

CITY OF SANTA MONICA
EXECUTIVE PAY PLAN
JULY 1, 2025 – JUNE 30, 2030
RESOLUTION No. 11666 (CCS)

TABLE OF CONTENTS

	<u>Page</u>
A. Term of Pay Plan	1
B. Participants	1
C. Compensation.....	1
D. Hours of Work and Overtime	1
E. Overpayment Remedy	2
F. Pay for Serving in a Higher Job Classification	2
G. Retirement	2
H. Health and Dental Insurance	4
I. Vision Care	4
J. Employee Assistance Program.....	4
K. Life Insurance	5
L. Long Term Disability Insurance	5
M. Retiree Medical Insurance	5
N. Annual Physical Exam	5
O. Tuition Reimbursement and Professional Development Program	5
P. Deferred Compensation.....	7
Q. Supplemental Retirement Plan	7
R. Educational Incentive Pay	7
S. Longevity Pay	7
T. Uniform Allowance.....	8
U. Paid Holidays.....	8
V. Vacation Leave.....	9
W. Sick Leave	10
X. Bereavement Leave.....	12
Y. Jury Duty	12
Z. Workers' Compensation Leave.....	12
AA. Sabbatical Leave	13
AB. Severance Pay	14
AC. Management Leave	14
AD. Relocation Reimbursement	14

A. Term of Pay Plan

This Executive Pay Plan (“EPP”) is effective as of July 1, 2025, until June 30, 2030, or until such time that a successor pay plan is approved.

B. Participants

Participants in the Executive Pay Plan include the City Manager, Department Heads, and each City employee who has a separate employment agreement providing for participation in the Executive Pay Plan.

Each employee who chooses to be individually represented has the right to stop participating in the Executive Pay Plan and to request representation by an appropriate unit in accordance with the City’s Employer-Employee Relations rules. Employees who exercise that right cannot again become participants in the Executive Pay Plan during the term of this Resolution.

C. Compensation

1. Effective July 1, 2025, EPP participants shall receive a 2% increase to base salaries. In addition, EPP participants shall receive a one-time lump sum bonus of \$1,000; only those employees who are in pay status as of July 1, 2025, are eligible for this one-time bonus.
2. Effective July 1, 2026, EPP participants shall receive a 2% increase to base salaries.
3. Effective July 1, 2027, EPP participants shall receive a 3% increase to base salaries.
4. Effective July 1, 2028, EPP participants shall receive a 4.0% increase to base salaries.
5. Effective July 1, 2029, EPP participants shall receive a 4.0% increase to base salaries.

In an effort to address salary compaction, the City Manager may authorize a differential of up to 15% between the base salary of a position in the Executive Pay Plan and the base salary of the next highest-paid subordinate. Additionally, the City Manager may authorize a differential of 5% between the compensation of the Assistant City Manager and the compensation of the highest-paid Department Head.

D. Hours of Work and Overtime

Participants in the Executive Pay Plan are exempt employees under the Fair Labor Standards Act, work during normal business hours of the City and, in addition,

devote whatever time is necessary to accomplish the work of their position without the eligibility to accrue compensatory time or to be paid overtime compensation. As a result, employees do not have to account for their work time on an hourly basis and only need to account for each full day of absence that occurs on a regularly scheduled workday.

E. Overpayment Remedy

Participants in the Executive Pay Plan shall reimburse the City for any overpayment of wages or benefits. Said reimbursement is not required until the City notifies the affected employee in writing. Reimbursement may be accomplished by a lump sum deduction from the next payroll warrant issued to the employee following notification, or by other reasonable repayment method mutually acceptable to the employee and the City, except that a lump sum deduction will be required if the next payroll warrant issued to the employee is the final or termination warrant.

F. Pay for Serving in a Higher Job Classification

If an employee is assigned on an interim or acting basis to a vacant position in a higher level job classification, the employee shall receive the salary rate for the higher level job classification at the lowest salary step of the salary range that provides an increase of at least 5% over the employee's current salary, for all such work days assigned in the higher level job classification.

