and levels of participation."

Article V. LEAVES

Section 5.01 Holidays

The following paid holidays will be observed on the day specified.

New Year's Day	January 1 st
Martin Luther King's Birthday	3 rd Monday in January
Presidents' Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Veteran's Day	November 11 th
Thanksgiving Day	4 th Thursday in November
Day After Thanksgiving Day	Day after 4 th Thursday in November
Christmas Eve	December 24 th
Christmas Day	December 25 th
New Year's Eve	December 31 st

- A. Any holiday listed in provision 5.01 which falls on Sunday will be observed on the following Monday.
- B. Employees will receive holiday hours in accordance with their regular workday not to exceed 10 hours per holiday.
- C. If a holiday falls on the employee's normal day off, he or she will receive annual leave equal to his/her regular workday, not to exceed 10 hours per holiday.
- D. At the City Manager's discretion, City Hall may be closed between and including Christmas Eve through New Year's Day. Employees may use accrued annual leave or management leave to cover this period of closure.

Section 5.02 Management Leave

Employees receive 48 hours at the first pay period ending in January to be used at their discretion. Employees hired or promoted after that date shall receive a pro-rated amount of such leave. All such leave must be utilized as time-off during the calendar year and will not carry over to the succeeding calendar year. Such leave will not be converted to compensation upon separation from employment.

Section 5.03 Bereavement Leave

Employees receive three (3) working days of paid leave for bereavement purposes upon the death of a member of the employee's immediate family (defined as spouse, children, parents, brother, sister, grandfather, grandmother, and the employee's mother-in-law, father-in-law, step-father, step-mother and step-children). Employees may receive an additional two (2) working

days of paid leave if the deceased family member resides outside the state boundaries or in excess of 250 miles from the employee's home.

Section 5.04 Annual Leave

- A. The purpose of this leave is to provide employees in the Executive Management Group the ability to accrue time for vacation, sick leave and personal leave situations.
- B. Employees shall accrue Annual Leave hours at a rate of no less than 192 hours and no more than 272 hours per year. The City Manager shall determine the accrual rate as he determines appropriate. One 26th (1/26) of such Annual Leave amount shall accrue each pay period.
- C. The maximum Annual Leave balance shall be 800 hours. Employees shall not accrue annual leave above 800 hours.
- D. Employees may convert up to 240 hours of accrued Annual Leave to salary compensation per calendar year as follows:

REQUEST DUE DATE	PAYMENT DATE
2 nd Friday in May	1 st Payday in June
2 nd Friday in November	1 st Payday in December

- E. Employees may convert a minimum of 8 hours and a maximum of 240 hours at each opportunity, but the total number of hours converted per calendar year shall not exceed 240 total hours.
- F. Employees who are promoted to an Executive Management position must convert all accumulated Vacation Leave and Sick Leave to Annual Leave at the time of promotion. Also, employees in the Executive Management Group with retained Sick Leave and Vacation Leave balances that were accumulated under previous City policies may convert such balances to Annual Leave hours subject to approval of the City Manager.
- G. Vacation Leave and Sick Leave accrual balances will be converted at the following rates:
 1. Each accumulated hour of Sick Leave will be converted to .6 hours of Annual Leave. After the conversion, there will be no Sick Leave balance.
 2. Each accumulated hour of Vacation Leave will be converted to 1 hour of Annual Leave.

Section 5.05 Other Paid and Unpaid Leave

Executive Management employees are eligible for limited paid leave benefits for jury duty as provided for in the Department Head Profile. Executive Management employees may also be eligible for unpaid leaves of absence as described in the California Family Leave Act and the Family Medical Leave Act.

Section 5.06 Furlough Leave Program

A. General Provisions

1. The City Manager may implement unpaid furloughs if needed in FY 2010-11 because there is a significant reduction in revenues or increase in costs beyond that which has already been projected.
2. All Executive Management employees shall be required to participate in the furlough program, if implemented.

