

CITY OF HUNTINGTON BEACH

MEETING DATE: August 1, 2005

DEPARTMENT ID NUMBER: AS-05-016

Council/Agency Meeting Held: _____	City Clerk's Signature
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date: August 1, 2005	Department ID Number: AS-05-016

CITY OF HUNTINGTON BEACH  
REQUEST FOR COUNCIL ACTION

**SUBMITTED TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**SUBMITTED BY:** *Penelope Culbreth Graft*  
PENELOPE CULBRETH-GRAFT, CITY ADMINISTRATOR

**PREPARED BY:** CHARLES THOMAS, ACTING DIRECTOR OF ADMINISTRATIVE SERVICES

**SUBJECT:** APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION

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CITY OF  
HUNTINGTON BEACH, CA  
2005 JUL 25 A 9:23

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)

**Statement of Issue:**

Should the City and the Huntington Beach Fire Management Association (FMA) enter into a new Memorandum of Understanding (MOU) covering the period January 1, 2005 through June 30, 2006?

**Funding Source:**

Funding is included in the Fiscal Year 2004/2005 budget and will be included in the Fiscal Year 2005/2006 budget. The cost to implement the FMA Memorandum of Understanding is \$32,100 in Fiscal Year 2004/05 and \$52,013 in Fiscal Year 2005/06.

**Recommended Action:**

Adopt Resolution No. 2005-49, a Resolution of the City Council of the City of Huntington Beach approving and implementing the Memorandum of Understanding between the City of Huntington Beach and the FMA for the term of January 1, 2005 through June 30, 2006.

**Alternative Action(s):**

Do not approve the Resolution for employees of the FMA and direct staff to either attempt to continue to meet and confer with the Association or utilize the impasse procedures under the City's Employer-Employee Relations Resolution.

F-1

# REQUEST FOR COUNCIL ACTION

MEETING DATE: August 1, 2005

DEPARTMENT ID NUMBER: AS-05-016

## Analysis:

Representatives of the City and the FMA have completed the meet and confer process with agreement on a new Memorandum of Understanding (MOU) for the period of January 1, 2005 through June 30, 2006. Proposed pay and benefit changes include the following:

## Salary

- 4% salary increase effective 1/1/05
- 4% salary increase effective 9/24/05

## Insurance Coverage

- City (employer) contribution to medical, dental, life and vision insurance premiums shall not increase for the term of the agreement
- Increase to dental (PPO) plan annual maximum benefit from \$1,000 to \$2,000
- Increase to Life and Accidental Death & Dismemberment (AD&D) Insurance coverage from \$45,000 to \$50,000

A summary of these and other negotiated provisions are included as Attachment #1.

Environmental Status: Not Applicable

## Attachment(s):

City Clerk's Page Number	No.	Description
3	1	Proposed Changes in Terms and Conditions of Employment between City of Huntington Beach and Huntington Beach Fire Management Association (FMA)
8	2	Resolution to Adopt Memorandum of Understanding between the City of Huntington Beach and the FMA for January 1, 2005 through June 30, 2006 <i>2005-49</i>
10	3	Legislative Draft - Memorandum of Understanding between the City of Huntington Beach and the FMA for January 1, 2005 through June 30, 2006
64	Exhibit A	Final Memorandum of Understanding between the City of Huntington Beach and the FMA for January 1, 2005 through June 30, 2006

RCA Author: Irma Youssefieh

*Attachment #3 on file in the City Clerk's Office*

*F-12*

F-1.3

**ATTACHMENT #1**

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**PROPOSED CHANGES IN TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN  
CITY OF HUNTINGTON BEACH AND FIRE MANAGEMENT ASSOCIATION (FMA)**

Proposed Changes in Terms and Conditions	FY 2004/2005 Estimated Cost a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	FY 2005/2006 Estimated Cost: a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Estimated Cost for Term of the Agreement a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Staff Comments
<b>Term</b> 1/1/05 – 6/30/06				18-month contract
<b>Wage Increase</b> 4% wage increase effective 1/01/05	a.) \$ 19,173 b.) \$ 11,067 c.) \$ 30,240		a.) \$ 19,173 b.) \$ 11,067 c.) \$ 30,240	Same wage increase as POA, HBFA, MEA, MEO and Non-Associated
4% wage increase effective 9/24/05		a.) \$ 32,979 b.) \$ 19,034 c.) \$ 52,013	a.) \$ 32,979 b.) \$ 19,034 c.) \$ 52,013	Same wage increase as POA, HBFA, MEA, MEO and Non-Associated
Salary Study to be completed on or before 2/1/06	N/C	N/C	N/C	Joint study to be conducted between the City and the FMA that compares total compensation. City is not obligated to take any action on the results.

\* Base salary is the cost of raising salary;  
 \*\* Salary driven costs are the additional costs associated with raising base salary, which include employer taxes, worker's compensation and retirement  
 \*\*\* Total estimated are costs are based upon cost information available in 2004/2005  
 N/C No measurable cost

11-1.4

**PROPOSED CHANGES IN TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN**

**CITY OF HUNTINGTON BEACH AND FIRE MANAGEMENT ASSOCIATION (FMA)**

7-1-05

Proposed Changes in Terms and Conditions	FY 2004/2005 Estimated Cost a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	FY 2005/2006 Estimated Cost: a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Estimated Cost for Term of the Agreement a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Staff Comments
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<b>Health &amp; Other Benefits</b>				
Dental annual maximum benefit increased \$1000 to \$2000	\$360	N/C	\$360	Benefit enhancement as provided for HBFA, POA, MEA, MEO and Non-Associated
Life and Accidental Death & Dismemberment insurance coverage increased from \$45,000 to \$50,000	\$1,500	N/C	\$1,500	Benefit enhancement as provided for HBFA, POA, MEA, MEO and Non-Associated
Coverage effective date changed from "first of the month following 30 days of employment" to "first of the month following date of hire". Employee contributions to be aligned with start and ending dates of employment.	N/C	N/C	N/C	Language clarification to conform to CalPERS medical coverage provisions.

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 \*\*\* Total estimated are costs are based upon cost information available in 2004/2005  
 N/C No measurable cost

**PROPOSED CHANGES IN TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN  
CITY OF HUNTINGTON BEACH AND FIRE MANAGEMENT ASSOCIATION (FMA)**

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<b>Contract Language Updates</b>				
Added provision on the reporting of uniform costs (uniforms provided by the City) as special compensation.	N/C	N/C	N/C	Reporting complies with CalPERS law, excludes personal protective equipment.
Bilingual pay is effective the first full pay period following certification	N/C	N/C	N/C	Documents current practice in MOU.
Allowance for cash-out on pay in lieu of compensatory time to "twice per calendar year" from "the months of December and April."	N/C	N/C	N/C	Provides administrative efficiency.

F-1.6

\* Base salary is the cost of raising salary;  
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 \*\*\* Total estimated are costs are based upon cost information available in 2004/2005  
 N/C No measurable cost

**PROPOSED CHANGES IN TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN  
CITY OF HUNTINGTON BEACH AND FIRE MANAGEMENT ASSOCIATION (FMA)**

11-17

Proposed Changes in Terms and Conditions	FY 2004/2005 Estimated Cost a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	FY 2005/2006 Estimated Cost: a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Estimated Cost for Term of the Agreement a.) Base Salary* b.) Salary Driven Costs** c.) Total Estimated Cost***	Staff Comments
Medical cash-out payable as compensation if IRS regulations do not allow deferred compensation or other pre-tax contribution.	N/C	N/C	N/C	Provides clarification for administration.
Retiree Medical Subsidy Plan	N/C	N/C	N/C	To reflect compliance with current program.
<b>Total Cost of Proposed Changes</b>	a.) \$ 19,173 b.) \$ 12,927 c.) \$ 32,100	a.) \$ 32,979 b.) \$ 19,034 c.) \$ 52,013	a.) \$ 52,152 b.) \$ 31,961 c.) \$ 84,113	

\* Base salary is the cost of raising salary;  
 \*\* Salary driven costs are the additional costs associated with raising base salary, which include employer taxes, worker's compensation and retirement  
 \*\*\* Total estimated are costs are based upon cost information available in 2004/2005  
 N/C No measurable cost

1/1/11  
1/1/11  
1/1/11

**ATTACHMENT #2**

F-1.8

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RESOLUTION NO. 2005-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
HUNTINGTON BEACH APPROVING AND IMPLEMENTING THE  
MEMORANDUM OF UNDERSTANDING BETWEEN THE  
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION (FMA)  
AND THE CITY OF HUNTINGTON BEACH FOR JANUARY 1, 2005  
THROUGH JUNE 30, 2006.

