

RESOLUTION NO. 2026-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIMI VALLEY ESTABLISHING TERMS AND CONDITIONS OF EMPLOYMENT FOR CONFIDENTIAL-DESIGNATED EMPLOYEES, AND REPEALING PREVIOUS RESOLUTIONS TO THE EXTENT THAT THEY ARE IN CONFLICT HEREWITH

WHEREAS, the City Council has reviewed the terms and conditions for Confidential-designated employees; and

WHEREAS, the City Council desires to incorporate changes to such Confidential-designated terms and conditions for Fiscal Years 2025-26 and 2026-27; and

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

SECTION 1. The salary, benefits, and other terms and conditions of employment for Confidential-designated employees shall be as included as attached hereto.

SECTION 2. All previous resolutions related to salary, benefits, and other terms and conditions of employment for Confidential-designated employees are hereby repealed to the extent that they conflict with this resolution.

SECTION 3. The provisions of the attached hereto shall be effective as of January 12, 2026, unless otherwise specifically indicated.

SECTION 4. The City Council authorizes the City Manager to appropriate and transfer budget funds as necessary to implement the revised terms and conditions for Confidential-designated employees.

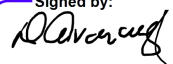
SECTION 5. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the Office of the City Clerk.

PASSED and ADOPTED this 12th day of January 2026

Attest:

DocuSigned by:

2C09E360D6CF450
Lucy Blanco, City Clerk

Signed by:

EBB0FA4991704E1
Dee Dee Cavanaugh, Mayor of the
City of Simi Valley, California

Approved as to Form:

DocuSigned by:

Algeria R. Ford

Algeria R. Ford, City Attorney

Approved as to Content:

DocuSigned by:

Samantha C. Argabrite

Samantha C. Argabrite, City Manager

Signed by:

Luis Garibay

Luis Garibay
Assistant City Manager

CERTIFICATION

I, City Clerk of the City of Simi Valley, California, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 2026-03 which was regularly introduced and adopted by the City Council of the City of Simi Valley, California, at a regular meeting thereof held on the 12th day of January, 2026 by the following vote of the City Council:

AYES: Council Members Ayala, Rhodes, Judge, Mayor Pro Tem Litster, and Mayor Cavanaugh

NAYS: None

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Simi Valley, California, dated February 9, 2026.

DocuSigned by:
Lucy Blanco
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Lucy Blanco, CMC
City Clerk

Salary Compensation

- a. The hourly salary ranges for Confidential-designated positions updated as of May 6, 2024, shall be as follows:

Job Title	Hourly Salary Range		
Administrative Services Director	\$ 74.8322	-	\$ 97.2811
Assistant City Manager (Confidential)	\$ 78.5845	-	\$ 102.1600
City Attorney	\$ 103.3110	-	\$ 134.4839
City Manager	\$ 129.0141	-	\$ 154.8171
Deputy Human Resources Director	\$ 64.1818	-	\$ 82.7079
Deputy City Attorney	\$ 54.1643	-	\$ 70.4136
Senior Assistant City Attorney (Confidential)	\$ 72.0364	-	\$ 92.9187
Senior Human Resources Analyst (Confidential)	\$ 46.6582	-	\$ 59.9246

- b. All employees in Confidential-designated positions shall be placed within the ranges in Section 1.a. of this Exhibit. Except as provided herein, the position within the salary range shall be determined by merit.
- c. Confidential Executive Management shall be reviewed annually in July of each year, unless stated otherwise in their employment agreements. Confidential Executive Management includes the titles of City Manager, City Attorney, Assistant City Manager, and Administrative Services Director. Confidential Management Employees (all employees in Confidential Management-designated positions except for those having employment contracts stating otherwise) shall be reviewed annually on their respective anniversary dates. The City's merit pay policy shall generally provide for merit salary increases up to 5% (not to exceed the top of the established range for the position classification) on the employee's anniversary date, based on continued meritorious and efficient service. An additional 1% if it is within the range may be granted for exceptional service and work above and beyond the call of duty based on the City Manager approval.
- d. Confidential Employees that are temporarily assigned to work in an upgraded (higher level) position/classification for a limited duration (not merely performing some additional duties of the higher-level classification) shall receive the minimum salary for the position to which assigned, or an additional 5.5% of the employee's current salary, whichever is greater. In no case shall the adjusted salary be greater than the maximum salary for the position to which assignment has been made. Payment will be effective the first day of the temporary acting assignment, and the City will report to CalPERS the temporary upgrade/acting pay as special compensation with the exception of New Members.
- e. Effective upon adoption of this Resolution, a three percent (3%) salary increase will be applied to all pay ranges and incumbents.

