

RESOLUTION NO. 2025-108

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA AMENDING RESOLUTION 2024-116 GOVERNING COMPENSATION AND BENEFITS OF NON-REPRESENTED CONFIDENTIAL GROUP EMPLOYEES

WHEREAS, the Management/Confidential Group of employees was created by Resolution 2012-008 adopted by the City Council of the City of Corona (“City”) on February 15, 2012; and

WHEREAS, the City Council subsequently amended the compensation and benefits of the Confidential group through the ensuing years, and most recently with Resolution No. 2024-116 adopted by the City Council on December 18, 2024; and

WHEREAS, the City has been advised by the California Public Employees’ Retirement System (CalPERS), that the rate at which it reports pensionable holiday pay to CalPERS (i.e., 1.5 times the FLSA Regular Rate of Pay) is not sufficiently descriptive in the Resolution; and

WHEREAS, CalPERS has advised the City that to be able to report the holiday pay at 1.5 times the FLSA regular rate of pay, the Resolution needs to be amended to more sufficiently describe the rate at which holiday pay will be reported to CalPERS; and

WHEREAS, the Parties wish to make a change to the relevant language in the Resolution for the Confidential Group to be able to report holiday pay to CalPERS at 1.5 times the FLSA Regular Rate of Pay; and

WHEREAS, the City Council now desires to further amend the compensation and benefits of the Confidential Group employees as provided in this Resolution concerning the cash out or conversion of the value of annual leave in order to ensure compliance with Post Employment Health Plan administration; and

WHEREAS, the changes set forth below in Part 1 will go into effect retroactively to the beginning of the previous Resolution – January 1, 2022; the changes set forth in Part 2 and Part 3 below will go into effect on November 20, 2025;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA DOES HEREBY RESOLVE AS FOLLOWS:

Part 1. Section 3.2.2 of Resolution 2024-116 is hereby amended to read as set forth below in track changes:

Section 3.2.2 - Holidays - Additional Provisions

For Exempt Employees:

1. All holidays in the above list will be observed on the actual day of the holiday except for holidays that occur on a Sunday. For holidays that occur on a Sunday the observed day shall be the following Monday.
2. If the observed holiday falls on an employee's regular workday, and the employee does not work on that day, they shall be paid for their regularly scheduled hours, up to ten (10) hours.
3. If the employee is required to work on a holiday, in addition to being paid for the day, the employee shall accrue ten (10) hours of Annual Leave.
4. For holidays that fall on the employee's regular day off, they shall accrue ten (10) hours of Annual Leave.

For Non-Exempt Employees:

1. If these employees work on the holiday, they shall receive time and one-half at the FLSA regular rate of pay (which includes those forms of additional compensation included in this Resolution to which the City is required to include in calculating the FLSA regular rate of pay) for all time worked on the holiday. This is in addition to holiday pay for the number of hours of their regular shift on that day.
2. If these employees work on a holiday that is not a regularly scheduled workday (e.g., the Friday after Thanksgiving for employees not scheduled to work on Fridays) they shall receive time and one half (1.5) at the FLSA regular rate of pay (which includes those forms of additional compensation which the City is required to include in calculating the FLSA regular rate of pay) for the hours worked on the holiday as well as ten (10) hours of Annual Leave which shall accrue to their Annual Leave bank.

Part 2. Section 3.1.5 of Resolution 2024-116 is hereby amended to read as set forth below in track changes:

Section 3.1.5 – Cash Out or Conversion of the Value of Annual Leave

There are three situations described below when an employee may have their Annual Leave cashed out or converted to deferred compensation or their Post Employment Health Plan (PEHP) by the City. All Annual Leave cashed out or converted to deferred compensation or Roth or PEHP plan in this section will be valued at employees' base hourly rate of pay for employees in Tier II, and base

hourly rate of pay plus the 3% Longevity Pay for employees in Tier I.

Section 3.1.5.1 - Maximum Accrual of Annual Leave – Conversion above 584 hours:

At the end of the last day of the last pay period that ends in each calendar year, beginning with the last pay period in calendar year, if an employee has accrued more than 584 hours of Annual Leave, the Annual Leave hours in excess of 584 hours will be converted to the monetary equivalent as described in Section 3.1.5, and the employee shall have the dollar value placed in the Nationwide Post Employment Health Plan (PEHP) Account on the employee's behalf.

Employees who have informed the City that they will be retiring or separating from the City will have the option to convert annual leave hours above 584 to be subject to section 3.1.5.2.

Section 3.1.5.2 - Separation from the City

Employees separating from the City have the following options regarding their accrued Annual Leave:

1. Paid in cash: Employees can be paid (as taxable wages) for their accrued Annual Leave as described in Section 3.1.5.
2. Deferred Compensation: Employees may make an election at least one pay period prior to separation to contribute the value of accrued Annual Leave to the employee's deferred compensation account provided under the City's 457(b) plan. Contributions of Annual Leave to the 457(b) plan may not cause the employee to exceed the maximum annual deferral limitation for the year in which the contribution is made. If an employee chooses this option, any accrued Annual Leave that exceeds the maximum annual deferral limitations will be paid to the employee as a taxable cash payment.
3. Split between Cash and Deferred Compensation: Employees may elect to receive any portion of the value of their accrued Annual Leave as taxable cash with the remainder going into their deferred compensation account, up to the maximum amount permitted under the IRS Code.

Section 3.1.5.3 Irrevocable Election to Cash Out Annual Leave

On or before December 31 of each calendar year, an employee may make irrevocable elections to cash out up to 160 hours of Annual Leave that will be earned in the following calendar year. The employee must have a balance of at least 80 hours of annual leave remaining after each cash out. Annual leave cashed out can

be taken in the following ways or in a combination of these options, as determined by the employee when making the irrevocable election:

1. The dollar value can be paid to the employee in cash as taxable wages; or
2. The dollar value placed in the employee's deferred compensation account up to the maximum permitted by law.

In addition to the above, an employee who has an "unforeseen emergency" (defined as an unanticipated emergency that is caused by an event beyond the control of the employee and that would result in severe financial hardship to the employee if early withdrawal were not permitted) shall be entitled to make a request to the City Manager or his/her designee for a payoff of accrued Annual Leave. The amount of Annual Leave which may be cashed out is limited to the amount necessary to meet the emergency. If there is an unforeseen emergency, an employee can cash out Annual Leave at any time in the year.

Part 3. - Certification; Effective Date.

The City Clerk shall certify as to the adoption of this Resolution, and it shall be effective as of November 20, 2025.

PASSED, APPROVED, AND ADOPTED 19th day of November, 2025.

Mayor of the City of Corona, California

ATTEST:

Sylvia Edwards, City Clerk
City of Corona

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution 2025-XXX was regularly introduced and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 19th day of November, 2025 by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 19th day of November, 2025.

Sylvia Edwards, City Clerk
City of Corona