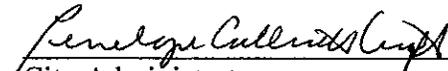
The City Council of the City of Huntington Beach does resolve as follows:

The Memorandum of Understanding between the City of Huntington Beach and the Huntington Beach Fire Management Association ("HBFMA"), a copy of which is attached hereto as Exhibit A and by reference made a part hereof, is hereby approved and ordered implemented in accordance with the terms and conditions thereof; and the City Administrator is authorized to execute this Agreement. Such Memorandum of Understanding shall be effective for the term of January 1, 2005, through June 30, 2006.

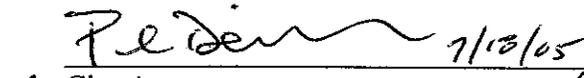
PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Mayor

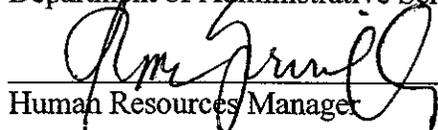
REVIEWED AND APPROVED:

  
City Administrator

APPROVED AS TO FORM:

 7/13/05  
City Attorney K.S. 7/18/05

INITIATED AND APPROVED:  
Department of Administrative Services

  
Human Resources Manager

F-19

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**EXHIBIT A**

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# **Memorandum of Understanding**

**Between**

**Huntington Beach  
Fire Management Association**

**And**

**City of Huntington Beach**

**January 1, 2005 – June 30, 2006**

F-1.65

**MEMORANDUM OF UNDERSTANDING  
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION  
TABLE OF CONTENTS**

---

**PREAMBLE** ..... 1

**ARTICLE I – TERM OF MOU** ..... 1

**ARTICLE II – REPRESENTATIONAL UNIT**..... 1

**ARTICLE III - SEVERABILITY** ..... 1

**ARTICLE IV – SALARY ACHEDULES AND RETIREMENT**..... 2

A. MONTHLY COMPENSATION .....2

    1. Wage Increases .....2

    2. Salary Study .....2

B. CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CALPERS) PICK-UP.....3

C. SELF FUNDED SUPPLEMENTAL RETIREMENT BENEFIT.....3

D. MEDICAL INSURANCE UPON RETIREMENT .....3

E. CALPERS ADDITIONAL BENEFITS .....4

F. DIRECT DEPOSIT .....4

**ARTICLE V – SPECIAL PAY**..... 4

A. EDUCATIONAL TUITION .....4

B. HOLIDAY PAY-IN-LIEU .....5

C. BILINGUAL SKILL PAY .....5

D. PROFESSIONAL ACHIEVEMENT AWARD .....6

**ARTICLE VI – UNIFORMS** ..... 6

A. WORK SCHEDULE .....6

B. COMPENSATORY PAY .....6

**ARTICLE VIII – HEALTH AND OTHER INSURANCE BENEFITS**..... 7

A. HEALTH .....7

    1. Effective Date of Coverage .....7

    2. California Public Employees’ Retirement System (CalPERS) Public Employees’ Medical and Hospital Care Act (PEMHCA) .....7

        a. PEMHCA Employer Contributions .....7

        b. Maximum Employer Contributions .....8

    3. Dental Insurance .....8

    4. Retiree (Annuitant) Coverage .....8

*F-1.66*

**MEMORANDUM OF UNDERSTANDING  
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION  
TABLE OF CONTENTS**

a. City Contribution (Unequal Contribution Method) for Retirees .....	9
b. Termination of Participation in the CalPERS PEMHCA Program – Impact to Retirees .....	9
5. Additional Costs for Participation in the PEMHCA Program .....	9
a. Retiree and/or Annuitant Coverage .....	9
b. Termination Clause .....	10
6. Medical Cash-Out .....	11
<b>B. SECTION 125 EMPLOYEE PLAN .....</b>	<b>10</b>
<b>C. LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT .....</b>	<b>11</b>
<b>D. LONG TERM DISABILITY INSURANCE .....</b>	<b>11</b>
<b>E. MISCELLANEOUS .....</b>	<b>11</b>
1. City Paid Premiums While on Medical Disability .....	11
2. Insurance and Benefits Advisory Committee .....	11
3. Health Plan Over-Payments .....	12
a. Reduction of Employee's Bi-Weekly Salary Warrant .....	12
b. Notice of Ineligible Dependents .....	12
c. Twelve Month Recovery Period .....	12
<b>ARTICLE IX LEAVE BENEFITS .....</b>	<b>12</b>
<b>A. GENERAL LEAVE .....</b>	<b>12</b>
1. Accrual .....	12
2. Eligibility and Approval .....	13
3. Conversion to Cash .....	13
4. Family Sick Leave .....	13
<b>B. SICK LEAVE .....</b>	<b>14</b>
1. Accrual .....	14
2. Credit .....	14
3. Usage .....	14
4. Family Sick Leave .....	14
5. Pay Off At Termination .....	14
<b>C. BEREAVEMENT LEAVE .....</b>	<b>15</b>
<b>D. FAMILY LEAVE .....</b>	<b>16</b>
<b>ARTICLE X – CITY RULES .....</b>	<b>16</b>
<b>A. PERSONNEL RULES .....</b>	<b>16</b>
1. Rule 5 – Recruitment and Examination Procedure .....	16
a. 5-4 Order of Certification .....	16
b. 5-14 Promotional Exams .....	17
2. Rule 7 – Discipline .....	17
a. 7-2 Causes for Discipline .....	17
3. Rule 8 – Termination .....	17

F-1.67

**MEMORANDUM OF UNDERSTANDING  
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION  
TABLE OF CONTENTS**

---

a.	8-1 Medical Examination. Evaluation of Employee's Work Capacity, Demotion, Transfer or Termination of Appointment.....	17
b.	8-3 Layoff in Accordance with Length of Service .....	18
c.	8-11 Re-Employment.....	18
4.	Rule 12 Classification Plan .....	18
a.	12-10 Temporary Employees .....	18
5.	Rule 14 – Additional Pay and Pay Adjustments.....	19
a.	14-6 – Salary Advancements to Meet Recruiting Problems or to Give Credit for Prior Service. Application for Other Advancements .....	19
6.	Rule 18 – Attendance and Leaves .....	19
a.	18-16 – Industrial Accident Leave .....	19
b.	18-19 – Maternity Leave .....	21
c.	18-20 0 Leave of Absence without Pay .....	21
7.	Rule 19 – Grievance Procedure Non-Disciplinary Matters .....	21
a.	19-5 – Grievance Procedure .....	21
8.	Rule 20 – Disciplinary Procedure and Appeal.....	22
a.	20-1 – Purpose .....	22
b.	20-2 – Disciplinary Procedures.....	22
c.	20-3 – Appeal to Personnel Commission .....	23
d.	20-4 – Supplemental Hearing by Personnel Board .....	23
e.	20-5 – Employee Status on Pending Appeal.....	24
9.	Rule 21 – Grievance Procedures – General .....	24
a.	21-7 - Hearing Officer .....	24
b.	21-12 – Time. Extension of .....	24
c.	21-13, Time Extension of, Grievances .....	24
<b>B.</b>	<b>RULES GOVERNING LAYOFF, REDUCTION IN LIEU OF LAYOFF AND RE-EMPLOYMENT .....</b>	<b>24</b>
1.	Part 1 – Layoff Procedure .....	24
a.	General Provisions .....	24
b.	Service Credit .....	25
c.	Transfer or Reduction to Vacancies in Lieu of Layoff.....	25
2.	Order of Layoff .....	26
3.	Notification of Employees .....	27
4.	Part 2 – Bumping Rights .....	28
a.	Voluntary Reduction or Bumping in Lieu of Layoff .....	28
b.	Reinstatement/Re-employment Lists .....	28
c.	Qualifications Appeal .....	28
d.	Qualifications Appeal Hearing .....	29
5.	Part 3 – Re-employment .....	29
a.	Re-employment .....	29
b.	Status on Re-employment .....	30
	<b>ARTICLE XI – MISCELLANEOUS .....</b>	<b>30</b>