B. Furlough Implementation

1. Employees shall be required to take a specified number of unpaid furlough hours in accordance with the schedule below:

Employee Notification Date	Implementation Date (PPE)	Total Hours of Furlough
7/9/2010	7/31/2010	80
7/23/2010	8/14/2010	80
8/6/2010	8/28/2010	80
8/20/2010	9/11/2010	80
9/3/2010	9/25/2010	76
9/17/2010	10/9/2010	72
10/1/2010	10/23/2010	68
10/15/2010	11/6/2010	64
10/29/2010	11/20/2010	60
11/12/2010	12/4/2010	56
11/24/2010	12/18/2010	52
12/10/2010	1/1/2011	48
12/22/2010	1/15/2011	44
1/7/2011	1/29/2011	40
1/21/2011	2/12/2011	36
2/4/2011	2/26/2011	32
2/18/2011	3/12/2011	28
3/4/2011	3/26/2011	24
3/18/2011	4/9/2011	20
4/1/2011	4/23/2011	16
4/15/2011	5/7/2011	12
4/29/2011	5/21/2011	8
5/13/2011	6/4/2011	4

2. Furlough leave shall be credited to the employee at time of implementation. The employee may use the furlough leave as soon as it is credited and must take all of the required furlough leave by July 2, 2011. All furlough leave shall be taken without pay.
3. Agency Heads shall determine the schedule of the furlough leave taken subject to the approval of the City Manager.
4. To the extent practical, furlough leave should be spread throughout the furlough period.

5. In weeks where furlough leave is taken, employees lose their FLSA-exempt status. Employees shall sign a written agreement that they will agree to work less than 40 hours per week in weeks where furlough leave time is taken. Furlough leave should be scheduled in blocks of time to minimize the number of work weeks in which furlough leave is taken to ensure that employees work less than 40 hours in those weeks. Furlough leave taken shall not count as hours worked for purposes of overtime.
6. If an employee cannot take the furlough leave by July 2, 2011, the employee must request an exception in writing to use the furlough time after July 2, 2011. All exceptions must be approved by the City Manager.
7. Employees hired after the implementation date and before June 30, 2011 will be required to participate in the furlough program. The number of unpaid furlough hours they are required to take will be determined based on the schedule in Section 5.06(B)(1), using the pay period of hire as the implementation date.

C. Furlough Procedures

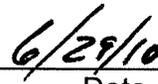
1. The City will comply with California Public Employees' Retirement System (CalPERS) regulations regarding furloughs.
2. Furlough leave hours used count toward credit for the earning of leave accruals.
3. Employees who take a consecutive leave of absence during a designated furlough period and use their accrued leave time for full integration with disability programs will need to take the furlough leave hours. Employees who are on unpaid leaves of absence or are not fully integrating with disability programs shall be given credit toward the furlough requirements equal to the number of unpaid leave hours.
4. Furlough leave hours have no cash value.

Article VI. FINAL SIGNATURES

All terms and conditions set forth in this Profile are hereby effective the 1st day of July 2010.



Chris Hughes
City Manager



Date

APPENDIX A -- SALARY RANGE TABLE

Executive Management Position Salary Ranges as of July 1, 2010:

Position Title	Minimum	Maximum
Administrative Services/Finance Director	\$10,472	\$14,032
City Manager	n/a	\$25,414
Community and Public Services Director	\$7,942	\$10,642
Deputy City Manager	\$10,272	\$13,765
Deputy Police Chief	\$10,173	\$13,631
Development Director	\$10,879	\$14,577
Economic Development Director	\$9,788	\$13,115
Fire Chief	\$11,460	\$15,357
Housing and Neighborhood Revitalization Director	\$9,788	\$13,115
Information Technology Director	\$9,788	\$13,115
Police Chief	\$11,841	\$15,868
Redevelopment Director	\$9,788	\$13,115
Utilities General Manager	\$11,461	\$15,357