



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF HAWTHORNE

AND THE

**HAWTHORNE EXECUTIVE GROUP
(HEG)**

EFFECTIVE

July 1, 2024 through June 30, 2027

Table of Contents

ARTICLE 1 - INTRODUCTION	1
ARTICLE 2 - RECOGNITION.....	1
ARTICLE 3 - NO DISCRIMINATION, NO HARASSMENT	1
ARTICLE 4 - COMPENSATION	1
Section 4.1 - Classifications	1
Section 4.2 - Monthly Salary Schedules	2
Section 4.3 - Initial Salary.....	2
Section 4.4 - Salary Increases.....	2
Section 4.5 - Advancement in Salary (Step Advancement).....	3
Section 4.6 - Definition of "Work Week" and "Hourly Rate"	3
Section 4.7 - Date of Payroll Payments	4
Section 4.8 - Promotions.....	4
Section 4.9 - Longevity Pay	4
Section 4.10 - Educational Pay	5
ARTICLE 5 - INSURANCE BENEFITS.....	5
Section 5.1 - Employee Insurance	5
Section 5.2 - Retiree Medical Insurance	6
ARTICLE 6 - BENEFITS RELATED TO TIME	7
Section 6.1 - Fixed Holidays	7
Section 6.2 - Floating Holidays.....	8
Section 6.3 - Administrative Leave	8
Section 6.4 - Vacation Leave	8
Section 6.5 - Sick Leave	9
Section 6.6 - Paid Injury On Duty Leave.....	10
ARTICLE 7 - ACTING PAY	10
ARTICLE 8 - BEREAVEMENT LEAVE	11
ARTICLE 9 - SPECIAL PAY PROVISIONS.....	11
Section 9.1 - Educational Reimbursement	11
Section 9.2 - Auto Allowance	11
Section 9.3 - Merit Raises.....	11
ARTICLE 10 - DEFERRED COMPENSATION	12
ARTICLE 11 - CalPERS	12

Section 11.1 - CalPERS Pick-Up.....	12
Section 11.2 - Retirement Formulas	12
Section 11.3 - Optional CalPERS Contract Amendment.....	12
ARTICLE 12 - CONTINUATION OF BENEFITS	12
ARTICLE 13 - JURY DUTY	13
ARTICLE 14 - MEDICAL EXAMINATIONS	13
ARTICLE 15 - SEVERABILITY	13
ARTICLE 16 - OTHER TERMS	13
Section 16.1	13
Section 16.2	13
Section 16.3	13
Section 16.4	13
Section 16.5	14
Section 16.6 - Reopener	14
ARTICLE 17 - TERM OF THE AGREEMENT	15
EXHIBIT A.....	16
EXHIBIT B.....	17
Attachment A – Resolution 5342 Jury Duty	20

ARTICLE 1 - INTRODUCTION

It is the understanding of the undersigned representatives of the Hawthorne Executive Group and the representatives of the City of Hawthorne that:

This Memorandum of Understanding (MOU) incorporates any previous Memoranda of Understanding governing wages, hours, terms, and conditions of employment for the employees described in this bargaining unit. The wages, hours, and terms and conditions of employment as contained in this agreement shall be recommended to the Hawthorne City Council and, subject to City Council approval, shall be implemented by the appropriate ordinance, resolution, or other official action. Unless otherwise indicated, all provisions of this MOU are to be effective July 1, 2024.

ARTICLE 2 - RECOGNITION

The City of Hawthorne recognizes the Hawthorne Executive Group as the sole and exclusive bargaining agent for the purposes of establishing salaries, wages, hours, and other conditions of employment for those employees assigned to classifications included in this MOU.

ARTICLE 3 - NO DISCRIMINATION, NO HARASSMENT

Both parties to this MOU agree not to discriminate against any employee or applicant because of age, sex, race, national origin, religion, color, ancestry, marital status, sexual orientation, physical or mental disability, medical condition, and/or union membership and activity or any other protected classification. Additionally, the City expects and requires all employees to treat one another with dignity and respect. Harassment of fellow employees is a violation of law. No employment decision may be made based upon an employee's submission to or rejection of such conduct. Any employee who believes that they are the victim of such harassment, whether sexual, racial, ethnic, or religious, is required to immediately report the conduct to the City Manager or designee. Any employee who engages in such conduct is subject to disciplinary action, including immediate discharge.

ARTICLE 4 - COMPENSATION

Section 4.1 - Classifications

Salary ranges are assigned as follows:

Classifications	Ranges
Airport Manager	11
Assistant Building Regulations Manager	19
Assistant City Attorney	35
Community Services Manager	19
Deputy City Attorney	25
Deputy Director of Building Safety	25
Deputy Director of Community Services	25
Deputy Director of Economic Development	25

Deputy Director of Finance (Licensing, Accounts Payable & Receivable)	25
Deputy Director of Finance (Payroll, General Ledger & Grants)	25
Deputy Director of Information Technology Systems	25
Deputy Director of Public Works	25
Director of Building Safety/Plan Check Engineer	35
Director of Community Services	35
Director of Finance (Payroll, General Ledger & Grants)	45
Director of Housing/CDBG	45
Director of Human Resources	45
Director of Planning	45
Director of Public Works/City Engineer/Airport	45
Finance Manager	19
Housing Manager	19
Human Resources Manager	19
Information Systems Manager	19
Planning Manager	19
Public Works Manager	19
Revenue & Accounts Payable Manager	19
Senior Assistant City Attorney	43

Section 4.2 - Monthly Salary Schedules

See Exhibits A & B

Section 4.3 - Initial Salary

The initial compensation for any employee covered under this MOU shall be Step “A,” except that the City Manager may recruit and appoint personnel at a higher Step.