**F-1.68**

**MEMORANDUM OF UNDERSTANDING  
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION  
TABLE OF CONTENTS**

---

A. VEHICLE POLICY .....	30
B. DEFERRED COMPENSATION LOAN PROGRAM .....	31
C. ASSOCIATION BUSINESS .....	31
<b>ARTICLE XII – CITY COUNCIL APPROVAL .....</b>	<b>32</b>
<b>EXHIBIT A – SALARY SCHEDULE .....</b>	<b>34</b>
<b>EXHIBIT B – SERVICE CREDIT SUBSIDY .....</b>	<b>36</b>
<b>EXHIBIT C – DELTA CARE (PMI) DENTAL PLAN.....</b>	<b>40</b>
<b>EXHIBIT D – DELTA DENTAL – DENTAL PLAN .....</b>	<b>41</b>
<b>EXHIBIT E – VISION SERVICE PLAN .....</b>	<b>42</b>

F-1.69

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**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF HUNTINGTON BEACH, CALIFORNIA  
(Herein Called CITY)  
AND  
THE HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION  
(Hereinafter Called ASSOCIATION)**

**PREAMBLE**

**WHEREAS**, the designated representative of the City of Huntington Beach and the Huntington Beach Fire Management Association have met and conferred in good faith with respect to salaries, benefits and other terms and conditions of employment for the employees represented by the Association;

Except as expressly provided herein, the adoption of this Memorandum of Understanding (MOU) shall not change existing terms and conditions of employment, which have been established for the classifications represented by the Huntington Beach Fire Management Association.

**NOW THEREFORE**, this Memorandum of Understanding is made to become effective January 1, 2005 and it is agreed as follows:

**ARTICLE I – TERM OF MOU**

This Agreement shall be in effect for a period of eighteen (18) months commencing January 1, 2005 and ending at midnight on June 30, 2006.

**ARTICLE II – REPRESENTATIONAL UNIT**

It is recognized that the Huntington Beach Fire Management Association is the employee organization which has the right to meet and confer in good faith with the City on behalf of represented employees of the Huntington Beach Fire Department within the classification titles of Fire Division Chief and Fire Battalion Chief as outlined in Exhibit A attached hereto and incorporated herein.

**ARTICLE III – SEVERABILITY**

If any section, subsection, sentence, clause, phrase or portion of this MOU or any additions or amendments thereof, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall affect the validity of the remaining portions of this resolution or its application to other persons. The City Council hereby declares that it would have adopted this MOU and each section, subsection, sentence, clause, phrase or portion, and any additions or amendments thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions, or the application thereof to any person, be declared invalid or unconstitutional.

# FIRE MANAGEMENT ASSOCIATION

## ARTICLE IV – SALARY SCHEDULES AND RETIREMENT

### A. Monthly Compensation

Employees shall be compensated at hourly rates by job code and pay grade during the term of this Agreement as set out in Exhibit A attached hereto and incorporated herein unless expressly provided for in other Articles of this Memorandum of Understanding.

#### 1. Wage Increases

- a. Effective January 1, 2005, all bargaining unit employees shall receive a 4% (four percent) wage increase.
- b. Effective September 24, 2005, all bargaining unit employees shall receive a 4% (four percent) wage increase.

#### 2. Salary Study

On or before February 1, 2006, representatives of the parties will conduct a joint study that compares the total compensation, as defined below, of classifications in the unit to the total compensation of comparable employees working for the Fire Departments described below, provided that those agencies may be altered by mutual agreement of the parties. The parties shall make every effort to complete the study on or before March 31, 2006. The City shall have no obligation to take any action regarding the compensation of employees covered by this Agreement based upon the results of that study.

The ingredients of compensation used for comparison purposes shall be those in effect at the time of the study, except that, where the parties have identified increases to become effective by the end of the first pay period in July 1, 2006, the increased levels of compensation shall be used. The following ingredients of total compensation shall be considered, along with any others mutually agreed upon by the parties: base salary, the value of employer payments of required employee retirement contributions, the value of employer contributions towards the payment of premiums for medical, dental, vision and long-term disability insurance, the maximum amount of specialty pays (i.e., assignment bonuses) that any one employee is capable of earning, the maximum longevity payment, the maximum educational incentive bonus, the maximum certification pay, the value of the maximum leave accruals and the value of any enhanced retirement formulas.

The parties shall make every effort to agree upon the methodology of calculating the value of these ingredients. As part of that process, the parties may agree to remove and/or add other ingredients of pay to the definition of total compensation.

F-1.71

# FIRE MANAGEMENT ASSOCIATION

The Fire Departments that will be used for comparative purposes, unless changed by mutual agreement of the parties, are as follows: Orange County Fire Authority, Santa Ana Fire Department, Anaheim Fire Department, Costa Mesa Fire Department, Torrance Fire Department, Los Angeles County Fire Department, Fountain Valley Fire Department, Newport Beach Fire Department, Glendale Fire Department, Los Angeles City Fire Department, and Long Beach Fire Department.

## B. California Public Employees' Retirement System (CalPERS) Pick-up

Each employee covered by this Agreement shall be reimbursed bi-weekly in an amount equal to 9% of the employee's base salary and special pay as a pickup of the employee's contribution, or portion of such contribution, to the CalPERS. The above CalPERS pickup is not base salary but is done pursuant to Section 414(h)(2) of the Internal Revenue Code.

## C. Self Funded Supplemental Retirement Benefit

Employees hired prior to August 17, 1998 are eligible for the Self Funded Supplemental Retirement Benefit, which provides that:

1. In the event a member elects Option #2 (Section 21456) or Option #3 (Section 21457) of the Public Employees' Retirement Law, the City shall pay the difference between such elected option and the unmodified allowance which the member would have received for his or her life alone. This payment shall be made only to the member, shall be payable by the City during the life of the member, and upon that member's death, the City obligation shall cease. The method of funding this benefit shall be at the sole discretion of the City. This benefit is vested for employees covered by this agreement. (Note: The options provide that the allowance is payable to the member until his or her death and then either the entire allowance (Option #2) or one-half of the allowance (Option #3) is paid to the beneficiary for life).
2. Employees hired on or after August 17, 1998 shall not be eligible for this benefit.

## D. Medical Insurance Upon Retirement

As required by the Government Code, while the City is contracted with CalPERS to participate in the Public Employees' Medical and Hospital Care Act (PEMHCA) program, retired employees (annuitants) shall have available the ability to participate in the PEMHCA program. CalPERS shall be the sole determiner of eligibility for retiree (annuitant) to participate in the PEMHCA program.

The City's requirement to provide retirees (annuitants) medical coverage is solely governed by the Government Code requirement that PEMHCA agencies extend this benefit to retirees (annuitants). If by agreement between the association and the City or if the City elects to impose termination of its participation in the

## FIRE MANAGEMENT ASSOCIATION

PEMHCA program, retirees (annuitants) shall no longer be eligible for City provided medical insurance.

In the event that the City terminates its participation in the PEMHCA program, the retiree medical subsidy program in place in Resolution No. 2002-120 Exhibit B to the Memorandum of Understanding shall be reinstated. The City shall make any necessary modifications to conform to the new City sponsored medical insurance plan.

### E. CalPERS Additional Benefits

1. The City shall provide all safety employees with the retirement program commonly known and described as the "3% at age 50 plan" which is based on the retirement formula as set forth in the CalPERS, Section 21362.2 of the California Government Code, including the one-half continuance option (Government Code Sections 21263 and 21263.1) for safety employees and the Fourth Level of the 1959 survivor option for all employees as established by the CalPERS, Section 21382 of the California Government Code.
2. The City shall continue to contract with CalPERS to have retirement benefits calculated based upon the employee's highest one year's compensation, pursuant to the provisions of Section 20042 (highest single year).
3. The obligations of the City and the retirement rights of employees as provided in this Article shall survive the term of this MOU
4. Employees shall be covered by the Pre-Retirement Optional Settlement 2 Death Benefit as provided in Government Code Section 21548

### F. Direct Deposit

All unit employees shall be required to utilize direct deposit of payroll checks.

## ARTICLE V – SPECIAL PAY

### A. Educational Tuition

1. Upon approval of the Department Head and the Human Resources Manager, permanent employees may be compensated for courses from accredited educational institutions. Tuition reimbursement shall be limited to job related courses or job related educational degree objectives and requires prior approval by the Department Head and the Human Resources Manager.
2. Education costs shall be reimbursed to permanent employees on the basis of a full refund for tuition, books, parking (if a required fee) and any other required fees upon presentation of receipts. However, the maximum reimbursement shall be not more than one thousand five hundred dollars (\$1,500) in any fiscal year period.