G. Retirement

The City is a contract member of the California Public Employees' Retirement System (CalPERS), and it is understood and agreed that such membership will be maintained and that employee eligibility, classification, contributions, and benefits are as prescribed in the contract between the City and CalPERS heretofore approved by the Santa Monica City Council. The terms and conditions regarding CalPERS retirement and optional benefits for miscellaneous employees between the City and Administrative Team Associates (ATA), American Federation of State, County and Municipal Employees Local 4819, Management Team Associates (AFSCME-MTA), Municipal Employees Association (MEA), Public Attorneys Union (PAU), Public Attorneys' Legal Support Staff Union (PALSSU), Supervisory Team Association (STA), The International Association of Sheet Metal, Air, Rail, and Transportation Workers – Transportation Division (SMART-TD) Local 1785, International Brotherhood of Teamsters (IBT) Local 911, Confidential Unrepresented Employees (CUE) Pay Plan participants, and Executive Pay Plan (EPP) participants are covered by an Umbrella Agreement between the City and a Coalition of those recognized employee organizations.

1. Tier 1 employees, with the exception of a Police Chief or Fire Chief, hired by the City before July 1, 2012, are provided with the following retirement benefits:

- A. 2.7% at 55 benefit formula with a final compensation period calculated as the single-highest year or highest 12 consecutive months of compensation earnable.
2. Tier 2 employees hired by the City on or after July 1, 2012, are provided with the following retirement benefits:
 - A. 2% at 55 benefit formula with a final compensation period based upon the highest annual average compensation earnable during the 36 months immediately preceding the effective date of retirement or another period designated by the employee.
 - B. Employee contributions include the entire required member contribution equal to 7% of compensation earnable.
3. Employees, with the exception of a Police Chief or Fire Chief, hired on or after January 1, 2013, who are “new members” as defined in the Public Employees’ Pension Reform Act of 2013 are provided the following retirement benefits:
 - A. 2% at 62 benefit formula with a final compensation period based upon the highest annual average compensation earnable during the 36 months immediately preceding the effective date of retirement or another period designated by the employee.
 - B. “New members” enrolled in CalPERS on or after January 1, 2013, are required to contribute at least one-half of the total normal cost as calculated and established in the annual CalPERS valuation report. If the total normal cost of the plan changes by one percent or more from the base total normal cost established for the plan, then the new member rate shall be 50% of the new normal cost rounded up to the next highest quarter percent.
4. A Tier 1 Police Chief shall be provided the 3% at 50 benefit formula as set forth in Government Code Section 21363.1. The Police Chief shall contribute an amount equal to that of the Santa Monica Police Officers Association each year. Pursuant to Government Code Section 20516, the Police Chief shall pay to CalPERS pursuant to a cost-sharing arrangement, 4% of “compensation earnable.”
5. A Tier 1 Fire Chief shall be provided the 3% at 55 benefit formula as set forth in Government Code Section 21363.1. The Fire Chief shall contribute an amount equal to that of the Santa Monica Firefighters, Local 1109, each year. Pursuant to Government Code Section 20516, the Fire Chief shall pay to CalPERS pursuant to a cost-sharing arrangement, 6% of “compensation earnable.”

6. A Police Chief or Fire Chief hired on or after January 1, 2013, who are “new members” as defined in the Public Employees’ Pension Reform Act of 2013, are provided the following retirement benefits:

- a) Safety 2.7% at 57 retirement formula;
- b) Final Compensation Period – Three Years;
- c) The Chief contributes one-half of the total normal cost toward retirement.

The terms and conditions pertaining to other optional CalPERS benefits, including but not limited to Fourth Level of 1959 Survivor Benefit as set forth in Government Code Section 21574 and the Pre-Retirement Optional Settlement 2 Death Benefit as set forth in Government Code Section 21548, will apply to all employees.

All other terms and conditions set forth in the Umbrella Agreement and not noted above shall apply to participants of the Executive Pay Plan.

H. Health and Dental Insurance

The medical insurance provision for employees is set forth in the Umbrella Agreement, which covers the following miscellaneous City bargaining units: ATA, MTA, MEA, PAU, PALSSU, STA, SMART-TD, IBT, CUE participants, and EPP participants.

Dental insurance coverage shall be provided at no cost to employees and their eligible dependents, provided that employees participate in the City-offered dental insurance programs. The City retains the right to change the provider of this benefit.

