

## EXHIBIT 1

### AIR POLLUTION CONTROL DISTRICT MANAGEMENT, CONFIDENTIAL CLERICAL, AND OTHER UNREPRESENTED EMPLOYEES RESOLUTION: ANNUAL LEAVE REDEMPTION AMENDMENT DECEMBER 13, 2016

**NOW, THEREFORE, BE IT RESOLVED**, DETERMINED AND ADOPTED AS FOLLOWS:

Article 12, "Paid Leave", shall be amended as follows

Sec. 1205 **ANNUAL LEAVE REDEMPTION:** Employees hired and covered by this Resolution before October 10, 2004, may elect to receive pay in lieu of annual leave subject to the following conditions:

- A. Any employee wishing to receive cash in lieu of annual leave hours must submit an irrevocable written election by December 31 of the calendar year prior to the calendar year in which the employee wishes to redeem annual leave hours for cash.
- B. After a qualified election is made, employees may request cash-out payments during the calendar year for which the election was made by submitting requests for payment in the ordinary payroll process. An employee may make up to two requests per calendar year for payment in lieu of a combined annual maximum of one hundred sixty (160) hours of annual leave, or two hundred (200) hours of annual leave for those with five (5) or more years of County/APCD service, as compensation as prescribed in Section 1212 of this resolution. Only annual leave hours already 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.

A temporary exception to the above requirement that only annual leave hours already accrued in the calendar year for which an election is made may be cashed-out shall apply to employees who submit a notice of intent to retire to the APCD in the calendar year in which the annual leave will be cashed-out. As such, if an employee has accrued less annual leave in a calendar year than she/he wishes to cash-out at a given time, the employee may cash-out annual leave hours carried over from a prior calendar year, if and only if the following conditions are met:

1. At the time the employee made an irrevocable election to receive cash in lieu of annual leave, the employee submitted a notice of intent to retire in the calendar year in which the annual leave will be cashed-out.
2. At the time the employee makes a request for cash out payments to be paid, the employee submit an irrevocable notice of resignation/retirement on a specified date in the calendar year during which the payment is to be made.
3. This exception will expire January 1, 2018, as to employees who are entitled to Tier I retirement; and will expire December 31, 2020, as to employees entitled to Tier II retirement.

- C. An employee must use eighty (80) hours of annual leave during the twelve (12) months immediately preceding a cash-out payment request. For this purpose, “use” shall mean actually taking time off work and being paid annual leave pay for such time off. If the employee has not used the required hours of annual leave in the twelve (12) months immediately preceding the cash-out, the APCD shall deduct from the employee’s annual leave bank the amount of leave necessary to make the employee eligible for the requested redemption.

If an employee is unable to meet the eighty (80) hour usage requirement necessary to cash-out annual leave by the end of the election year as a result of the denial of a written request (or requests) to use annual leave, the employee’s election shall be deemed null and void, no cash-out shall be allowed, and the employee shall not have taxes reported or withheld on the value of the annual leave hours that the employee had been eligible to receive. In order to request that an election be deemed null and void, the sum total of both the hours requested in the denials and actual annual leave hours utilized by the employee in the election year must equal at minimum 80 hours. It is the responsibility of the employee to submit the written denials to the Auditor-Controller’s Office at the time the request is made to void the election.

- D. If an employee fails to request payment for the total annual leave hours elected for cash-out, the employer shall unilaterally cash out the elected annual leave hours to the extent that an employee has accrued annual leave available before December 31 of the calendar year.
- E. 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.
- F. Employees who are eligible for annual leave redemption and do not make an affirmative election by the end of the calendar year shall be deemed to have irrevocably elected not to redeem annual leave for pay in the subsequent calendar year.
- G. Employees who experience an unforeseeable emergency may be permitted to make a new irrevocable election and redeem annual leave hours for cash (or to increase the amount of a previous election) during the calendar year in which the unforeseeable emergency occurs. 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 participant. The amount of such new election (or increase in a prior election) 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, after taking into account the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the employee’s assets (to the extent that liquidation of the employee’s assets would not itself cause severe

financial hardship). Whether an occurrence is an unforeseeable emergency shall be determined by the Auditor-Controller's office in its sole discretion.