F-1.73

## FIRE MANAGEMENT ASSOCIATION

3. Reimbursements shall be made when the employee presents proof to the Human Resources Manager that he/she has successfully completed the course with a grade of "C" or better; or a "Pass" if taken for credit.

### B. Holiday Pay-In-Lieu

Employees shall be compensated by the City in lieu of the ten listed holidays at the rate of 3.0768 hours multiplied by the employee's hourly salary rate set forth in Exhibit A, payable each and every pay period. The following are the recognized legal holidays under this MOU:

1. New Year's Day (January 1)
2. Martin Luther King's Birthday (third Monday in January)
3. President's Day (third Monday in February)
4. Memorial Day (last Monday in May)
5. Independence Day (July 4)
6. Labor Day (first Monday in September)
7. Veteran's Day (November 11)
8. Thanksgiving Day (fourth Thursday in November)
9. Friday after Thanksgiving
10. Christmas Day (December 25)

Any day declared by the President of the United States to be a national holiday, or by the Governor of the State of California to be a state holiday, and adopted as an employee holiday by the City Council of Huntington Beach.

Holidays which fall on Sunday shall be observed the following Monday, and those falling on Saturday shall be observed the preceding Friday.

Employees designated by the Fire Chief who are required to work regular shifts on the above listed holidays as set forth in this Article, shall not be entitled to time off or overtime.

Subject to State Law and Regulations, compensation paid as a result of Article V.B. shall be reportable to PERS as compensation earnable.

### C. Bilingual Skill Pay

Permanent employees who are qualified to use Spanish, Vietnamese, or Sign Language skills shall be paid an additional five-percent (5%) of their basic hourly rate in addition to their regular bi-weekly salary. Permanent employees may accept assignments utilizing bilingual skills in other languages on a short-term assignment with approval by the City Administrator. Such employees shall receive the additional five percent (5%) for every bi-weekly pay period that the assignment is in effect. In order to be qualified for said compensation, employee's language proficiency will be tested and certified by the Human Resources Manager or designee. The special pay shall be effective the first full

## FIRE MANAGEMENT ASSOCIATION

pay period following certification as verified to the Department Head in writing by the Human Resources Manager or designee.

### D. Professional Achievement Award

Upon presenting a certificate of completion from the United States Fire Administration's National Fire Academy for the Executive Fire Officer Program to the Human Resources Manager, the employee will receive a one-time lump sum award of two thousand five hundred (\$2,500) dollars. The award shall be subject to all applicable state and federal taxes.

## ARTICLE VI – UNIFORMS

The City agrees to provide uniforms to employees on active duty who are required to wear uniforms. For each eligible employee, the City will report to the CalPERS the average annual cost of uniforms provided by the City as special compensation in accordance with Title 2, California Code of Regulations, Section 571(a)(5). For employees who are not actively employed for an entire payroll calendar year, a prorated cost of uniforms shall apply.

## ARTICLE VII – WORK SCHEDULE/COMPENSATORY PAY/TIME OFF

### A. Work Schedule

Employees assigned to suppression assignments shall work an average of fifty-six (56) hours per week pursuant to the current schedule of five (5) twenty-four (24) hour shifts in a fifteen (15) day period with six (6) consecutive days off. Total hours worked in a calendar year will equal 2912 hours.

Employees assigned to non-suppression staff assignments shall work four (4) days per week, ten (10) hours each day, meal times to be included during the ten hour shift. Total hours worked in a calendar year will equal 2080 hours.

### B. Compensatory Pay

1. Employees working suppression duties earn compensatory pay or compensatory time off, on an hour for hour basis, for hours worked in addition to their regular schedule, subject to the limitations contained in Article VII.B.3. below.
2. Employees shall work thirty-five (35) hours of non-suppression overtime in a calendar year before earning compensatory pay or compensatory time off on an hour for hour basis for hours worked in excess of their regular normal work schedule.
3. Compensatory Pay
  - a. Compensatory pay is paid at the 40-hour straight time rate for each hour.

F-1.75

**FIRE MANAGEMENT ASSOCIATION**

- b. Compensatory time earned can be converted to cash at the member's 40-hour straight time rate.
- c. Maximum accrual shall be 120 hours.

**ARTICLE VIII – HEALTH AND OTHER INSURANCE BENEFITS**

**A. Health**

The City shall continue to make available group medical, dental and vision benefits to all association employees.

**1. Effective Date of Coverage**

An employee and eligible dependent(s) shall become eligible to participate in the City's health insurance plans described herein. Effective the first of the month following the employee's date of hire, any required employee payroll deduction shall begin with the first full pay period following the effective date of coverage and shall continue through the end of the month in which the employee separates from employment. All employee contributions shall be deducted on a pre-tax basis.

**2. California Public Employees' Retirement System (CalPERS) Public Employees' Medical and Hospital Care Act (PEMHCA)**

The City presently contracts with CalPERS to provide medical coverage. The City is required under CalPERS PEMHCA to make a contribution to retiree medical premiums. A retiree's right to receive a City contribution, and the City's obligation to make payment on behalf of retirees, shall only exist as long as the City contracts with CalPERS for medical insurance, except as provided in Article VIII(4)(b). In addition, while the City is in CalPERS, its obligations to make payments on behalf of retirees shall be limited to the minimum payment required by law.

**a. PEMHCA Employer Contributions**

The City shall contribute on behalf of each employee, the following sum per month toward the payment of premiums for medical insurance under the PEMHCA program. If the mandated minimum is increased from these figures, the City shall make the appropriate adjustments by decreasing its cafeteria contribution.

<b>Calendar Year</b>	<b>Monthly Amount</b>
2004	\$32.20
2005	\$48.40
2006	\$64.60

F-1.76

# FIRE MANAGEMENT ASSOCIATION

## b. Maximum Employer Contributions

For the term of this agreement, the City's maximum monthly employer contribution for each employee's health and other insurance premiums are set forth in the charts below. The amounts listed below include the mandated PEMHCA contribution.

	PERS BS HMO	PERSCARE	PERSCHOICE	PORAC	PERS KAISER	Delta Dental (PPO)	Delta Dental (HMO)	VSP Vision
EE	\$274.03	\$373.77	\$373.77	\$373.77	\$274.03	\$42.88	\$23.00	\$17.58
EE + 1	555.51	702.25	702.25	702.25	555.51	81.82	39.11	17.58
EE + 2 or more	720.18	851.34	851.34	851.34	720.18	116.36	59.81	17.58

The employee shall not be entitled to the difference between the employer contribution and the premiums for insurance plan(s) selected by the employee. The City "caps" its contributions toward monthly group medical, dental and vision plan premiums, by category (EE, EE + 1, and EE + 2 or more) and plan as stated in the table above for the term of this agreement, even if premiums increase. Employee contributions shall be made by payroll deductions on a pre-tax basis.

### 3. Dental Insurance

Beginning January 1, 2005, the annual maximum benefit for the Delta Dental PPO plan will increase from \$1000 to \$2000.

### 4. Retiree (Annuitant) Coverage

As required by the Government Code retired employees (annuitants) shall have available the ability to participate in the PEMHCA program. The City's requirement to provide retirees and/or annuitants medical coverage is solely governed by the Government Code requirement to extend this benefit to retirees (annuitants). While the City is contracted with CalPERS to participate in the PEMHCA program, CalPERS shall be the sole determiner of eligibility for retiree and/or annuitant to participate in the PEMHCA program.

F-1.77

# FIRE MANAGEMENT ASSOCIATION

## a. City Contribution (Unequal Contribution Method) for Retirees

As allowed by the Government Code and the CalPERS Board, and requested by the Association, the City shall use the Unequal Contribution Method to make City contributions on behalf of each retiree or annuitant. The following is an example of the sum per month toward the payment of premiums for medical insurance under the PEMHCA medical insurance program for a retiree or annuitant. The City shall make these payments only while the City is a participant in the PEMHCA program.