I. Vision Care

The City agrees to provide vision care insurance, with no cost for monthly premiums, to participants in the Executive Pay Plan and their eligible dependents, provided that employees participate in the City-offered vision insurance plan. The City retains the right to select the provider and to set the levels of coverage for vision care insurance.

J. Employee Assistance Program

The City agrees to select and provide an employee assistance program, with no cost for monthly premiums, to participants in the Executive Pay Plan and their eligible dependents. The City retains the right to select the provider and to set the levels of coverage and benefits of this program.

K. Life Insurance

Each participant in the Executive Pay Plan shall receive term life insurance at City expense with the amount of said insurance to be two times the participant's annual salary, rounded to the nearest \$1,000, not to exceed \$500,000.

L. Long Term Disability Insurance

Participants in the Executive Pay Plan shall receive long-term disability insurance coverage at City expense. Subject to the usual provisions and exclusions of such insurance plans, the coverage shall be for 60% of salary, with benefit not to exceed \$8,333 per month, after a 60-day elimination period.

M. Retiree Medical Insurance

A participant in the Executive Pay Plan who retires from the City of Santa Monica and whose age upon retirement, when added to the participant's years of service with public agencies, equals or exceeds 70, and who has also completed at least five years of service with the City of Santa Monica, is entitled to a City-paid medical insurance plan upon retirement. For eligible retirees who are between ages 65 and 70, that plan shall be a Medicare-supplement plan.

At the City Manager's discretion, the requirement that the participant complete at least five years of service with the City of Santa Monica may be waived or reduced based on the terms and conditions of the participant's previous employment.

The City shall pay the premiums for the retiree only. Payments shall cease when the retiree reaches the age of 70.

N. Annual Physical Exam

Participants in the Executive Pay Plan shall receive an annual physical examination at City expense. Participants may use their own personal physician for this physical, provided that the cost does not exceed the cost of the City-offered program.

O. Tuition Reimbursement and Professional Development Program

The City will reimburse employees for continuing education, including; professional development programs, professional seminars, conferences, workshops, tuition from an academic institution, inclusive of reasonable travel, parking, or accommodation expenses, provided that the following criteria is met as determined by the City Manager: (1) is related to the employee's job duties and responsibilities; (2) the cost is reasonably related to the benefit of the training to the City; and (3) the employee has received the prior approval from the City Manager. Requests for professional development must be submitted to the City Manager.

The City will pay the dues of an employee who belongs to professional organization(s) in their career field, provided that the following criteria as determined by the City Manager are met: (1) the professional organization is related to the employee's job duties and responsibilities; (2) the cost of the dues is reasonably related to the benefit the City will receive as a result of the employee's membership in said organization(s); and (3) the employee has received the prior approval for the payment of the dues. The City will pay the renewal fee(s) for a license or certification that benefits the City, as determined by the City Manager.

The amount allowed under this provision outlined above shall equal the total cost of tuition (excluding the cost of lodging and meals), the total cost of required study materials, and the total cost of dues, provided, however, that:

1. The maximum annual amount of reimbursement per employee shall not exceed \$2,500 per fiscal year. If an EPP participant utilizes this reimbursement and then joins a bargaining unit with a similar reimbursement provision, the employee is only eligible for the amount specified herein and is not eligible for an additional reimbursement amount under the Memorandum of Understanding for the bargaining unit that the employee transitioned to within the same fiscal year.
2. The course of study must be approved in advance by the City Manager or authorized designee.
3. The course must be directed to qualifications for an employment position represented in the City workforce or to enhancement of current job skills.
4. The tuition and other covered expenses shall be paid in advance by the City upon the pre-authorization of the course by the City Manager and the Director of Human Resources or his or her designee.
5. In no event shall the City's reimbursement be reduced when there is an outside source of aid, except in those cases where the aid from any outside source, plus the normal City reimbursement, exceeds the cost of tuition and study material for the approved study course.
6. Courses for which tuition reimbursement will be made must be taken on the employees' time or on authorized vacation leave.
7. The procedure to be followed regarding the administration of the tuition reimbursement program shall be established by the Human Resources Department.
8. If the employee does not pass the pre-authorized course or separates from City employment before completing the course, the employee must reimburse the City for any payment made by the City under this provision.