Section 4.4 - Salary Increases

- A. Employees covered in classifications represented by this MOU, shall receive the following pay increases based on the adjustments to the Salary Schedules as follows:
 1. Effective July 1, 2024, the Directors of Finance, Housing/CDBG, Human Resources, Planning, and Public Works/City Engineer will receive a four percent (4%) increase.
 2. Effective July 1, 2025, the Directors of Finance, Housing/CDBG, Human Resources, Planning, and Public Works/City Engineer will receive a four percent (4%) increase.
 3. Effective July 1, 2026, the Directors of Finance, Housing/CDBG, Human Resources, Planning, and Public Works/City Engineer will receive a four percent (4%) increase.

4. Effective July 1, 2024, all other classifications will receive a 5% increase.
5. Effective July 1, 2025, all other classifications will receive a 5% increase.
6. Effective July 1, 2026, all other classifications will receive a 5% increase.

Section 4.5 - Advancement in Salary (Step Advancement)

A. Base Salary Steps - A through L

Advancement through the base salary steps shall occur after an employee has been receiving compensation at a particular step for twelve (12) months. Each employee shall automatically move to the next higher step after completing twelve months unless action is taken by the City Council or the City Manager to disapprove the increase, or unless the employee's performance is substandard. For example, all employees in step letter "A" advance to step letter "B" only after receiving compensation at step letter "A" for twelve (12) months.

B. An employee shall advance from step "E" to step "F" upon satisfactory completion of twelve (12) months of service with the City at step "E." Step "F" shall be 5% higher than step "E."

Effective June 30, 2014, an employee may advance to step either G, H, I, or J under the following conditions:

An employee shall advance from Step "F" to Step "G" upon satisfactory completion of twelve (12) months of service with the City at Step "F." Step "G" shall be three percent (3%) higher than Step "F."

An employee shall advance from step "G" to step "H" upon satisfactory completion of twelve (12) months of service with the City at step "G". Step "H" shall be three percent (3%) higher than step "G."

An employee shall advance from Step "H" to Step "I" upon satisfactory completion of twelve (12) months of service with the City at Step "H." Step "I" shall be three percent (3%) higher than Step "H."

An employee shall advance from Step "I" to Step "J" upon satisfactory completion of twelve (12) months of service with the City at Step "I." Step "J" shall be three percent (3%) higher than Step "I."

An employee shall advance from Step "J" to Step "K" upon satisfactory completion of twelve (12) months of service with the City at Step "J." Step "K" shall be three percent (3%) higher than Step "J"

An employee shall advance from Step "K" to Step "L" upon satisfactory completion of twelve (12) months of service with the City at Step "K." Step "L" shall be three percent (3%) higher than Step "K"

Section 4.6 - Definition of "Work Week" and "Hourly Rate"

A. All employees covered under this MOU shall have a regularly scheduled recurring workweek of forty (40) hours unless the City Council determines otherwise by motion,

resolution, or ordinance.

B. The hourly pay for all employees covered under this MOU shall be calculated by use of the following formula:

$$\text{Hourly rate of pay} = \frac{\text{Annual Salary}}{2,080 \text{ Hours}}$$

Section 4.7 - Date of Payroll Payments

All employees covered under this MOU shall be paid bi-weekly.

All step advancements and longevity allowances shall become effective on the employee's anniversary date.

All promotions, changes in classification, and additional incentives that result in change in pay shall become effective at the start of the payroll period.

Section 4.8 - Promotions

Whenever an employee is promoted to a higher classification outlined in this agreement, that employee shall receive the rate of compensation of the first step of the base pay range for the new classification or the lowest step of the base pay range that provides an increase of at least four and one-half percent (4-1/2%) of the employee's base pay, prior to promotion.

Section 4.9 - Longevity Pay

A. Commencing on July 1, 2017, Longevity Pay shall be calculated as follows:

1. Employees who have reached five (5) years of service shall receive three percent (3%) above their base pay as reflected in Exhibits A & B.
2. Employees who have reached ten (10) years of service shall receive four percent (4%) above their base pay as reflected in Exhibits A & B.
3. Employees who have reached fifteen (15) years of service shall receive five percent (5%) above their base pay as reflected in Exhibits A & B.

B. Longevity Pay is a special compensation payment in addition to base pay. The provisions in this Section regarding Longevity Pay are not cumulative. For example, total longevity pay after fifteen (15) years of service is five percent (5%), NOT twelve percent (12%). Longevity pay is in addition to all other compensation and shall be automatic without prior approval by the City Manager.

C. A regular full-time employee represented by this MOU who has completed twenty-six (26) years of accumulated service with the City shall receive longevity pay in an amount equal to fifteen percent (15%) of base pay.

Section 4.10 - Educational Pay

Effective July 1, 2017, the City shall provide educational incentives in accordance with the provisions outlined below:

A. Upon presentation of the following national or state-recognized license and/or accredited master's degree (accreditation shall be by a national or regional accreditation and from a college or university that is recognized by the Secretary of the United States Department of Education), an employee shall be eligible to receive the following percentages of base pay for each educational achievement increment, effective the beginning of the next payroll period:

Master's degree and/or State License = five percent (5.0%) of base pay

1. An employee receiving educational incentive pay shall be entitled to no more than five percent (5%) for a Master's degree, regardless of the number of Master's degrees received, and no more than five percent (5%) for national or state-recognized licenses, regardless of the number of national or state-recognized licenses received.
2. National or state-recognized licenses or degrees required by the City as minimum qualifications for the employee's position are not considered eligible for qualification to receive the Educational Pay contained herein.

ARTICLE 5 - INSURANCE BENEFITS

Section 5.1 - Employee Insurance

The City shall continue to make the following insurance plans available to all regular full-time employees.

A. Each regular full-time employee covered by this MOU shall be entitled to enroll in the insurance plans as follows:

1. Enrollment in a medical insurance plan (required*). Effective the pay period starting September 25, 2021, the City shall pay the premium amount equal to the "Employee +1 Dependent" coverage level for the plan in which the employee is enrolled. Employees enrolled in the "Employee +2+ Dependents" coverage level shall be responsible for paying the balance of the monthly premium amount after the "Employee +1 Dependent" premium amount has been subtracted.