Calendar Year	Monthly Amount
2004	\$1.00
2005	\$3.42
2006	\$6.65

## b. Termination of Participation in the CalPERS PEMHCA program – Impact to Retirees

The City's requirement to provide retirees (annuitants) medical coverage is solely governed by the Government Code requirement that PEMHCA agencies extend this benefit to retirees (annuitants). If by agreement between the Association and the City or if the City elects to impose termination of its participation in the PEMHCA program, retirees (annuitants) shall no longer be eligible for City provided medical insurance.

In the event that the City terminates its participation in the PEMHCA program, the retiree medical subsidy program in place per Resolution No. 2002-120, Exhibit B, to the Memorandum of Understanding shall be reinstated. The City shall make any necessary modifications to conform to the new City sponsored medical insurance plan.

## 5. Additional Costs for Participation in the PEMHCA Program

### a. Retiree and/or Annuitant Coverage

The Association shall pay to the City an amount equal to \$1.00 per month for each additional retiree and/or annuitant in the bargaining unit who elects to participate in the PEMHCA plan but is not participating in the City sponsored retiree medical program as of the beginning of a pay period after the PEMHCA program is in place.

Each January 1<sup>st</sup> the amount per month paid to the City for each retiree and/or annuitant described above shall increase by the amount PEMHCA requires the City to pay on behalf of each retiree (annuitant). Article VIII(A)(4)(a) above provides an example of expected payments per retiree or annuitant per month.

F-1.78

## FIRE MANAGEMENT ASSOCIATION

In the event of passage of state legislation, judicial rulings, or CalPERS board actions that increases the mandatory minimum monthly contribution for retirees (annuitants), the Association shall pay an equal amount to the City.

Payments shall be made the first of the month (following implementation). If the Association fails to make timely payments for two consecutive months, the City shall implement a decrease in the supplemental benefit contribution to health insurance for each unit employee by an amount equal to the total increased cost paid by the City. (For example, if the increased cost for retirees equals \$6,000 per year, the monthly supplemental benefit for each employee will be decreased as follows: \$6,000 divided by twelve (months) = \$500, which is then divided by the number of employees receiving supplemental benefits).

### b. Termination Clause

The City and Association may each request termination of the City's contract with CalPERS after the announcement of state legislation, judicial rulings, or a CalPERS board action that changes the employer's contribution, insurance premiums or program changes to the CalPERS medical plan.

The City and Association may elect to terminate its participation in the CalPERS PEMHCA program by mutual agreement through the meet and confer process between the Association and the City.

### 6. Medical Cash-Out

If an employee is covered by a medical program outside of a City-provided program (evidence of which must be supplied to the Human Resource Office), they may elect to discontinue City medical coverage and receive ninety two dollars and thirty-one cents (\$92.31) bi-weekly to deposit into their Deferred Compensation account or any other pre-tax program offered by the City, so long as the contribution is in accordance with applicable Internal Revenue Service (IRS) code or regulations. If the pre-tax contribution is not permitted by any applicable IRS code or regulation, an equivalent payment will be made payable as compensation on a bi-weekly basis and shall be taxable. An employee may also elect to discontinue vision coverage. The employee premium paid for vision coverage will be applied toward medical premium.

### B. Section 125 Employee Plan

The City shall provide an Internal Revenue Code Section 125 employee plan that allows employees to use pre-tax salary to pay for regular childcare, adult dependent care and/or medical expenses as determined by the Internal Revenue Code.

F-1.79

# FIRE MANAGEMENT ASSOCIATION

## C. Life and Accidental Death and Dismemberment

Each employee shall be provided with \$50,000 life insurance and \$50,000 accidental death and dismemberment insurance paid for by the City. Each employee shall have the option, at his or her own expense, to purchase additional amounts of life insurance and accidental death and dismemberment insurance to the extent provided by the City's current providers. Evidence of insurability is contingent upon total participation in additional amounts.

## D. Long Term Disability Insurance

This program provides, for each incident of illness or injury, a waiting period of thirty (30) calendar days, during which the employee may use accumulated sick leave, general leave, or the employee may elect to be in a non-pay status. Subsequent to the thirty (30) day waiting period, the employee will be covered by an insurance plan paid for by the City, providing 66 2/3 percent of the first \$12,500 of the employee's basic monthly earnings.

The maximum benefit period for disability due to accident or sickness shall be to age 65.

Days and months refer to calendar days and months. Benefits under the plan are integrated with sick leave, Worker's Compensation, Social Security and other non-private program benefits to which the employee may be entitled. Disability is defined as: "The inability to perform all of the duties of regular occupation during two years, and thereafter the inability to engage in any employment or occupation, for which he is fitted by reason of education, training or experience." Rehabilitation benefits are provided in the event the individual, due to disability, must engage in another occupation. Survivor's benefit continues plan payment for three (3) months beyond death. A copy of the plan is on file in the Human Resources office.

## E. Miscellaneous

### 1. City Paid Premiums While on Medical Disability

When an employee is off work without pay for reason of medical disability, the City shall maintain the City paid employee's insurance premiums during the period the employee is in a non-pay status for the length of said leave, not to exceed twenty-four (24) months.

### 2. Insurance and Benefits Advisory Committee

The City and the Association agree to participate in a Citywide joint labor and management insurance and benefits advisory committee to discuss and study issues relating to insurance benefits available for employees.

F-1.80

# FIRE MANAGEMENT ASSOCIATION

## 3. Health Plan Over-Payments

Unit employees shall be responsible for accurately reporting the removal of ineligible dependents from health plan coverage. The City shall have the right to recover any premium paid by the City, on behalf of ineligible dependents. Recovery of such over-payments shall be made as follows:

### a. Reduction of Employee's Bi-Weekly Salary Warrant

The employee's bi-weekly salary warrant shall be reduced by one-half of the amount of the bi-weekly over-payment. Such reduction shall continue until the entire amount of the over-payment is recovered.

### b. Notice of Ineligible Dependents

The City shall use its best efforts to advise all unit employees of their obligation to report changes in the status of dependents, which affect their eligibility.

### c. Twelve Month Recovery Period

The City shall be entitled to recover a maximum of twelve (12) months of premium over-payments. Neither the employee nor the dependent shall be liable to the City other than as provided herein.

## ARTICLE IX - LEAVE BENEFITS

### A. General Leave

#### 1. Accrual

Employees accrue general leave at the accrual rates outlined below. General leave may be used for any purpose, including vacation, sick leave and personal leave. Employees shall accrue general leave at their appropriate assigned work schedule rate, either 40-hour or 56-hour workweek. In the event of a change in work schedules, which must be at the beginning of a pay period, payroll shall change the accrued general leave balance and accrual rate based on the new schedule using the conversion factor of .7143. Personnel who change from a fifty-six (56) hour schedule to a forty (40) hour schedule shall multiply the existing general leave by .7143. Personnel who change from a forty (40) hour schedule to a fifty-six (56) hour schedule shall divide their existing general leave by .7143.

F-1.81

# FIRE MANAGEMENT ASSOCIATION

Years of Service	General Leave Accrual 40-Hour Rate	General Leave Accrual 56-Hour Rate
First through Fourth Year	176 Hours	246.4 Hours
Fifth through Ninth Year	200 Hours	280.0 Hours
Tenth through Fourteenth Year	224 Hours	313.6 Hours
Fifteenth Year and Thereafter	256 Hours	358.4 Hours

## 2. Eligibility and Approval

General leave must be pre-approved; except for illness, injury or family sickness, which may require a physician's statement for approval. Accrued general leave may not be taken prior to six (6) months' service except for illness, injury or family sickness. General leave accrued time is to be computed from hiring date anniversary. Employees shall not be permitted to take general leave in excess of actual time earned. Employees on a 40-hour schedule shall not accrue general leave in excess of six hundred (600) hours, 56-hour employees shall not accrue general leave in excess of eight hundred and forty (840) hours. Employees may not use their general leave to advance their separation date on retirement or other separation from employment.

## 3. Conversion to Cash

Once during each fiscal year, each employee shall have the option to convert into a cash payment or deferred compensation up to a total of one hundred twenty (120) hours of earned general leave benefits. The employee shall give two (2) weeks advance notice of his/her desire to exercise such option.

## 4. Family Sick Leave

As required by law, employees will be allowed to use up to one-half of their annual General Leave accrual for family sick leave, pursuant to the provisions of California Labor Code Section 233.

The City will provide family and medical care leave for eligible employees that meet all requirements of State and Federal law. Rights and obligations are set forth in the Department of Labor Regulations implementing the Family Medical Leave Act (FMLA), and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act (CFRA).