P. Deferred Compensation

The City shall establish and maintain a deferred compensation plan under rules and regulations established pursuant to Section 457(b) of the Internal Revenue Code of 1986, as amended. Each participant in the Executive Pay Plan, at his or her sole discretion, may defer and have deposited into the City's plan a portion of his or her compensation up to the maximum amount permitted by law. This contribution will not reduce the employee's base pay except for tax purposes. The employee's base pay shall remain unchanged for all other purposes.

Q. Supplemental Retirement Plan

The City shall establish and maintain a pension plan pursuant to the provisions of Section 401(a) of the Internal Revenue Code of 1986, as amended. Each participant in the Executive Pay Plan will contribute \$625 per month into the 401(a) plan. This contribution will not reduce the employee's base pay except for tax purposes. The employee's base pay shall remain unchanged for all other purposes. Employees hired after July 1, 2017, have the option to "opt-out" of the mandatory \$625 per month employee contribution.

The City shall contribute \$190 per month to the 401(a) plan, or, if the employee makes the irrevocable decision to opt out of the 401(a) upon hire, then the same amount of \$190 per month shall alternatively be contributed to a 457 plan on the employee's behalf.

R. Educational Incentive Pay

The Police Chief and Fire Chief shall each receive a flat \$230.77 bi-weekly education incentive for a POST Executive Certificate or Master's Degree for the Police Chief, and for a Chief Fire Officer (CFO) or Master's Degree for the Fire Chief.

Effective March 1, 2026, the City shall pay employees an amount equal to 5% of their base salary, calculated and paid on a bi-weekly basis, after the employee's attainment of the equivalent of a master's degree (e.g., MA, MS, MPA, MBA) from an accredited college or university, or higher; the Police Chief and Fire Chief may alternatively qualify for this educational incentive pay with a POST Executive Certificate for the Police Chief, or a Chief Fire Officer (CFO) for the Fire Chief.

S. Longevity Pay

Effective March 1, 2026, the City shall pay public safety employees an amount equal to 11% of their base salary and miscellaneous employees an amount equal to 4% of their base salary, calculated and paid on a bi-weekly basis, upon the completion of 20 years of continuous City service.

T. Uniform Allowance

The Police Chief shall receive a non-pensionable uniform allowance of \$230.77 paid on a biweekly basis.

U. Paid Holidays

The Director of Transit Services shall receive those paid holidays provided in the SMART-TD Local 1785 MOU, provided, however, that the same number of holidays (15) shall be observed. The City Librarian shall receive those paid holidays observed by the City libraries, provided, however, that the same number of holidays (15) shall be observed. All other participants in the Executive Pay Plan shall receive the following paid holidays:

New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
Presidents' Day	Third Monday in February
Farm Workers' Day	Last Monday in March
Memorial Day	Last Monday in May
Juneteenth	June 19
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday following Thanksgiving Day	
Half-day immediately before Christmas Day	
Christmas Day	December 25
Half-day immediately before New Year's Day	
One non-cashable floating holiday	
One cashable floating holiday	
All other holidays declared by City Council	

A non-cashable floating holiday (i.e., eight hours) becomes available as of January 1st. Only those participants of the Executive Pay Plan who are on the payroll as of January 1st are entitled to receive the non-cashable floating holiday for that fiscal year. The non-cashable floating holiday must be taken before the end of the fiscal year. If the non-cashable holiday is not taken by the end of the fiscal year, the holiday cannot be cashed out and is forfeited.

A cashable floating holiday (i.e., eight hours) becomes available at the beginning of each fiscal year and must be taken before the end of that fiscal year. Only those participants of the Executive Pay Plan who are on the payroll at the beginning of the fiscal year are entitled to receive the cashable floating holiday for the fiscal year. A cashable floating holiday not taken by the end of the fiscal year shall be paid to the employee at the end of the fiscal year. A cashable floating holiday that

is cashed out at the end of the fiscal year shall be paid in an amount equal to eight hours of the employee's base salary rate of pay.

If an employee is required to work on a City-recognized holiday, the employee will be able to take another regularly scheduled workday off with pay during that fiscal year.