Employees who elect not to enroll in a medical plan offered by the City will be eligible to receive an "in lieu of" amount of eight hundred dollars (\$800) per month for opting out of coverage. In order to receive the eight hundred dollars (\$800) per month amount, an employee must provide the following: (1) proof that the employee and all individuals for

whom the employee intends to claim a personal exemption deduction for the taxable year or years that begin or end in or with the City's plan year to which the opt-out applies ("tax family"), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt-out arrangement applies ("opt-out period"); and (2) the employee must sign an attestation that the employee and his/her tax family have or will have such minimum essential coverage for the opt-out period. An employee must provide the attestation every plan year at open enrollment or within thirty (30) days after the start of the plan year. The opt-out payment cannot be made, and the City will not, in fact, make a payment if the employer knows that the employee or tax family member does not have such alternative coverage or if the conditions in this paragraph are not otherwise satisfied.

2. The City shall pay such premiums to enroll and cover Hawthorne Executive Group employees in the following plans of insurance:

- Basic Life and Accidental Death and Dismemberment (AD&D) Insurance at a fifty thousand dollar (\$50,000) coverage level per employee.
- Enrollment in an Employee Assistance Program (required).
- Enrollment in a Long-Term Disability Insurance Plan (LTD) (required).
- Enrollment in a Dental Insurance Plan (optional).
- Enrollment in Additional Life Insurance Plan (optional).
- Vision Coverage (optional)—Effective the pay period starting September 25, 2021, the City will contribute the monthly premium amount for "Employee + Family" coverage.

B. The City shall continue to make available a Flexible Spending Account Plan pursuant to the provisions of Sections 125 and 129 of the Internal Revenue Code which allows employees to allocate a designated portion of their salaries to a Flexible Spending Account used to pay (1) health and dental premiums, (2) medical expenses not paid by a health insurance carrier and/or (3) child or dependent care expenses. Any amounts so allocated but not expended for those purposes shall be forfeited by the employee. Participation in this benefit is optional.

Section 5.2 - Retiree Medical Insurance

A. Regular full-time employees who have retired from a classification covered by this MOU and who are receiving retirement benefits from CalPERS shall be entitled to maintain enrollment in the City's health plan, as per CalPERS's established guidelines and rules.

This benefit shall begin upon the employee's retirement from the City of Hawthorne and continue until the employee becomes ineligible for coverage under the City's CalPERS Health Benefits Plan.

For each such employee, the City shall pay an amount equal to employee-only coverage for the plan in which the employee is enrolled, less any administrative fees required by the plan. If the employee is not enrolled in a health plan at the time of retirement, he/she shall not be eligible for this benefit.

B. A retiree may, at the retiree's own and sole expense, enroll his/her spouse and/or qualified dependents in any of the medical plans provided under CalPERS.

ARTICLE 6 - BENEFITS RELATED TO TIME

Section 6.1 - Fixed Holidays

All regular full-time employees are entitled to nine (9) hours of paid leave for holidays observed Monday through Thursday and eight (8) hours for holidays observed on Fridays.

The City recognizes the holidays listed on the fixed holiday schedule below. City Hall employees represented by this MOU follow the holiday schedule that coincides with when the holiday falls on an off Friday, the holiday is observed on the Thursday before (or the Wednesday before if holidays fall on a consecutive Thursday and Friday and the Friday is an off day). Any holiday that falls on a Saturday will be observed on the preceding Friday and any holiday that falls on a Sunday will be observed on the next following Monday. In the event two holidays fall on a consecutive Saturday and Sunday, the City Manager will determine what best suits City Hall closure. Starting in calendar year 2021, the City shall publish and issue in the month of October of the preceding year, the annual Holiday Schedule for City Hall employees.

Holiday	Acknowledged
New Year's Day	January 1st
Martin Luther King Day	Third Monday of January
President's Day	Third Monday of February
Cesar Chavez Day	March 31 st
Memorial Day	Last Monday of May
Juneteenth	June 19 th
Independence Day	July 4 th
Labor Day	First Monday in September
Indigenous Day (formerly Columbus Day)	Second Monday of October
Veteran's Day	November 11th
Thanksgiving Day	Fourth Thursday in November
Day After Thanksgiving	Immediate Friday after Thanksgiving
Christmas Eve	December 24 th
Christmas Day	December 25 th
New Year's Eve	December 31 st

Section 6.2 - Floating Holidays

Effective September 25, 2021, all regular full-time employees covered by the MOU shall receive an additional ten (10) hours of floating holiday for a total of fifty (50) hours of personal holidays per year. Upon the commencement of a calendar year in which a holiday falls on an otherwise scheduled closed City Hall Friday, the employee shall be entitled to an additional eight (8) hours of floating holiday time for each day.

All full-time employees covered under this MOU who are hired prior to September 1 in a given year are entitled to fifty (50) hours of floating holiday time during said year. Any employee hired on or after September 1 but prior to December 1 is entitled to twenty-five (25) hours personal holiday hours during said year.

Floating holiday hours shall be taken as time off with pay; however, a minimum of twenty-five (25) hours must be taken in the calendar year in which earned. [Twenty-five \(25\) hours](#) of floating holiday time may be carried over into the next calendar year. [If the work schedule changes permanently, floating hours will automatically adjust to the maximum number of hours per day.](#)

These floating holiday hours shall be taken at a time mutually convenient to the employee's department.

All regular full-time employees covered under this MOU who have completed twenty-six (26) years of accumulated service with the City shall cease to be entitled to floating holiday leave.