F-1.82

# FIRE MANAGEMENT ASSOCIATION

## B. Sick Leave

### 1. Accrual

No employee shall accrue sick leave.

### 2. Credit

Employees assigned to FMA shall carry forward their sick leave balance and shall no longer accrue sick leave credit.

### 3. Usage

Employees may use accrued sick leave for the same purposes for which it was used prior to the employee's assignment to FMA.

### 4. Family Sick Leave

The City will provide family and medical care leave for eligible employees that meet all requirements of State and Federal law. Rights and obligations are set forth in the Department of Labor Regulations implementing the Family Medical Leave Act (FMLA), and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act (CFRA).

### 5. Pay Off At Termination

- a. Employees covered by this agreement and on the payroll on November 20, 1978 shall be entitled to the following sick leave payoff plan:

At involuntary termination by reason of industrial or non-industrial disability, or by death, or by retirement, employees shall be compensated at their then current rate of pay for seventy-five percent (75%) of all unused sick leave accumulated as of July 1, 1972, plus fifty percent (50%) of unused sick leave accumulated subsequent to July 1, 1972, up to a maximum of 720 hours of unused, accumulated sick leave, except as provided in paragraph 4 below.

Upon termination for any other reason, employees shall be compensated at their current 40-hour equivalent rate of pay for fifty percent (50%) of all unused, accumulated sick leave. The maximum number of hours paid off at termination will be a total of 720 hours.

F-1,83

# FIRE MANAGEMENT ASSOCIATION

## Example:

Employee has 1920 hours of accrued sick leave. 1920 hours multiplied by 50% equals 960 hours. Maximum pay off is 720 hours. Pay off equals 720 hours multiplied by the employee's current 40-hour equivalent pay rate.

- b. Employees hired after November 20, 1978 shall be entitled to the following sick leave payoff plan:

Upon termination, all employees shall be paid, at their then current 40-hour equivalent rate, for twenty-five percent (25%) of unused, earned sick leave to 480 hours accrued, and for thirty-five percent (35%) of all unused, earned sick leave in excess of 480 hours, but not to exceed 720 hours, except as provided in paragraph 4 below.

- c. Except as provided in paragraph 4 below, no employee shall be paid at termination for more than 720 hours of unused, accumulated sick leave. However, employees may utilize accumulated sick leave on the basis of "last in, first out" meaning that sick leave accumulated in excess of the maximum for payoff may be utilized first for sick leave, as defined in Personnel Rule 18-8.
- d. Employees who had unused, accumulated sick leave in excess of 720 hours as of July 5, 1980, shall be compensated for such excess sick leave remaining on termination under the formulas described in paragraphs 1 and 2 above. In no event shall any employee be compensated upon termination for any accumulated sick leave in excess of the "cap" established by this paragraph (i.e., 720 hours plus the amount over 720 hours existing on July 5, 1980). Employees may continue to utilize sick leave accrued after that date in excess of such "cap" on a "last in, first out" basis.
- e. To the extent that any "capped" amount of excess sick leave over 720 hours is utilized, the maximum compensable amount shall be correspondingly reduced. (Example: Employee had 1,000 hours accumulated. Six months after July 5, 1980, employee has accumulated another 48 hours. Employee is then sick for 120 hours. Employee's maximum sick leave "cap" for compensation at termination is now reduced by 72 hours to 928 hours.)

## C. Bereavement Leave

Employees shall be entitled to bereavement leave not to exceed thirty (30) work hours in each instance of death in the immediate family. Immediate family is defined as father, mother, sister, brother, spouse, children, grandfather,

# FIRE MANAGEMENT ASSOCIATION

grandmother, stepfather, stepmother, step grandfather, step grandmother, grandchildren, stepsisters, stepbrothers, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepchildren, or wards of which the employee is the legal guardian.

Employees assigned to suppression assignments "56-hour workweek" shall be entitled to bereavement leave not to exceed forty-eight (48) work hours in each instance of death in the immediate family, as defined above.

## D. Family Leave

The City will provide family and medical care leave for eligible employees that meet all requirements of State and Federal law. Rights and obligations are set forth in the Department of Labor Regulations implementing the Family Medical Leave Act (FMLA), and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act (CFRA).

## ARTICLE X – CITY RULES

### A. Personnel Rules

The City and the Association agree to implement the following rules and accordingly revise the Personnel Rules as described herein:

#### 1. Rule 5 – Recruitment and Examination Procedure

##### a. 5-4 – Order of Certification

Whenever certification is to be made, the eligibility lists, if active and not exhausted shall be used in the following order

- 1) Re-employment list
- 2) Promotional list
- 3) Employment List

If fewer than five (5) names of persons willing to accept appointment are on the list from which certification is to be made, then additional eligibles shall be certified from the various lists next lower in order of preference until five (5) names are certified. If there are fewer than five (5) names on such lists, there shall be certified the number thereon. In such case, the appointing authority may demand certification of five (5) names and examinations shall be conducted until five (5) names may be certified. In the event the appointing authority does not choose to appoint from the five (5) names certified, a new examination may be requested. In the event another examination is conducted, those names shall be merged with others already on the list in order of scores.

F-1.85

# FIRE MANAGEMENT ASSOCIATION

## b. 5-14 – Promotional Exams

Promotional examinations may be conducted whenever, in the opinion of the Human Resources Manager, after consultation with the department head, the need of the service so requires; provided, however, a promotional examination may not be given unless there are two (2) or more candidates eligible. Only employees who meet the requirements for the vacant position may compete in promotional examinations. Promotional examinations may include any of the selection techniques, or any combination thereof, mentioned in Section 5-13. Additional factors including, but not limited to, performance rating and length of service may be considered. A promotional employment list shall be established after the administration of a promotional examination, and such list shall contain the name(s) of those that passed the examination.

## 2. Rule 7 – Discipline

### a. 7-2 – Causes for Discipline

- 12) Possession, use or sale of illegal narcotics or habit-forming drugs, while on-duty or on City property.
- 14) Conviction of any felony or a misdemeanor with a job nexus. A plea or verdict of guilt, or a conviction following a plea of nolo contendere, is deemed to be a conviction within the meaning of this section.
- 15) Participating in an unlawful strike, work stoppage, slowdown, or using or attempting to use sick leave to accomplish the same purpose as a strike, work stoppage, or slowdown.

## 3. Rule 8 – Termination

### a. 8-1 – Medical Examination. Evaluation of Employee's Work Capacity, Demotion, Transfer or Termination of Appointment

At any time a department head has reasonable cause to believe that an employee may not be able to perform the duties of his/her position for physical or psychological reasons, such department head shall consult with the Human Resources Manager regarding such belief. If the Human Resources Manager concurs, the department head may order the employee to submit to a medical or psychological examination. The employee shall be offered the opportunity, in writing, to select from a panel of three to five physicians or psychologists to conduct the examination. The cost of such examination shall be paid by the City and, to the extent practicable, shall be scheduled during the work hours with no loss of pay.

F-1.86

## FIRE MANAGEMENT ASSOCIATION

The department head shall review the medical or psychological report and shall consult with the Human Resources Manager regarding the physician's assessment of the employee's ability to perform the duties of his/her position. Any decision regarding such employee shall be made in accordance with the Americans with Disabilities Act.

Notwithstanding any other provision of this rule, an employee being evaluated for medical or psychological fitness to perform the duties of his/her position may apply for another position in the competitive service for which he/she has qualified. If such employee is qualified and can perform the duties of a lower paying vacant position for which he/she has applied, he/she will be placed in such position, without competitive examination, subject to the approval of the department head.

(The City and Association agree to meet biannually to discuss the 8-1 process).

b. 8-3 – Layoff in Accordance with Length of Service

The City and the Association agree that the first sentence in Personnel Rule 8-3 shall be modified to read as follows: Layoff shall be made in accordance with the relative length of the last period of continuous service of the employees in the class of layoff, provided, however, that no permanent employee shall be laid off until all temporary, acting and probationary employees in the competitive service holding positions in the same class are first laid off.

c. 8-11 – Re-Employment

With the approval of the Human Resources Manager, an employee who has resigned in good standing from the competitive service may be re-employed to his/her former position, if vacant, or to a vacant position in the same or comparable class within one (1) year from date of resignation in accordance with Rule 5-21. If such re-employment commences within ninety days of the effective date of resignation, the employee shall not be considered a new employee for vacation and seniority purposes.