V. Vacation Leave

Participants in the Executive Pay Plan shall receive vacation leave as provided in the Santa Monica Municipal Code, provided, however, that they may accrue a maximum of three times their annual accrual rate. Participants may accrue beyond three times the annual accrual rate, not to exceed a total of ten additional days (80 hours), as personal leave, which is not subject to cash-out upon an employee's separation from City service. In addition, the City Manager may authorize the accrual of vacation leave beyond these limits in individual cases where the employee has been unable to use vacation due to work demands.

Each employee accrues vacation leave as follows:

1. Following completion of the first six calendar months of completed service, 48 hours.
2. Thereafter, up to and including five completed years of service, eight hours for each completed calendar month of service.
3. Thereafter, up to and including ten completed years of service, ten hours for each completed calendar month of service.
4. Thereafter, up to and including 15 completed years of service, 12 hours for each completed calendar month of service.
5. Upon completion of 15 years of service and thereafter, 14 hours for each completed calendar month of service.

At the City Manager's discretion, a new participant in the Executive Pay Plan, based on the terms and conditions of the participant's previous employment, may be granted a vacation accrual rate that exceeds that listed above, but not greater than 14 hours for each completed calendar month of service.

Each employee has the option to cash out up to 48 hours of accrued vacation on two occasions each calendar year (on or about July 1st and the last paycheck in December).

Effective January 1, 2027, each employee has the option to cash out up to 96 hours of accrued vacation on two occasions each calendar year (on or about July 1st and the last paycheck in December).

In order to exercise this option with respect to the July cash-out, an employee must, before the end of the preceding calendar year, designate the number of hours, up to the applicable maximum number of hours allowed, that he/she would like to cash out effective on or about July 1st. If the employee fails to make a designation, he/she will not be allowed to cash out any hours at that time.

In order to exercise this option with respect to the December cash-out, an employee must, before the end of the preceding calendar year, designate the number of hours, up to the applicable maximum number of hours allowed, that he/she would like to cash out effective the last paycheck in December. If the employee fails to make a designation, he/she will not be allowed to cash out any hours at that time.

Once an employee has elected to participate in the Vacation Cash-out Program, the total number of hours designated for cash-out will be automatically processed and paid. If an employee has a lower balance of vacation hours than the designated number of vacation hours, only available vacation hours at the time of cash-out will be processed.

For employees who elect to cash out vacation hours as specified above, those hours will be paid to the employee at the end of the fiscal year at the same time as the Sick Leave Buy Back Program.

During the term of this Resolution, if another City bargaining group, with the exception of the Santa Monica Police Officers Association, the Santa Monica Firefighters Local 1109, IBT Local 911, and SMART-TD Local 1785, negotiates a vacation cash-out program that provides lower minimum vacation leave balances or a greater number of cashable hours, that program shall also apply to participants of the Executive Pay Plan.

W. Sick Leave

Participants in the Executive Pay Plan earn eight hours of sick leave per completed calendar month of service.

At the City Manager's discretion, a new participant in the Executive Pay Plan, based on the terms and conditions of the participant's previous employment, may be granted a lump sum number of sick leave days upon his or her employment with the City of Santa Monica.

The use of sick leave shall be as defined in the Santa Monica Municipal Code, hereby incorporated as if set forth in full herein, except as follows:

Sick leave shall be defined as absence from duty because of the employee's illness or off-the-job injury, exposure of the employee to contagious disease as evidenced by certification from an accepted medical authority, medical or dental appointments of the employee or the employee's dependent children that could not be scheduled during non-work hours, or illness or injury of the employee's spouse or children.

For the purposes of this Section, an employee's domestic partner and the children of the employee's domestic partner are covered by this provision.

Participants in the Executive Pay Plan may elect annually, at the end of the fiscal year, to receive a payoff for unused sick leave on the terms and limits noted below or to "bank" unused sick leave. An employee can also elect to split the number of sick leave days subject to buy back and can designate that a portion of those days, as specified by the employee, be placed in the employee's sick leave bank as opposed to being cashed out. Payment at the employee's then-current base rate for the fiscal year during which the sick leave was earned but not used shall be made only to employees working during the last payroll of the fiscal year as defined by the Finance Department.