- f. Effective with the paycheck on January 30, 2026, a one-time payment of \$1,000 shall be provided to all employees who were employed for the entire period beginning January 12, 2026 through January 25, 2026.
- g. Effective the beginning of the pay period inclusive of July 1, 2026, a three percent (3%) salary increase will be applied to all pay ranges and incumbents. At the same time, the bottom five percent (5%) of each pay range will be eliminated.

2. Allowances

- a. Mileage Allowance – Confidential Executive Management shall receive a monthly mileage allowance in the amount of \$400. The mileage allowance is granted in-lieu of mileage reimbursement for use of a personal vehicle on City business within the City. The City Manager has a mileage allowance provided as part of their employee agreement.

3. Health Plans & Flexible Benefits Plan

Medical Insurance

The City contracts with CalPERS for medical insurance through the Public Employees Medical and Hospital Care Act (“PEMHCA”).

For Confidential Employees enrolled in a CalPERS plan, the City shall pay the required statutory minimum on behalf of each employee. The minimum contribution will apply only toward the medical insurance premium for a CalPERS Health plan. If an employee chooses not to enroll in a CalPERS Health plan, the minimum contribution cannot be used for any other purpose.

If CalPERS changes any of the medical insurance plans by either adding to or deleting the plan options, employees will be limited to those plan options offered by CalPERS.

Dental and Vision Insurance

The City contributes up to \$100.00 per month (\$46.15 per pay period) for dental insurance.

The City contributes up to \$19.80 per month (\$9.13 per pay period) for vision care insurance.

Contributions for part-time employees are prorated based on their part-time status (i.e., a 50% part-time employee will receive \$50.00 per month for dental insurance and \$9.90 per month of the City’s contribution toward vision care.)

For both Dental and Vision Insurance, the City’s contribution is split between the first and second paycheck of each month.

Simi Flex Dollars

In addition to the City’s payment of a portion of Confidential Employees’ medical, dental, and vision insurance premiums as described above, eligible regular status employees are provided with a flexible benefit plan package (Simi Flex dollars), which could be used by the employee to offset the cost of medical, dental, or vision insurance, or other optional health-related benefits. Contributions for part-time employees are prorated based on their part-time status (i.e., a 50% part-time employee will receive half of the City’s Simi Flex contribution provided to a full-time employee.)

For the 2025 Plan Year, the maximum monthly Simi Flex for employees who are enrolled in a City medical insurance plan was \$2,443.24 for Executive Management and \$2,269.44 for Management for plans in Region 2, and \$2,399.27 for Executive Management and \$2,300.90 for Management for plans in Region 3. Beginning with the 2026 Plan Year, the maximum Simi Flex amounts will be \$2,600 for Executive Management and \$2,406 for Management for both Region 2 and Region 3, while the opt out amounts will remain at the 2025 amounts for each group as shown in the table below.

	2025 Simi Flex Monthly Maximum	2026 and 2027 Simi Flex Monthly Maximum
Confidential Management Employees		
With Medical Insurance*	\$2,269.44	\$2,406.00
Without Medical Insurance (Opt Out)	\$335.83	\$335.83
Confidential Executive Management		
With Medical Insurance*	\$2,443.24	\$2,600.00
Without Medical Insurance (Opt Out)	\$632.66	\$632.66

*After deducting the employee’s medical insurance out-of-pocket costs (premium less PEMHCA minimum employer medical insurance contribution), the remaining Simi Flex cash balance shall not exceed the Opt Out amounts shown above. Table above shows Region 2 maximums only for 2025.