4. Rule 12 – Classification Plan

a. 12-10 – Temporary Employees

Employment on a basis other than permanent or probationary to a permanently budgeted position not to exceed 1000 hours in any twelve (12) month period. Employees occupying temporary positions shall not be included in the competitive service and shall not be subject to these rules and regulations.

F-187

# FIRE MANAGEMENT ASSOCIATION

## 5. Rule 14 – Additional Pay and Pay Adjustments

### a. 14-6 – Salary Advancements to Meet Recruiting Problems or to Give Credit for Prior Service. Application for Other Advancements

The Department Head, through the Human Resources Manager and with the approval of the City Administrator may make an appointment at any step above the minimum salary rate to classes or positions in order to meet recruiting problems to obtain a person who has extraordinary qualifications, or to give credit for prior City service in connection with appointments, promotions, reinstatements, transfers, reclassifications, or demotions. Salary adjustments within the salary range for the class, other than merit salary adjustments authorized by Section 14-1, may be approved by the City Administrator, upon recommendation of the department head through the Human Resources Manager. Such recommendation shall include the reason(s) for the adjustment, whether the advancement is to be permanent or temporary, and an effective date.

## 6. Rule 18 – Attendance and Leaves

### a. 18-16 – Industrial Accident Leave

In the event a permanent employee, who is a miscellaneous member of the Public Employees' Retirement System (PERS), is temporarily totally disabled as a result of an injury or illness arising out of and in the course of employment and covered by the State of California Workers' Compensation Insurance and Safety Act, resulting light duty assignments due to the injury or illness or absences from work shall be considered Industrial Accident Leave as that term is defined by this rule.

A permanent employee eligible for Industrial Accident Leave shall receive compensation from the City in an amount equal to the employee's regular rate of salary during such period of temporary total disability. Benefits received under this rule shall be in lieu of statutory Workers' Compensation benefits. Industrial Accident Leave shall continue during all absences resulting from the injury or illness, including those absences attributable to doctor's appointments, therapy, or other follow-up medical visits, but in no case exceeding one year of accumulated absences attributable to the same injury or illness. In the event an employee is temporarily, totally disabled by coinciding qualifying injuries or illnesses, periods of absences shall be applied concurrently to all qualifying injuries or illnesses.

F-1,88

## FIRE MANAGEMENT ASSOCIATION

Industrial Accident Leave compensation shall begin on the first day an eligible employee is absent due to a qualifying injury or illness as defined above. Industrial accident Leave compensation will terminate on the earliest of the following:

- 1) The date upon which the injury or illness giving rise to eligibility for compensation under this rule is declared permanent and stationary by a treating or examining physician; or
- 2) The date PERS approves an application for disability retirement benefits filed by the employee or by the City; or
- 3) The employee receives thirty (30) days advance notice and refuses to submit to a medical examination ordered by PERS pursuant to Government Section 21154 or otherwise refuses to cooperate with PERS in determining whether the employee is incapacitated for the performance of duty; or
- 4) The employee receiving Industrial Accident Leave Compensation applies for service-connected retirement benefits; or
- 5) The employment of the affected employee is otherwise separated.

If an injured worker remains temporarily disabled after receiving one year of Industrial Accident Leave for accumulated absences or light duty work attributable to the same injury or illness, the employee will receive temporary total disability benefits as specified by the State of California Workers' Compensation Insurance and Safety Act. Any period of time during which an employee is absent from work by reason of injury or illness for which he or she is entitled to receive Industrial Accident Leave compensation will not constitute a break in continuous service for the purposes of salary adjustments, sick leave, vacation accruals, and length of service computation.

In the event an employee who is receiving or has received Industrial Accident Leave compensation makes a claim or initiates legal action against a third party for allegedly causing or contributing to the injury or illness resulting in the inability to work, the employee is required to notify in writing the City's Risk Management Division of the claim or commencement of such action within ten (10) days of the claim or such commencement. The City retains its rights of subrogation in all such instances.

F-1.89

# FIRE MANAGEMENT ASSOCIATION

## b. 18-19 – Maternity Leave

The City and the Association agree to modify the present Personnel Rule 18-19 Maternity Leave to read as follows: "A permanent employee shall be entitled to a leave of absence without pay due to inability to work due to pregnancy. The employee will be entitled to use available sick leave during this period. Said leave must be requested in writing from the Department Head and must include written notification from the employees physician stating the last day the employee may work and the estimated duration of leave. The employee must obtain written authorization to return to work from the attending physician. Said authorization must be filed with the Department Head and the Human Resources Manager."

## c. 18-20 – Leave of Absence without Pay

The City and the Association agree that the following sub-paragraph "C" shall be added to Personnel Rule 18-20. Leave of Absence without Pay: Leave of absence without pay, for medical disability reasons, shall be restricted to six (6) months.

## 7. Rule 19 – Grievance Procedure Non-Disciplinary Matters

### a. 19-5 Grievance Procedure

#### 1) Step 4 – City Administrator

If the grievance is not settled under Step 3, the grievance may be presented to the City Administrator in accordance with the following procedure: Within fifteen (15) days after the time the decision is rendered under Step 3 above, a written statement of the grievance shall be filed with the Human Resources Manager who shall act as hearing officer and shall set the matter for hearing within fifteen (15) days thereafter and shall cause notice to be served upon all interested parties. The Human Resources Manager, or his representative, shall hear the matter de novo and shall make recommended findings, conclusions and decision in the form of a written report and recommendation to the City Administrator within five (5) days following such hearing. The City Administrator may, in his discretion, receive additional evidence or argument by setting the matter for hearing within ten (10) days following his receipt of such report and causing notice of such hearing to be served upon all interested parties.

Within five (5) days after receipt of report, or the hearing provided for above, if such hearing is set by the City Administrator, the City Administrator shall make written decision and cause such to be served upon the employee or employee organization and the Human Resources Manager.

F-1.90

# FIRE MANAGEMENT ASSOCIATION

## 2) Step 5 – Personnel Board Hearing

Hearing. As soon as practicable thereafter, the Human Resources Manager shall set the matter for hearing before a hearing officer either selected by mutual consent of the parties or from a list provided by the Personnel Commission. Ratification of the hearing officer selected by mutual consent of the parties, if from a list approved by the Personnel Commission, shall not require separate approval or ratification by the Personnel Commission. The hearing officer shall hear the case and make recommended findings, conclusions and decision in the form of a written report and recommendation to the Personnel Commission. In lieu of the hearing officer process, the Personnel Commission may agree to hear a case directly upon submission of the case by mutual consent of the parties.

## 8. Rule 20 – Disciplinary Procedure and Appeal

### a. 20-1 – Purpose

The purpose of this rule is to provide a procedure for recommending and imposing discipline against City employees, and a means by which an employees may administratively appeal any such disciplinary action.

### b. 20-2 – Disciplinary Procedures

#### 1) Notice of Proposed Adverse Action

For disciplinary demotions, suspensions or dismissals, an employee shall be served a written Notice of Proposed Adverse Action by the employee's department head, or his/her designee, or by certified mail, prior to the proposed disciplinary action taking effect. The notice shall state the reasons for and charges upon which the proposed action is based, and the effective date of the action the right to respond and the employer's right to representation. A copy of all materials upon which the proposed action is based shall be attached to the notice.

#### 2) Employee's Right to Respond

The employee shall be given a minimum of ten (10) calendar days to respond orally and/or in writing to the charges upon which the proposed action is based. The employee's response shall be made to and/or before his/her department head.

F-191

## FIRE MANAGEMENT ASSOCIATION

### 3) Time Off

The employee shall be given reasonable time off with pay to attend disciplinary meetings.

### 4) Final Notice of Decision

After an employee has responded to or waived his/her right to respond to the proposed adverse action, the employee shall be served with a final Notice of Decision from his/her department head. The final written Notice of Decision shall state whether or not the proposed action shall be taken or modified, and the reasons therefore and effective date of the action.

### c. 20-3 – Appeal to Personnel Commission

Disciplinary action involving the termination, suspension, demotion or other reduction in pay may be appealed to the Personnel Commission for de novo hearing and final determination in accordance with the following procedure:

#### 1) Request for Appeal

Within five (5) days after the employee's receipt of a final Notice of Discipline, a written request for an appeal to the Personnel Commission shall be submitted to the Human Resources Manager.