Section 6.3 - Administrative Leave

In recognition of the absence of overtime compensation, all regular full-time employees covered under this MOU shall be entitled to administrative leave time as follows:

- A. [Effective July 1, 2024, all regular full-time employees shall receive an additional thirty \(30\) hours of administrative leave for a total of one hundred thirty \(130\) hours per calendar year. Hours accrued shall be on an unlimited basis.](#)
- B. Administrative leave shall not be convertible to cash or deferred compensation. Any accumulated administrative leave shall be forfeited at the time of separation from employment with the City.
- C. Administrative leave time may be taken at any time for any reason, subject to prior approval, which shall not be unreasonably withheld.

Section 6.4 - Vacation Leave

All regular full-time employees covered under this agreement shall be entitled to vacation leave with pay as follows:

- A. All regular full-time employees shall accrue vacation leave at the rate of 3.08 hours per pay period through the first five (5) years of employment.
- B. At the completion of five (5) years of full-time service, regular full-time employees shall accrue vacation leave at the rate of 5.7 hours per pay period.

C. At the completion of ten (10) years of full-time service, regular full-time employees shall accrue vacation leave at the rate of 6.7 hours per pay period.

D. At the completion of fifteen (15) years of service, regular full-time employees shall accrue vacation leave at the rate of 7.7 hours per pay period.

E. All regular full-time employees covered under this MOU who have completed twenty-six (26) Years of accumulated service with the City shall accrue vacation leave at 1.24 hours per pay period.

F. Employees are entitled to carry over forty (40) hours of their vacation time into the year following the year in which it is earned.

G. Employees covered under this MOU shall arrange their schedule of vacations with their department head or City Manager.

H. Upon discharge or termination, employees are entitled to be paid for all accrued unused vacation.

Section 6.5 - Sick Leave

A. Sick Leave Accrual

All regular full-time employees shall accrue sick leave at the rate of 3.69 hours for each biweekly pay period in which the employee actually worked or was on paid leave status for a minimum of forty (40) hours.

1. Per California State Law, Effective January 1, 2024, all employees must be granted a minimum of 40 hours of sick leave per year. This supersedes the previous agreement below.

Effective January 1, 2024, all regular full-time employees covered under this MOU who have completed twenty-six (26) years of accumulated service with the City shall accrue forty (40) hours of sick leave per year at the rate of 1.04 hours per biweekly pay period.

B. Sick Leave Usage

1. Employees may not take paid sick leave before the completion of thirty (30) days of employment from date of hire.
2. An employee eligible for paid sick leave shall be granted such leave for the following reasons:
 - a. Illness or injury that has resulted in the employee's inability to perform normal duties. An employee who is unable to report to work due to illness or injury, shall notify the appropriate party, as soon as reasonably possible, of that fact and give that party a telephone number and/or address at which the employee can be reached. In addition, an employee shall notify the appropriate party of their status at least every other scheduled shift.

- b. Health and dental appointments during scheduled working hours.
 - c. Disability caused by pregnancy or childbirth.
 - d. Employees may use accrued sick leave for reasons other than personal illness or injury. Such use of sick leave shall be limited to 48 hours.
 - 3. The use of sick leave under this agreement requires the prior approval of the Department Head or City Manager.
 - 4. Additional paid leave may be granted, under special circumstances, when the employee's presence is necessary during the convalescence of a spouse or dependent. Such leave must be approved by the City Manager.
- C. Provisions and Payment of Sick Leave are as follows:
- 1. All regular full-time employees may cash out up to one hundred and twenty (120) hours of sick leave annually. The compensation received for sick leave shall be equal to the employee's current base rate of pay. The form of such compensation shall be at the employee's discretion, either in cash and/or as a contribution to his/her deferred compensation account provided the annual limit is not exceeded.
 - 2. The annual cash out of sick leave shall occur on the first payroll date in December.
 - 3. Voluntary Quit - Personal Leave Payment - Any employee who voluntarily resigns from the City after having completed seven (7) years of such service, shall receive fifty percent (50%) of the value of said employee's accumulated sick leave.
 - 4. Retirement - Upon actual retirement from the City, employees covered under this agreement shall receive a 100% payoff of unused sick leave.

Section 6.6 - Paid Injury On Duty Leave

Effective September 25, 2021, any regular full-time employee covered under this agreement who is involved in a work-related illness or injury resulting in absenteeism, shall receive full pay for the first ten (10) work days without loss of accumulated sick leave or sick leave accrual.

ARTICLE 7 - ACTING PAY

Employees who temporarily fill a vacancy in the absence of a Department Head or City Manager shall receive "acting pay" equal to an additional five percent (5%) of base pay, beginning with the first day of the vacancy and with the approval of the City Manager. Acting pay shall be provided for no more than three (3) months in any fiscal year (July 1- June 30th). A vacancy includes retirement, resignation, or termination of a budgeted and filled position. An absence includes unavailability due to illness, vacation, or other approved leave.

To the extent provided by CalPERS regulations, employee out-of-class appointments to an upgraded position or acting in a higher classification to a vacant position shall be limited to nine hundred sixty (960) hours per fiscal year (July 1 to June 30). A vacant position, per this provision, excludes a position that is temporarily unavailable due to another employee's leave of absence.

ARTICLE 8 - BEREAVEMENT LEAVE

In the event of the death of a member of the immediate family, defined as spouse, child, step-child, mother, mother-in-law, stepmother, father, father-in-law, stepfather, grandparent, sister, brother, or registered domestic partner with the State of California. A regular full-time employee may be absent for the purpose of arranging for and attending the funeral for five (5) consecutive working days without loss of pay and not charged for sick leave.