- H. The Ventura County Human Resources Division and Auditor-Controller's Office shall develop forms and procedures for implementation of this program.
- I. Employees covered by this Resolution who, as a result of a change in a bargaining unit represented by a recognized employee organization pursuant to Article 20 of the Ventura County Personnel Rules and Regulations, shall be permitted to redeem annual leave under provisions of this Resolution for up to thirty-six (36) months subsequent to that change.
- J. Redemption requests that are processed outside the normal payroll cycle will be calculated at the pay rate in effect during the prior pay period. The check issue date shall determine the applicable period to credit such redemption for the purpose of determining compliance with this section.

Sec. 1206 **ANNUAL LEAVE REDEMPTION:** Employees hired and covered by this Resolution on or after October 10, 2004, may elect to receive pay in lieu of annual leave subject to the following conditions:

- A. Any employee wishing to receive cash in lieu of annual leave hours must submit an irrevocable written election by December 31 of the calendar year prior to the calendar year in which the employee wishes to redeem annual leave hours for cash.
- B. After a qualified election is made, employees may request cash-out payments during the calendar year for which the election was made by submitting requests for payment in the ordinary payroll process. An employee may make up to two requests per calendar year for payment in lieu of a combined annual maximum of one hundred sixty (160) hours of annual leave as compensation as prescribed in section 1212 of this resolution. Only annual leave hours already 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.

A temporary exception to the above requirement that only annual leave hours already accrued in the calendar year for which an election is made may be cashed-out shall apply to employees who submit a notice of intent to retire to the APCD in the calendar year in which the annual leave will be cashed-out. As such, if an employee has accrued less annual leave in a calendar year than she/he wishes to cash-out at a given time, the employee may cash-out annual leave hours carried over from a prior calendar year, if and only if the following conditions are met:

- 1. At the time the employee made an irrevocable election to receive cash in lieu of annual leave, the employee submitted a notice of intent to retire in the calendar year in which the annual leave will be cashed-out.

2. At the time the employee makes a request for cash out payments to be paid, the employee submits an irrevocable notice of resignation/retirement on a specified date in the calendar year during which the payment is to be made.
  3. This exception will expire January 1, 2018, as to employees who are entitled to Tier I retirement; and will expire December 31, 2020, as to employees entitled to Tier II retirement.
- C. An employee must use eighty (80) hours of annual leave during the twelve (12) months immediately preceding a cash-out payment request. For this purpose, “use” shall mean actually taking time off work and being paid annual leave pay for such time off. If the employee has not used the required hours of annual leave in the twelve (12) months immediately preceding the cash-out, the APCD shall deduct from the employee’s annual leave bank the amount of leave necessary to make the employee eligible for the requested redemption.

If an employee is unable to meet the eighty (80) hour usage requirement necessary to cash-out annual leave by the end of the election year as a result of the denial of a written request (or requests) to use annual leave, the employee’s election shall be deemed null and void, no cash-out shall be allowed, and the employee shall not have taxes reported or withheld on the value of the annual leave hours that the employee had been eligible to receive. In order to request that an election be deemed null and void, the sum total of both the hours requested in the denials and actual annual leave hours utilized by the employee in the election year must equal at minimum 80 hours. It is the responsibility of the employee to submit the written denials to the Auditor-Controller’s Office at the time the request is made to void the election.

- D. If an employee fails to request payment for the total annual leave hours elected for cash-out, the employer shall unilaterally cash out the elected annual leave hours to the extent that an employee has accrued annual leave available before December 31 of the calendar year.
- E. 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.
- F. Employees who are eligible for annual leave redemption and do not make an affirmative election by the end of the calendar year shall be deemed to have irrevocably elected not to redeem annual leave for pay in the subsequent calendar year.
- G. Employees who experience an unforeseeable emergency may be permitted to make a new irrevocable election and redeem annual leave hours for cash (or to increase the amount of a previous election) during the calendar year in which the unforeseeable emergency occurs. 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 participant. The

amount of such new election (or increase in a prior election) 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, after taking into account the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the employee's assets (to the extent that liquidation of the employee's assets would not itself cause severe financial hardship). Whether an occurrence is an unforeseeable emergency shall be determined by the Auditor-Controller's office in its sole discretion.