4. Continuation of Health Plan Coverages

Confidential Employees who retire may elect to remain on the City’s dental and vision plans, at the premium rates, subject to the carriers’ terms.

5. Retiree Health Premium Coverage

The City shall contribute amounts for health premium coverage under the City’s

group health plans, for Confidential Employees who retire from the City of Simi Valley after July 2, 1990 and were hired prior to June 21, 2010 (as designated below). Confidential Employees hired on or after June 21, 2010, are not eligible to receive current retiree health insurance benefits (as designated below), but rather will receive a contribution in the amount of \$200.00 per month during employment placed into a retiree health savings account or similar program. Confidential Employees hired June 20, 2010 or before are not subject to this provision upon promotion.

Effective June 21, 2010, eligible Confidential Employees who retire from the City of Simi Valley may select one of the following options for health coverage:

Option One

The City shall contribute equal to employee-only coverage for up to \$1,500 per month on the City's group health plan for up to 120 months (10 years) after the date of retirement for employees that served ten (10) years or more with the City prior to retirement.

Option Two

The City shall contribute equal to employee-plus-one coverage up to \$1,500 per month on the City's group health plan for up to 60 months (5 years) after the date of retirement for employees that served ten (10) years or more with the City prior to retirement.

Effective July 2, 2001, retiring eligible employees (hired prior to June 21, 2010) who have worked for the City for over twenty (20) years will be eligible for additional years of medical coverage. For every year worked for the City beyond twenty (20), the retiring employee will be eligible for an additional year of medical coverage under Option One or one-half year under Option Two.

Effective January 1, 2014, the City contracted with CalPERS medical insurance through the Public Employees Medical and Hospital Care Act ("PEMHCA"). All benefits shall be provided in accordance with PEMHCA regulations.

For retirees enrolled in a CalPERS plan, the City shall pay the required statutory minimum on behalf of each eligible retiree. The minimum contribution will apply only toward the medical insurance premium for a CalPERS Health plan. If a retiree chooses not to enroll in a CalPERS Health plan, the minimum contribution cannot be used for any other purpose.

If CalPERS changes any of the medical insurance plans by either adding to or deleting any of the plan options, retirees will be limited to those plan options offered by CalPERS.

CalPERS Health Plan Requirements for Retirees:

In order to qualify for coverage under the City's medical insurance plans in retirement, retirees must meet the following CalPERS Health Plan requirements, along with any additional requirements as dictated by CalPERS and applicable laws:

- Retire from the City of Simi Valley within 120 days of separation from employment;
- Be eligible for health benefits upon separation; and,
- Receive a monthly CalPERS retirement allowance.

In the event of the death of a retiree, a surviving spouse is eligible for coverage under the City's medical insurance plans so long as they continue to receive a pre-selected allocation of the retiree's retirement allowance in place of the deceased retiree. The CalPERS Health Plan is tied to the CalPERS pension benefit, such that, if the surviving spouse does not receive the retiree's retirement allowance (for example, the retiree selected Unmodified Allowance or Option 1 at the time of retirement), the surviving spouse will not be eligible for the City's medical insurance plans upon the death of the retiree.

Sharing the City Medical Insurance Contribution with a Spouse:

Confidential Employees who have earned a City medical insurance contribution (as described in Section 5 Retiree Health Premium Coverage) can apply the City medical insurance contribution to cover a spouse for all or a portion of the earned period of time, so long as the retiree and the spouse continue to meet the CalPERS Health Plan requirements.