ARTICLE 9 - SPECIAL PAY PROVISIONS

Section 9.1 - Educational Reimbursement

It shall be the policy of the City to encourage all employees to improve their skills, ability and knowledge through enrollment in courses in outside educational institutions. Accordingly, all employees covered under this MOU shall be eligible for 100% reimbursement of the cost of tuition, fees, and books incurred in outside vocational or academic courses of instruction, subject to the following conditions:

- A. The reimbursement request shall be submitted and approved by the City Manager prior to enrollment.
- B. A minimum semester/quarter grade of:
 - 1. "C" on an A,B,C,D, & F scale, or
 - 2. 70% on a 100% scale; or
 - 3. 2.0 on a 4.0 scale; or
 - 4. Pass on a pass/fail scale; or
 - 5. Equivalent to one of the above.
- C. Receipts for reimbursable items must be submitted.
- D. This program is designed to reimburse employees for school expenses that are not funded or partially funded from other external sources, including but not limited to G.I. educational benefits. Thus, the City shall not reimburse expenses, which, in its sole judgment, are adequately provided for through other benefits available to the employee.

Section 9.2 - Auto Allowance

With prior approval of the City Council or the City Manager, an employee may receive that amount of reimbursement per mile for the use of the employee's private automobile for City business in an amount determined by the IRS reimbursement rate then in effect.

Section 9.3 - Merit Raises

In addition to base pay, the City Manager, subject to veto by the City Council, may grant a merit raise of four percent (4%) to any employee who has rendered exceptional work performance to the City.

ARTICLE 10 - DEFERRED COMPENSATION

The City will contribute two hundred seventy-five dollars (\$275) per month toward an employee's 457(b) deferred compensation plan account. In addition, the City will match an employee's contribution to deferred compensation up to fifty dollars (\$50) per month.

ARTICLE 11 - CalPERS

Section 11.1 - CalPERS Pick-Up

Effective September 1, 2011, the City shall pay to CalPERS an amount equal to eight (8%) of the normal contribution as Employer Paid Member Contribution (EPMC) and report the same percent (value) of compensation earnable as additional compensation for employees who are "Classic Members" of CalPERS. Pursuant to the provisions under 414(h)(2) of the Internal Revenue Code the eight percent (8%) contribution will be paid on a pre-tax basis.

Section 11.2 - Retirement Formulas

For its "miscellaneous" employees, the City shall continue to provide the 3% @ age 60 retirement formula.

1. Classic Members
 - A. One-year highest compensation (Section 20024.2).
 - B. Military service is credited as public service (Section 20930.3).
 - C. 1959 Survivors Benefit (Section 21382.4).
 - D. Post-retirement survivor allowance to continue after remarriage (Section 21266).
 - E. Pre-retirement death benefit (Section 21365.6).
 - F. 3% @ age 60 retirement formula (Section 21354).

Section 11.3 - Optional CalPERS Contract Amendment

1. New Members (PEPRA)
 - A. Retirement benefit based on an average of three (3) highest years of compensation with the City.
 - B. Employees hired on or after January 1, 2013, concede to 2% @after 62 retirement formula.
 - C. The employee shall pay the employer Paid Member Contribution (EMPC).
 - D. The term "New Members" shall have the same meaning as that term defined by and in the Public Employees' Pension Reform Act (PEPRA).

ARTICLE 12 - CONTINUATION OF BENEFITS

Benefits not necessarily specifically enumerated herein that have previously been provided by the City shall continue unless amended or deleted herein. This provision includes but is not limited

to Bereavement Leave, Bilingual Pay, Sick Leave, Holidays, Group Insurance, Educational Reimbursement, Training and Professional Development, Longevity Pay, Retirement System, and Auto Allowance.

ARTICLE 13 - JURY DUTY

All full-time employees covered by this MOU shall have time off from employment with pay in order to fulfill their obligations of citizenship by the performance of jury duty. As authorized by the City Council in Resolution No. 5342 (as Attachment A), all full-time employees who are summoned to serve as trial jurors will be paid their regular salary during the period they are required to serve as trial jurors, but not for any period in excess of ten(10) days. All fees, except travel expenses, received for jury duty are to be turned over to the City Treasurer and shall be deposited into the General Fund.

ARTICLE 14 - MEDICAL EXAMINATIONS

The City Manager shall establish procedures by which the City shall provide all full-time employees covered under this MOU a complete medical examination once during each calendar year.

ARTICLE 15 - SEVERABILITY

Should any provision of this MOU be found to be inoperative, void, or invalid by a court of competent jurisdiction, all other provisions of this MOU shall remain in full force and effect for the duration of the agreement.

ARTICLE 16 - OTHER TERMS

Section 16.1 - Should the City Council declare a state of emergency due to a natural disaster during the contract period of July 1, 2024 - June 30, 2027, the HEG retains the right to meet and confer over the impact of wages for its membership.

Section 16.2 - The City agrees that during the term of this agreement, there will be no workforce reductions, eliminations, or consolidations directly against any member and/or classification within the Hawthorne Executive Group.

Section 16.3 - Upon notification of retirement to the City Manager, the employee will have the option, in lieu of an immediate lump sum cash out of accrued leave, to remain on the payroll for a period not to exceed three (3) months. During this period, the employee will continue to be paid utilizing time from their current leave balances.

While on the payroll for a period not to exceed three (3) months, the employee will cease to accrue any additional leave time. During the period that the employee remains on payroll prior to their retirement, the employee will be available to respond to any inquiries or provide any information as requested by the City Manager.

Except as provided herein, it is understood by the parties that they have met and conferred to agreement on all items within the scope of representation for the period.

Section 16.4 - Terms, working conditions, and all other language within this MOU will continue after it expires until a new MOU is ratified.

Section 16.5 - The City Manager is authorized by the City Council to offer a three-month severance agreement for salary only to an employee who is voluntarily resigning from employment. Such resignation shall be without cause. The severance agreement shall be put into effect by the employee's written letter of resignation and signed Release and Waiver, provided by the City, against any and all claims, known or unknown.

Section 16.6 - Reopener

As soon as practicable following the City Council's adoption of this MOU, the City, and the Association agree to reopen negotiations over changing the procedure for cashing out or selling back to the City leave balances, including, but may not be limited to, the optional cash-out provisions set forth in Article 6

City will not agree to extend the same economic benefit(s) as it may not be applicable and/or appropriate to the HEG position. City agrees to reopen for the purpose of discussing the application and appropriateness of the benefits(s).