Annual sick leave payoffs under this Section for employees are made according to the following schedule, provided that there are enough sick days accrued in the employee's sick leave bank to cover the payoff described below:

Less than 10 Years of Service

<u>Sick Leave Hours Used In the Fiscal Year</u>	<u>Sick Leave Hours Payable At Fiscal Year End</u>
16 or less	72
24	64
32	56
40	48
48	40
56	32
64	24
72	16
80	8
88	0

10 or More Years of Service

<u>Sick Leave Hours Used In the Fiscal Year</u>	<u>Sick Leave Hours Payable At Fiscal Year End</u>
16 or less	96
24	88
32	80
40	72
48	64
56	56
64	48
72	40
80	32
88	24
96	16

104
112 or more

8
0

Sick leave for which payoff is received shall be considered “used” in that it will not be added to the “bank” (or if added to the “bank” prior to the payoff date shall be removed from the “bank”).

Sick leave payoffs under this section shall be made by separate check by the end of July following the fiscal year in which the payable sick leave was earned.

For the purposes of this section, sick leave days subject to pay off at the end of the fiscal year shall be paid on the basis of eight hours pay, at the employee’s base salary rate of pay, for each sick leave day eligible for payoff.

An EPP participant who retires from the City may cash out up to 25% of their unused, accrued sick leave at the time of retirement. To qualify for this benefit, the employee’s retirement date must align with the minimum age requirement of their CalPERS retirement tier formula at the time of separation. For example, if an employee’s CalPERS retirement formula is 2.7% at 55, the employee is eligible for this sick leave cash-out if they retire from the City at age 55 or older.

X. Bereavement Leave

Bereavement leave of not more than five working days with pay shall be provided for absence from duty due to the death of the employee’s immediate family member, meaning: spouse, domestic partner, child, stepchild, child of the employee’s domestic partner, brother, sister, parent, stepparent, parent-in-law, son-in-law, or daughter-in-law. Bereavement leave of not more than three working days shall be provided for absence from duty due to the death of other family members to include sister-in-law, brother-in-law, stepbrother, stepsister, grandparent, grandchild, spouse of stepchild, stepparent of spouse, uncle, aunt, niece, and nephew. Use of additional appropriate leave (i.e., vacation, sick, or personal leave) shall not be unduly denied for additional absence from duty beyond that provided above.

Y. Jury Duty

Employees, when duly called to serve on any jury and when unable to be excused therefrom, shall receive the regular base compensation less all jury fees received excluding mileage for the time required to be spent in court, provided that the employee shall make every effort to cooperate with any request by the City Manager to request a delay in jury service to accommodate important department work in progress. Each employee receiving a notice to report for jury service shall immediately notify the City Manager or their designee. Whenever daily jury duty scheduling permits, the employee shall return to their regular daily job assignment to complete the employee’s regular daily work hours.

Z. Workers’ Compensation Leave

Any employee who is receiving disability payments under the Workers' Compensation Act of California (for on-the-job injuries sustained while engaged in the performance of the duties of any such position) shall receive from the City, during the first 30 calendar days of such disability absence, payments in an amount equal to the difference between the disability payments received under the Workers' Compensation Act and the employee's full salary. For the next 30 days of such disability absence, the employee shall receive from the City a payment in an amount equal to the difference between the disability payments received under the Workers' Compensation Act and 75% of the employee's salary. Such payments by the City shall be made without any deduction from accrued sick leave benefits. The City's obligation to make such payments shall not commence until the third day of such disability absence.

AA. Sabbatical Leave

In recognition of the fact that the job demands placed on participants in the Executive Pay Plan often preclude them from engaging in endeavors that would contribute to career development and personal development and would thus be of benefit to the City, participants are eligible to take sabbatical leave for the purpose of said developmental activities. In addition to being of benefit to both the City and the employee, a sabbatical leave is viewed as a reward for good performance and years of service with the City. Sabbatical leave cannot be used for the following purposes: 1) parental or FMLA/CFRA related leave; 2) engaging in an income-generating activity; or 3) engaging in an outside activity that would be prohibited by the Santa Monica Municipal Code.