For example, if the retiree earned a City contribution towards medical insurance for a 10-year time period, the retiree may elect to apply the contribution to cover him/herself and a spouse for 2 years, and him/herself only for the remaining 6 years. The retiree must designate, at the time of retirement, how the City's medical insurance contribution will be applied. Changes will not be permitted once the designation is complete. The retiree is required to be the insured on the medical plan; a spouse may not participate on the medical plan without the retiree, except in the event of death of the retiree as outlined below.

In the event of the death of a retiree, a surviving spouse, who meets the CalPERS Health Plan requirements, will continue receiving the City medical insurance contribution for the remainder of the earned period of time as elected by the retiree at the time of retirement, or until the spouse remarries, whichever occurs first.

Delay of City Medical Insurance Contribution:

Confidential Employees may elect to delay receiving the City medical insurance contribution for up to five years from their separation date so long as they meet the CalPERS Health Plan requirements. If the separated employee does not meet the

CalPERS Health Plan requirements upon retirement, they will not be eligible for enrollment in the City's medical insurance plans and will not qualify to receive the City retiree medical insurance contribution. Retirees may only enroll in the City's health plans during an open enrollment period, which usually occurs in September/October each year as stipulated by CalPERS, with an effective date of January 1 of the following year. It is the retiree's responsibility to enroll in a medical plan during an open enrollment period occurring prior to the deferment deadline in order to begin receiving the City medical insurance contribution. The City will not provide reminders or notices that the deferment period is ending. Retirees who do not enroll in a City medical plan prior to the end of the deferment period will not be eligible to receive any portion of the City medical insurance contribution.

6. Life Insurance

Confidential Employees shall be included in the group term life insurance under the terms of the City's policy. The City shall contribute an amount equal to the monthly premium amount for the designated amount of insurance including accidental death and dismemberment coverage and dependent life insurance.

The amount of accidental death and dismemberment life insurance coverage shall be \$151,000 for Confidential Executive Management and \$101,000 for all other Confidential Management Employees, except for the City Manager and City Attorney. Life insurance coverage details for the City Manager and City Attorney are outlined in their respective employment agreements.

The City shall provide coverage in the amount of \$5,000 for the employee's spouse and eligible dependents as defined under the plan.

7. Short-Term/Long-Term Disability Insurance

Confidential Employees shall receive short-term and long-term disability insurance under the terms of the City's policy. The short-term disability benefit begins on the 8th day of absence (or first day if the employee is hospitalized) and continues for 180 days (6 months). The long-term disability policy begins on the 181st day. The City shall contribute an amount equal to the monthly premium for such coverage. The monthly benefit for short-term and long-term disability shall be 66-2/3 percent of salary to a maximum monthly benefit of \$9,500.

8. Public Employees' Retirement System

Confidential Employees shall be included as members in the California Public Employees' Retirement System (CalPERS) under the provisions of the City's contract. The City shall pay according to the following provisions:

Employees must participate in the retirement plan for at least five (5) years in order to be vested and eligible for retirement benefits. The minimum retirement age is fifty (50).

Employees may purchase up to four years of service credit for any continuous active military or merchant marine service prior to employment.

Definition

“Classic Member” is defined by CalPERS as an employee who has been a member of any public employee retirement system or plan prior to January 1, 2013. An employee is considered a Classic Member if he or she does not meet the definition of a “New Member” as defined by Section 7522.04(f) of the California Government Code.

“New Member” is defined by Section 7522.04(f) of the California Government Code. Generally, with limited exceptions, a New Member is an employee who is hired on or after January 1, 2013 by a public entity.

The City will provide the following defined benefits for Confidential Employees:

Tier 1	Classic Member (Non-Sworn)	2% @ 55	Hired prior to 1/1/2013 and reciprocal transfers
Tier 2	New Member (Non-Sworn)	2% @ 62	Hired on or after 1/1/2013

Classic Tier 1 Summary of CalPERS Contract Provisions:

- One Year Final Compensation - Single Highest Year
- 4th Level 1959 Survivor Benefits
- Pre-Retirement Optional Settlement 2 Death Benefit
- Military Service Credit as Prior Service
- Public Service Credit for Peace Corps or AmeriCorps Vista Service
- Employer Paid Member Contributions (EPMC), currently three percent (3%) of the employee’s pensionable income for Non-Sworn Management is reported to CalPERS as special compensation.