ARTICLE 17 - TERM OF THE AGREEMENT

This MOU shall be in full force and effect from July 1, 2024, up to and including June 30, 2027. The parties reserve the right, upon mutual agreement to meet and confer, in good faith, with respect to any subject or matters within the scope of representation, during the term of this MOU. The parties jointly agree to recommend the provisions of this MOU to the City Council for its adoption, and, if adopted, to abide by its provisions for the term hereof.

Representing:

THE HAWTHORNE EXECUTIVE GROUP

Kimberly Mack
HEG Board President

Representing:

THE CITY OF HAWTHORNE

Gary Tomatani
Chief of Police

EXHIBIT A

HAWTHORNE EXECUTIVE GROUP

MONTHLY SALARY SCHEDULE FOR DEPARTMENT HEADS

(Finance, Housing/CDBG, Human Resources, Planning,
and Public Works/City Engineer)

EFFECTIVE JULY 1, 2024 - JUNE 30, 2025

Note: Steps A to J - 4% increase over the Salary Schedule effective 7/1/2023

New steps: Step K - 3% increase over Step J; Step L - 3% increase over Step K

Range	A	B	C	D	E	F	G	H	I	J	K	L
Munis Equivalent	0	1	2	3	4	5	6	7	8	9	10	11
45	10,626	11,066	11,538	12,022	12,527	13,154	13,548	13,955	14,374	14,805	15,250	15,707

EFFECTIVE JULY 1, 2025 - JUNE 30, 2026

Note: 4% increase over the Salary Schedule effective 7/1/2024

Range	A	B	C	D	E	F	G	H	I	J	K	L
Munis Equivalent	0	1	2	3	4	5	6	7	8	9	10	11
45	11,051	11,508	11,999	12,503	13,028	13,680	14,090	14,513	14,949	15,398	15,860	16,335

EFFECTIVE JULY 1, 2026 - JUNE 30, 2027

Note: 4% increase over the Salary Schedule effective 7/1/2025

Range	A	B	C	D	E	F	G	H	I	J	K	L
Munis Equivalent	0	1	2	3	4	5	6	7	8	9	10	11
45	11,493	11,969	12,479	13,003	13,549	14,227	14,654	15,093	15,547	16,014	16,494	16,989

EXHIBIT B
HAWTHORNE EXECUTIVE GROUP
MONTHLY SALARY SCHEDULE

EFFECTIVE JULY 1, 2024 - JUNE 30, 2025

Note: Steps A to J - 5% increase over the Salary Schedule effective 7/1/2023

New steps: Step K - 3% increase over Step J; Step L - 3% increase over Step K

Range	A	B	C	D	E	F	G	H	I	J	K	L
<i>Munis Equivalent</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>
1	6,456	6,713	6,984	7,266	7,562	7,939	8,178	8,424	8,676	8,937	9,205	9,481
3	6,570	6,831	7,107	7,397	7,695	8,080	8,322	8,571	8,828	9,093	9,366	9,647
5	7,349	7,649	7,966	8,292	8,634	9,066	9,338	9,617	9,906	10,203	10,509	10,824
7	7,480	7,786	8,111	8,444	8,792	9,232	9,509	9,794	10,088	10,391	10,703	11,024
9	7,744	8,060	8,386	8,732	9,092	9,547	9,833	10,128	10,432	10,745	11,067	11,399
11	7,882	8,207	8,537	8,891	9,259	9,721	10,013	10,313	10,622	10,941	11,269	11,607
13	8,677	9,028	9,404	9,792	10,200	10,710	11,031	11,361	11,702	12,053	12,415	12,787
15	8,834	9,196	9,576	9,974	10,387	10,905	11,233	11,569	11,916	12,275	12,643	13,022
17	9,120	9,496	9,889	10,298	10,728	11,263	11,601	11,949	12,308	12,678	13,058	13,450
19	9,288	9,669	10,072	10,492	10,924	11,471	11,815	12,170	12,534	12,910	13,297	13,696
21	9,491	9,888	10,296	10,723	11,172	11,731	12,083	12,446	12,818	13,204	13,600	14,008
23	9,668	10,068	10,484	10,923	11,380	11,949	12,308	12,678	13,058	13,451	13,854	14,270
25	9,693	10,091	10,507	10,940	11,421	11,991	12,351	12,722	13,103	13,497	13,902	14,319
27	9,871	10,280	10,703	11,142	11,633	12,215	12,581	12,959	13,348	13,748	14,160	14,585
29	9,890	10,298	10,729	11,177	11,651	12,233	12,600	12,978	13,368	13,769	14,182	14,607
31	10,074	10,492	10,927	11,387	11,866	12,459	12,834	13,218	13,615	14,024	14,445	14,878
33	10,093	10,515	10,958	11,414	11,895	12,490	12,865	13,251	13,649	14,058	14,480	14,915
35	10,281	10,711	11,160	11,626	12,117	12,723	13,104	13,498	13,902	14,319	14,748	15,191
37	10,298	10,728	11,172	11,649	12,138	12,745	13,128	13,522	13,928	14,346	14,777	15,220
39	10,492	10,924	11,380	11,864	12,364	12,982	13,373	13,774	14,187	14,612	15,050	15,502
41	10,515	10,958	11,414	11,895	12,396	13,016	13,406	13,810	14,223	14,650	15,089	15,542
43	10,711	11,160	11,626	12,117	12,628	13,260	13,658	14,068	14,489	14,924	15,371	15,833
45	10,728	11,172	11,649	12,138	12,647	13,280	13,678	14,089	14,512	14,948	15,396	15,858
47	10,924	11,380	11,864	12,364	12,885	13,529	13,936	14,354	14,784	15,228	15,685	16,156
49	11,131	11,652	12,146	12,658	13,191	13,851	14,266	14,694	15,134	15,588	16,056	16,538
51	11,338	11,871	12,373	12,894	13,442	14,114	14,537	14,973	15,422	15,885	16,362	16,853
53	11,660	12,142	12,664	13,199	13,759	14,448	14,882	15,328	15,787	16,260	16,748	17,251
55	11,878	12,372	12,902	13,449	14,022	14,723	15,165	15,620	16,088	16,571	17,068	17,580
57	12,290	12,808	13,413	13,918	14,511	15,237	15,693	16,165	16,650	17,150	17,664	18,194
59	12,520	13,050	13,664	14,181	14,782	15,521	15,986	16,466	16,960	17,469	17,993	18,533
61	12,994	13,544	14,119	14,722	15,350	16,118	16,602	17,100	17,613	18,140	18,684	19,245
63	13,223	13,783	14,370	14,985	15,625	16,407	16,900	17,406	17,928	18,465	19,019	19,590
65	13,738	14,322	14,930	15,573	16,237	17,049	17,560	18,087	18,630	19,189	19,764	20,357
67	13,994	14,593	15,216	15,869	16,545	17,373	17,893	18,431	18,983	19,552	20,139	20,743
69	14,526	15,147	15,793	16,469	17,179	18,039	18,580	19,137	19,711	20,303	20,912	21,539