An employee is eligible for sabbatical leave at the conclusion of each seven years of service with the City. A sabbatical leave may be taken for a three-month to six-month period of time. Compensation for sabbatical leave will be as follows: three months at full salary; more than three months up to six months at half salary. At the discretion of the City Manager, the sabbatical leave can be extended up to nine months at half salary. While on sabbatical leave, the employee shall remain on active status.

If an employee qualifies for sabbatical leave by virtue of years of service, the employee shall submit a written proposal to the City Manager, outlining the purpose of said leave. If the operational needs of the employees' department and the City can still be met and provided that the employee's job performance is such that a sabbatical leave is merited, upon the approval of the City Manager, the employee will be allowed to take the sabbatical leave.

If an employee leaves the employment of the City during sabbatical leave, the employee must reimburse the City for all salary and benefits earned during the sabbatical leave up to the date of separation. Upon return to work following the conclusion of the sabbatical leave, the employee will be required to continue his or her employment with the City for at least one year (12 months). If the employee voluntarily terminates his or her employment during the one-year period following

the conclusion of the sabbatical leave, the employee must reimburse the City for the full amount of the salary and benefits earned during the sabbatical leave. In addition, if it is later determined that the sabbatical leave was used for a purpose that is prohibited under these provisions, the employee must reimburse the City for the full amount of the salary and benefits earned during the sabbatical leave. Any exceptions to these provisions will be at the discretion of the City Manager.

AB. Severance Pay

The City shall pay the employee severance pay in an amount equal to four months of the employee's base bi-weekly salary upon his or her termination by the City. This severance pay shall be in addition to all accrued leave and other compensation that is subject to cash-out upon separation from City service. For the purposes of this Section, "termination by the City" means action by the City Manager to terminate the employee's employment with the City. Severance pay required to be paid by this Section shall be paid within 10 calendar days of the employee's last day on the City's payroll. Severance pay shall not be required pursuant to this Section if the termination of the employee was the result of 1) willful misconduct; 2) conviction of a crime involving moral turpitude; 3) consistent poor performance in meeting specific objectives or performing the duties and responsibilities of his or her position; or 4) voluntary separation by the employee.

AC. Management Leave

Each employee is entitled to 40 hours of non-cashable management leave. The 40 hours of non-cashable management leave are available July 1st of each fiscal year. An employee must be on the payroll as of July 1st in order to be eligible to receive the 40 hours of non-cashable management leave for that fiscal year. These 40 hours of non-cashable management leave cannot be carried over from year to year if not used within the fiscal year during which they accrue, nor shall the employee be compensated for unused non-cashable management leave hours at the end of the fiscal year. Any unused non-cashable management leave hours shall be forfeited at the end of the fiscal year.

Each employee is also entitled to eight hours of cashable management leave. The eight hours of cashable management leave are available July 1st of each fiscal year. An employee must be on the payroll as of July 1st in order to receive the eight hours of cashable management leave. Payment equivalent to eight hours of the employee's base salary as of June 30th shall be payable to the employee, upon the request of the employee at the end of the fiscal year, if he or she has not used the cashable management leave hours.

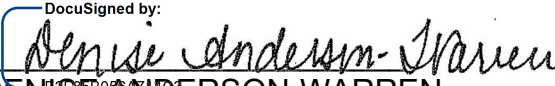
AD. Relocation Reimbursement

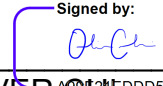
The City may provide relocation reimbursement to a newly hired City employee in EPP, for moving expenses in an amount not to exceed \$15,000, based on the employee's submission of actual invoices and paid receipts.

IN WITNESS WHEREOF, the parties hereto have caused this Executive Pay Plan to be executed this 28th day of July, 2026.

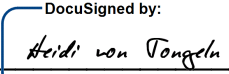
ATTEST:

CITY OF SANTA MONICA
a municipal corporation:

DocuSigned by:

DENISE ANDERSON-WARREN
Interim City Clerk

Signed by:

By: OLIVER CHIH
City Manager

APPROVED AS TO FORM:

DocuSigned by:

Heidi von Tongeln
City Attorney

Executive Pay Plan (EPP)
Agreement 2025-2030, Resolution No. 11666 (CCS)