Classic Tier 1 Non-Sworn Members shall contribute seven percent (7%) of total pensionable income to their CalPERS retirement plan, with four percent (4%) on the employee portion and three percent (3%) on the employer portion. EPMC will be reported to CalPERS as special compensation.

New Member Tier 2 Summary of CalPERS Contract Provisions:

- Three Year Final Compensation – Highest average annual final compensation during a consecutive 36-month period subject to cap
- 4th Level 1959 Survivor Benefits
- Pre-Retirement Optional Settlement 2 Death Benefit
- Military Service Credit as Prior Service
- Public Service Credit for Peace Corps or AmeriCorps Vista Service

New Member Tier 2 employees are required to contribute at least 50% of the normal costs which are subject to changes on an annual basis based on actuarial

analysis.

New Member Tier 2 Non-Sworn members shall contribute the PEPRA contribution rate as periodically updated by actuarial of total pensionable income to their CalPERS retirement plan, toward the member portion.

9. Annual Leave

Confidential Employees shall accumulate Annual Leave at the following rates:

Years of Continuous Service	Effective 1/22/18
10 or more years and all Confidential Executive Management	279.5 hours per year / 10.75 per pay period
5 or more years	267.54 hours per year / 10.29 per pay period
Less than 5 years	227.5 hours per year / 8.75 per pay period

Accruals shall be prorated for part-time employees and granted each pay period. The maximum accrual of Annual Leave for Confidential Employees shall be 800 hours, unless otherwise noted. This accrual limit shall not apply to the positions of City Manager, City Attorney, and Chief of Police as noted in their individual contracts.

Conversion to Salary – Confidential Employees may convert Annual Leave accumulations to salary in accordance with the terms set forth below.

A. Eligibility.

This provision applies only to those employees with one or more years of service with the City as of the first working day of December in the year which the conversion is requested and who has a balance of 20 hours remaining after deduction of the hours subject to the cash out election.

In addition, an employee must use forty (40) hours of accrued annual leave during the twelve (12) months immediately preceding the submission of the cash-out election. For this purpose, “use” shall mean actually taking time off work and being paid annual leave pay for such time off.

If an employee has not met the foregoing requirements, the employee will not be eligible to make a cash out election.

B. Cash Out Terms.

Employees will have the opportunity to declare their intent to cash out annual leave that will accrue after the election in accordance with the following conditions:

1. No less than 8 hours and not more than 235 hours (for employees with 5 or more years of service) and 209 hours (for employees with 1 – 4 years of service) of annual leave may be converted to salary during a fiscal year.
2. By December 15 of each year, employees can declare their intent to cash out annual leave that they will earn during the following calendar year. Only annual leave hours accrued in the calendar year for which an election is made may be cashed out. Cash outs for annual leave hours accrued in a prior calendar year are not allowed. For example, elections made by December 15, 2021 shall apply to hours accrued in 2022.
3. There will be two pay out opportunities available to employees. The first pay out date will be the first pay date in July, and the second pay out date will be the first pay date in November.
4. Once an election is made, it cannot be rescinded.
5. Cash out amounts will be based on the employee's base hourly rate of pay at the time of the pay out.

Employees will be eligible for partial cash outs if the full amount of hours elected are not available at the elected time of cash out. For example, if an employee elects to cash out 40 hours of Annual Leave, but only 20 hours are available, 20 hours would be cashed out.

Employees will be required to complete the City's standardized Annual Leave Cash Out Form by December 15 of the calendar year prior to the calendar year in which the employee wishes to redeem annual leave hours for cash. Failure to submit an Annual Leave Cash Out Form with an irrevocable election by December 15 of each year shall be the same as not electing to cash out annual leave during the following calendar year.