EFFECTIVE JULY 1, 2025 - JUNE 30, 2026

Note: 5% increase over the Salary Schedule effective 7/1/2024

Range	A	B	C	D	E	F	G	H	I	J	K	L
<i>Munis Equivalent</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>
1	6,779	7,048	7,333	7,629	7,940	8,336	8,587	8,845	9,110	9,383	9,665	9,955
3	6,898	7,173	7,463	7,767	8,080	8,484	8,738	9,000	9,270	9,548	9,834	10,129
5	7,716	8,032	8,365	8,706	9,066	9,519	9,805	10,098	10,401	10,713	11,034	11,365
7	7,854	8,175	8,517	8,866	9,231	9,693	9,984	10,284	10,593	10,910	11,238	11,575
9	8,131	8,463	8,806	9,168	9,547	10,024	10,325	10,635	10,953	11,282	11,620	11,969
11	8,276	8,617	8,963	9,336	9,722	10,207	10,513	10,829	11,153	11,488	11,833	12,188
13	9,111	9,479	9,874	10,282	10,710	11,246	11,583	11,929	12,287	12,656	13,035	13,426
15	9,275	9,656	10,055	10,473	10,906	11,451	11,795	12,147	12,512	12,888	13,275	13,673
17	9,576	9,971	10,383	10,813	11,264	11,827	12,182	12,546	12,924	13,312	13,711	14,122
19	9,753	10,153	10,575	11,016	11,470	12,045	12,405	12,778	13,161	13,555	13,962	14,381
21	9,965	10,382	10,811	11,259	11,731	12,317	12,688	13,068	13,459	13,864	14,280	14,708
23	10,152	10,572	11,008	11,469	11,949	12,546	12,924	13,312	13,711	14,123	14,547	14,983
25	10,177	10,595	11,033	11,487	11,992	12,591	12,969	13,358	13,758	14,172	14,597	15,035
27	10,365	10,793	11,238	11,699	12,215	12,825	13,210	13,607	14,015	14,435	14,868	15,314
29	10,384	10,813	11,265	11,736	12,233	12,844	13,230	13,627	14,036	14,457	14,891	15,338
31	10,577	11,016	11,474	11,957	12,459	13,082	13,476	13,879	14,296	14,725	15,167	15,622
33	10,597	11,040	11,506	11,984	12,490	13,114	13,508	13,914	14,331	14,761	15,204	15,660
35	10,795	11,247	11,718	12,207	12,723	13,359	13,759	14,173	14,597	15,035	15,486	15,950
37	10,813	11,264	11,731	12,231	12,745	13,382	13,785	14,198	14,625	15,063	15,515	15,981
39	11,016	11,470	11,949	12,457	12,982	13,631	14,041	14,463	14,896	15,342	15,803	16,277
41	11,040	11,506	11,984	12,490	13,016	13,667	14,077	14,500	14,934	15,382	15,844	16,319
43	11,247	11,718	12,207	12,723	13,260	13,923	14,341	14,771	15,213	15,670	16,140	16,624
45	11,264	11,731	12,231	12,745	13,280	13,944	14,362	14,793	15,238	15,695	16,166	16,651
47	11,470	11,949	12,457	12,982	13,529	14,206	14,632	15,071	15,523	15,990	16,469	16,963
49	11,688	12,234	12,754	13,291	13,851	14,543	14,980	15,428	15,890	16,368	16,859	17,365
51	11,905	12,465	12,992	13,539	14,114	14,820	15,264	15,722	16,194	16,680	17,180	17,696
53	12,243	12,749	13,297	13,858	14,447	15,170	15,626	16,094	16,576	17,073	17,586	18,113
55	12,471	12,991	13,548	14,122	14,723	15,459	15,923	16,401	16,893	17,400	17,922	18,459
57	12,905	13,448	14,083	14,614	15,237	15,998	16,478	16,973	17,482	18,007	18,547	19,104
59	13,146	13,703	14,347	14,890	15,521	16,297	16,786	17,289	17,808	18,342	18,893	19,459
61	13,643	14,221	14,825	15,458	16,117	16,923	17,432	17,955	18,493	19,047	19,618	20,207
63	13,884	14,473	15,089	15,734	16,406	17,228	17,745	18,276	18,824	19,389	19,970	20,569
65	14,425	15,038	15,676	16,351	17,049	17,901	18,438	18,992	19,562	20,148	20,753	21,375
67	14,694	15,323	15,976	16,662	17,372	18,242	18,788	19,352	19,932	20,530	21,146	21,780
69	15,252	15,904	16,583	17,293	18,038	18,941	19,509	20,094	20,696	21,318	21,957	22,616