- H. The Ventura County Human Resources Division and Auditor-Controller's Office shall develop forms and procedures for implementation of this program.
- I. Redemption requests that are processed outside the normal payroll cycle will be calculated at the pay rate in effect during the prior pay period. The check issue date shall determine the applicable period to credit such redemption for the purpose of determining compliance with this section.

Sec. 1207 **ANNUAL LEAVE REDEMPTION:** Employees hired and covered by this Resolution on or after June 12, 2012, may elect to receive pay in lieu of annual leave subject to the following conditions:

- A. Any employee wishing to receive cash in lieu of annual leave hours must submit an irrevocable written election by December 31 of the calendar year prior to the calendar year in which the employee wishes to redeem annual leave hours for cash.
- B. After a qualified election is made, employees may request cash-out payments during the calendar year for which the election was made by submitting requests for payment in the ordinary payroll process. An employee may make up to two requests per calendar year for payment in lieu of a combined annual maximum of one hundred (100) hours of annual leave at the current base rate of pay. Only annual leave hours already 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.

A temporary exception to the above requirement that only annual leave hours already accrued in the calendar year for which an election is made may be cashed-out shall apply to employees who submit a notice of intent to retire to the APCD in the calendar year in which the annual leave will be cashed-out. As such, if an employee has accrued less annual leave in a calendar year than she/he wishes to cash-out at a given time, the employee may cash-out annual leave hours carried over from a prior calendar year, if and only if the following conditions are met:

1. At the time the employee made an irrevocable election to receive cash in lieu of annual leave, the employee submitted a notice of intent to retire in the calendar year in which the annual leave will be cashed-out.
2. At the time the employee makes a request for cash out payments to be paid, the employee submit an irrevocable notice of resignation/retirement on a specified date in the calendar year during which the payment is to be made.

3. This exception will expire January 1, 2018, as to employees who are entitled to Tier I retirement; and will expire December 31, 2020, as to employees entitled to Tier II retirement.
- C. An employee must use eighty (80) hours of annual leave during the twelve (12) months immediately preceding a cash-out payment request. For this purpose, “use” shall mean actually taking time off work and being paid annual leave pay for such time off. If the employee has not used the required hours of annual leave in the twelve (12) months immediately preceding the cash-out, the APCD shall deduct from the employee’s annual leave bank the amount of leave necessary to make the employee eligible for the requested redemption.

If an employee is unable to meet the eighty (80) hour usage requirement necessary to cash-out annual leave by the end of the election year as a result of the denial of a written request (or requests) to use annual leave, the employee’s election shall be deemed null and void, no cash-out shall be allowed, and the employee shall not have taxes reported or withheld on the value of the annual leave hours that the employee had been eligible to receive. In order to request that an election be deemed null and void, the sum total of both the hours requested in the denials and actual annual leave hours utilized by the employee in the election year must equal at minimum 80 hours. It is the responsibility of the employee to submit the written denials to the Auditor-Controller’s Office at the time the request is made to void the election.

- D. If an employee fails to request payment for the total annual leave hours elected for cash-out, the employer shall unilaterally cash out the elected annual leave hours to the extent that an employee has accrued annual leave available before December 31 of the calendar year.
- E. 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.
- F. Employees who are eligible for annual leave redemption and do not make an affirmative election by the end of the calendar year shall be deemed to have irrevocably elected not to redeem annual leave for pay in the subsequent calendar year.
- G. Employees who experience an unforeseeable emergency may be permitted to make a new irrevocable election and redeem annual leave hours for cash (or to increase the amount of a previous election) during the calendar year in which the unforeseeable emergency occurs. 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 participant. The amount of such new election (or increase in a prior election) 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, after taking into account

the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the employee's assets (to the extent that liquidation of the employee's assets would not itself cause severe financial hardship). Whether an occurrence is an unforeseeable emergency shall be determined by the Auditor-Controller's office in its sole discretion.

- H. The Human Resources Division and Auditor-Controller's Office shall develop forms and procedures for implementation of this program.
- I. Redemption requests that are processed outside the normal payroll cycle will be calculated at the pay rate in effect during the prior pay period. The check issue date shall determine the applicable period to credit such redemption for the purpose of determining compliance with this section.
- J. Section 1207 only applies to employees hired into an APCD position on or after June 12, 2012.
- K. The APCD Board reserves the right to modify or eliminate this annual leave redemption benefit at any time.