Annual leave hours used for paid time off will be deducted first from annual leave hours accrued in prior calendar years, and last from annual leave hours accrued in the current calendar year.

C. Exception – Unforeseeable Emergency

Employees who experience an unforeseeable emergency may elect to cash out annual leave hours, including hours that have accrued. For these purposes, "unforeseeable emergency" means a severe financial hardship to the employee resulting from an illness or accident of the employee, the employee's spouse, or a dependent of the employee, loss of the employee's property due to casualty, or

other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the employee. The amount of the cash out shall be limited to the amount necessary to satisfy the unforeseeable emergency plus an amount necessary to pay taxes reasonably anticipated as a result of the cash-out. Whether an occurrence is an unforeseeable emergency shall be determined by the City in its sole discretion.

D. Reopener

If it is subsequently determined by the City, the Internal Revenue Service, a court of competent jurisdiction or another governing authority that the leave redemption provisions in place prior to October 2021 or substantially similar, will not trigger constructive receipt of income from accrued leave, the union may, at its sole option, compel the City to reopen negotiations in order to restore the leave redemption provisions in place in October 2021 or something substantially similar that will not trigger constructive receipt of income from accrued leave.

10. Holidays

The following dates shall be considered as holidays for Confidential Employees and are paid to the work schedule for that day. If the holiday is on the regular day off, then the holiday will be accrued at eight (8) hours:

Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving Day
Day before Christmas
Christmas Day
New Year's Day
Martin Luther King, Jr. Day
President's Day
Memorial Day

Holidays will be observed in accordance to the Management Employees' Manual. Whenever any of the listed holidays falls on Sunday, the holiday shall be observed by the City on the following Monday. Whenever any holiday falls on a Saturday, the preceding Friday shall be observed by the City as a holiday.

Floating Holiday

In the first January paycheck of each year, an 8-hour floating holiday shall be added for use by all regular full-time employees. Regular part-time employees shall receive a pro-rated floating holiday benefit based on their part-time status (i.e., a 50% part-time employee will receive 4 hours). The floating holiday benefit may be used by employees, in whole or in part, at any time during the calendar year for which it is granted; however, it may not be cashed out. Any part of the floating

holiday benefit that is not used will expire at the end of the calendar year. The use of floating holidays is subject to the scheduling and approval provisions of Policy 27, Annual Leave, in the Management Employees' Manual.

11. Annual Physical

Confidential Executive Management may receive an annual physical examination at City expense not to exceed \$300 beyond health benefits otherwise provided for physical examinations.

12. Tuition Reimbursement

Confidential Employees may receive reimbursement for tuition expenses as outlined in Policy 24, Training and Tuition Reimbursement, in the Management Employees' Manual to a maximum of \$1,600 per fiscal year.

13. 401(k) Plan

A 401(k) deferred compensation plan with a Roth option is available to all employees.

The City contributes an amount equal to 100% of a Confidential Employee's pre-tax voluntary contribution to the 401(k) Plan up to a maximum amount of \$92.31 per pay period (\$200 per month).

In addition, Confidential Executive Management employees shall receive a contribution to the City's 401(k) Plan in the amount of \$30.00 per bi-weekly pay period.

14. 457(b) Plan

A 457(b) deferred compensation plan with a Roth option is available to all employees.

15. Employee Assistance Program

The City shall continue to provide an Employee Assistance Program (EAP), applicable to all employees, in concert with the City's commitment to assuring a drug and alcohol-free workplace.

16. Disciplinary Action

Counseling memoranda and written reprimands that are at least three years old and any future counseling memoranda and written reprimands that become three years old, shall at the request of the employee be sealed. Sealed files will be temporarily removed from the employee's file immediately prior to anyone inspecting the employee's file, and can be reviewed only by the Deputy Human Resources Director and the City Manager.

17. Other Terms and Conditions of Employment

The remaining terms and conditions of employment for employees shall be as provided in the applicable sections of the Management Employees' Manual or as determined by the City Manager.