EFFECTIVE JULY 1, 2026 - JUNE 30, 2027

Note: 5% increase over the Salary Schedule effective 7/1/2025

Range	A	B	C	D	E	F	G	H	I	J	K	L
<i>Munis Equivalent</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>
1	7,118	7,401	7,699	8,011	8,337	8,753	9,017	9,288	9,565	9,853	10,148	10,453
3	7,243	7,532	7,836	8,155	8,484	8,908	9,175	9,450	9,733	10,025	10,326	10,636
5	8,102	8,433	8,783	9,142	9,519	9,995	10,295	10,603	10,921	11,249	11,586	11,934
7	8,247	8,584	8,943	9,310	9,693	10,178	10,483	10,798	11,122	11,456	11,800	12,154
9	8,537	8,886	9,246	9,627	10,024	10,525	10,841	11,166	11,501	11,846	12,201	12,567
11	8,690	9,048	9,411	9,803	10,208	10,717	11,039	11,370	11,711	12,062	12,424	12,797
13	9,567	9,953	10,368	10,796	11,245	11,808	12,162	12,526	12,902	13,288	13,687	14,098
15	9,739	10,138	10,558	10,996	11,451	12,023	12,384	12,755	13,138	13,533	13,939	14,357
17	10,055	10,470	10,903	11,354	11,827	12,418	12,791	13,174	13,570	13,977	14,396	14,828
19	10,240	10,661	11,104	11,567	12,044	12,647	13,026	13,417	13,819	14,233	14,660	15,100
21	10,464	10,901	11,352	11,822	12,317	12,933	13,322	13,721	14,132	14,557	14,994	15,444
23	10,659	11,100	11,559	12,043	12,546	13,174	13,570	13,977	14,396	14,829	15,274	15,732
25	10,686	11,125	11,584	12,061	12,591	13,220	13,617	14,026	14,446	14,880	15,327	15,786
27	10,883	11,333	11,800	12,284	12,825	13,467	13,871	14,287	14,716	15,157	15,611	16,080
29	10,904	11,354	11,829	12,323	12,845	13,486	13,892	14,308	14,738	15,180	15,635	16,104
31	11,106	11,567	12,047	12,554	13,082	13,736	14,150	14,573	15,011	15,461	15,925	16,403
33	11,127	11,592	12,081	12,583	13,115	13,770	14,183	14,609	15,048	15,499	15,964	16,443
35	11,334	11,809	12,304	12,817	13,359	14,027	14,447	14,881	15,327	15,787	16,260	16,748
37	11,354	11,827	12,317	12,843	13,382	14,051	14,474	14,908	15,356	15,817	16,291	16,780
39	11,567	12,044	12,546	13,080	13,631	14,313	14,744	15,186	15,641	16,110	16,593	17,091
41	11,592	12,081	12,583	13,115	13,667	14,350	14,781	15,225	15,681	16,151	16,636	17,135
43	11,809	12,304	12,817	13,359	13,923	14,620	15,058	15,510	15,974	16,453	16,947	17,455
45	11,827	12,317	12,843	13,382	13,944	14,642	15,080	15,533	16,000	16,480	16,974	17,484
47	12,044	12,546	13,080	13,631	14,205	14,916	15,364	15,825	16,299	16,789	17,293	17,811
49	12,272	12,846	13,391	13,955	14,543	15,270	15,729	16,200	16,685	17,186	17,702	18,233
51	12,500	13,088	13,641	14,216	14,820	15,561	16,027	16,508	17,003	17,514	18,039	18,580
53	12,855	13,387	13,962	14,551	15,170	15,929	16,407	16,899	17,405	17,927	18,465	19,019
55	13,095	13,640	14,225	14,828	15,459	16,232	16,720	17,221	17,737	18,270	18,818	19,382
57	13,550	14,121	14,788	15,344	15,998	16,798	17,302	17,822	18,356	18,907	19,475	20,059
59	13,804	14,388	15,064	15,635	16,297	17,112	17,625	18,154	18,698	19,259	19,837	20,432
61	14,326	14,932	15,567	16,231	16,923	17,770	18,303	18,853	19,418	19,999	20,599	21,217
63	14,578	15,196	15,843	16,520	17,227	18,089	18,632	19,190	19,765	20,358	20,969	21,598
65	15,146	15,790	16,460	17,169	17,902	18,796	19,360	19,941	20,540	21,156	21,790	22,444
67	15,429	16,089	16,775	17,495	18,241	19,154	19,727	20,320	20,929	21,556	22,203	22,869
69	16,015	16,700	17,412	18,157	18,940	19,888	20,484	21,099	21,731	22,384	23,055	23,747

Attachment A – Resolution 5342 Jury Duty

RESOLUTION NO. 5342

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, PROVIDING FOR COMPENSATION FOR JURY DUTY FOR FULL-TIME CITY EMPLOYEES.

WHEREAS, jury duty is part of the obligation of citizenship; and

WHEREAS, the City Council of the City of Hawthorne, California recognizes this obligation; and

WHEREAS, recognizing this obligation, the City Council hereby establishes that all full-time City employees shall have time off from employment with pay in order to fulfill their obligations of citizenship;

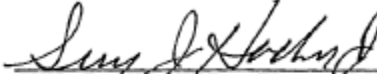
NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Hawthorne, California, as follows:

SECTION 1. All full-time employees (forty [40] hours per week or more) who are summoned to serve as trial jurors will be paid their regular salary during the period they are required to serve as trial jurors, but not for any period in excess of ten (10) days. All fees, except travel expenses, received for jury duty are to be turned over to the City Treasurer and shall be deposited into the General Fund.


SECTION 2. All other resolutions in conflict herewith are hereby repealed.

PASSED, APPROVED and ADOPTED this 9th day of

APRIL , 1984


GUY J. HOCKER, JR., MAYOR
City of Hawthorne, California

ATTEST:


City Clerk

APPROVED AS TO FORM:


Michael Adamson
City Attorney