#### 2) Hearing

As soon as practicable thereafter, the Human Resources Manager shall set the matter for hearing before a hearing officer. The hearing officer shall hear the case without the Board and shall make recommended findings, conclusions and decision in the form of a written report and recommendation to the Board.

#### 3) Final Decision

The Board shall consider the written report and recommendations of the hearing officer and after due deliberation in executive session, shall render a decision in the matter which shall be final and binding on all parties, and from which there shall be no further appeal.

### d. 20-4 – Supplemental Hearing by Personnel Board

- F-1.92
- 1) The Board may, in its sole discretion, after it has received the written report and recommendation of the hearing officer, set

## FIRE MANAGEMENT ASSOCIATION

the matter for private hearing for the purpose of receiving additional evidence or argument. In the event the Board sets a private hearing for such purposes, the Human Resources Manager shall give written notice to all parties concerned in such matter.

- 2) The Board, following a consideration of the hearing officer's written report and recommendation and deliberation thereon and any supplemental hearing before the Board, shall make findings, conclusions and decisions which shall be final and binding on all parties and from which there shall be no further appeal.

e. 20-5 – Employee Status on Pending Appeal

Notwithstanding the provisions of Rule 7, Section 7-4 (Suspension with Pay), the disciplinary action an appeal to the Personnel Commission.

9. Rule 21 – Grievance Procedures – General

a. 21-7 Hearing Officer

The hearing officer provided for in Rules 19 and 20 shall be from a list provided by the Personnel Commission or one selected by mutual consent of the parties.

b. 21-12 Time. Extension of

The City and the employee, or employee organization may, by mutual consent, extend the time period within which an act must occur in the processing of grievances.

c. 21-13, Time Extension, Grievances

The City and the employee, or employee organization may, by mutual consent, extend the time periods within which an act must occur in the processing of grievances.

B. Rules Governing Layoff, Reduction in Lieu of Layoff and Re-Employment

1. Part 1 – Layoff Procedure

a. General Provisions

- 1) Whenever it is necessary, because of lack of work or funds to reduce the staff of a City department, employees may be laid off pursuant to these rules.

F-1.93

## FIRE MANAGEMENT ASSOCIATION

- 2) Whenever an employee is to be separated from the competitive service because the tasks assigned are to be eliminated or substantially changed due to management-initiated changes, including but not limited to automation or other technological changes, it is the policy of the City that steps be taken by the Personnel Division on an interdepartmental basis to assist such employee in locating, preparing to qualify for, and being placed in other positions in the competitive service. This shall not be construed as a restriction on the City government in effecting economies or in making organizational or other changes to increase efficiency.
- 3) A department shall reduce staff by identifying which positions within the department are to be eliminated.
- 4) The employee who has the least City-wide service credit in the class within the department shall have City-wide transfer rights in the class pursuant to Part 1, Section 3, Transfer or Reduction to Vacancies in Lieu of Layoffs, or within the occupational series pursuant to Part 2, Bumping Rights.
- 5) If a deadline within this procedure falls on a day that City Hall is closed, the deadline shall be the next day City Hall is open.

### b. Service Credit

- 1) Service credit means total time of full-time continuous service within the City at the time the layoff is initiated, including probation, paid leave or military leave. Permanent part-time employees earn service credit on a pro-rata basis.
- 2) Except as required by law, leaves of absence without pay shall not earn service credit.
- 3) As between two or more employees who have the same amount of service credit, the employee who has the least amount of service in class shall be deemed to be the least senior employee.

### c. Transfer or Reduction to Vacancies in Lieu of Layoff

1. In lieu of layoff, a transfer within class shall be offered to an employee(s) with the least amount of service credit in the class designated for staff reduction within a department subject to the following:
  - a) The employee has the necessary qualifications to perform the duties of the position.
  - b) The employee shall be given the opportunity, in order of service credit, to accept a transfer to a vacant position in the

F-1.94

## FIRE MANAGEMENT ASSOCIATION

same class within the City, provided the employee has the necessary qualifications to perform the duties of the position.

- c) If no position in the same class is vacant, the employee shall be given the opportunity, in order of service credit, to transfer to the position in the same class that is held by an incumbent in another department with the least amount of service credit whose position the employee has the necessary qualifications to perform.
- 2) If an employee(s) is not eligible for transfer within the employee's class, the employee shall be offered, in order of service credit, a reduction to a vacant position in the next lower class within the City in the occupational series in lieu of layoff provided the employee has the necessary qualifications to perform the duties of the position.
- 3) If the employee refuses to accept a transfer or reduction pursuant to A. or B., above, the employee shall be laid off.
- d. If the employee(s) in the class with the least amount of service credit is in the position(s) to be eliminated or displaced by transfer, the employee shall be offered bumping rights, pursuant to Part 2, Service Credit.
- e. Any employee who takes a reduction to a position in a lower class within the occupational series in lieu of layoff shall be placed on the reinstatement/reemployment list(s) pursuant to Part 3., Reemployment.

### 2. Order of Layoff

- a. Prior to implementing a layoff, vacant positions that are authorized to be filled shall be identified by City-wide occupational series. If the employee refuses to accept a position pursuant to Section 3., above, the employee shall be laid off.
- b. No promotional probationary employee or permanent employee within a class in the department shall be laid off until all temporary, nonpermanent part-time and non-promotional probationary employees in the class are laid off. Permanent employees whose positions have been eliminated may exercise City-wide bumping rights to a lower class in the occupational series pursuant to Part 2.
- c. When a position in a class and/or occupational series is eliminated, any employee in the class who is on authorized leave of absence or is holding a temporary acting position in another class shall be included for determining order of service credit and be subject to these layoff procedures as if the employee was in his or her permanent position.

F-1.95

# FIRE MANAGEMENT ASSOCIATION

## 3. Notification of Employees

- a. The Personnel Division shall give written notice of layoff to the employee by personal service or by sending it by certified mail to the last known mailing address at least fifteen (15) calendar days prior to the effective date of the layoff. Normally notices will be served on employees personally at work.
- b. Layoff notices may be initially issued to all employees who may be subject to layoff as a result of employees exercising voluntary reduction/bumping rights.
- c. The notice of layoff shall include the reason for the layoff, the effective date of the layoff, the employee's hire date and the employee's service credit ranking. The notice shall also include the employee's right to bump the person in a lower class with the least service credit within the occupational series provided the employee possesses the necessary qualifications to successfully perform the duties in the lower class and the employee has more service credit than the incumbent in the lower class.
- d. The written layoff notice given to an employee shall include notice that he or she has seven (7) calendar days from the date of personal service, or date of delivery of mail if certified, to notify the Human Resources Manager in writing if the employee intends to exercise the employee's bumping rights, if any, pursuant to Part 2, Bumping Rights.
- e. Whenever practicable, any employee with the least amount of service credit in a lower class within an occupational series which is identified for work force reduction shall also be given written notice that such employee may be bumped pursuant to Part 2. This notice shall include the items referred to in C., above.
- f. If an employee disagrees with the City's computation of service credit or listed date of hire, the employee shall notify the Human Resources Manager as soon as possible but in no case later than five (5) calendar days after the personal service or certified mail delivery. Disputes regarding date of hire or service credit shall be jointly reviewed by the Human Resources Manager and the employee and/or the employee's representative as soon as possible, but in no case later than five (5) calendar days from the date the employee notifies the Human Resources Manager of the dispute. Within five (5) calendar days after the dispute is reviewed, the employee shall be notified in writing of the decision.

F-1,96

# FIRE MANAGEMENT ASSOCIATION

## 4. Part 2 – Bumping Rights

### a. Voluntary Reduction or Bumping in Lieu of Layoff

- 1) A promotional probationary employee or permanent employee who receives a layoff notice may request a reduction to a position in a lower class within the occupational series provided the employee possesses the necessary qualifications to perform the duties of the position.
- 2) Employees electing reduction under A above, shall be reduced to a position authorized to be filled in a lower class within the employee's occupational series. The employee may reduce to a lower class in his/her occupational series by: 1) filling a vacancy in that class, or 2) if no vacancy exists, displacing the employee in the class with the least service credit whose position the employee has the necessary qualifications to perform. A displaced employee shall have bumping rights.
- 3) An employee who receives a layoff notice must exercise bumping rights within seven (7) calendar days of receipt of the notice as specified in Part 1. Failure to respond within the time limit shall result in a reputable presumption that the employee does not intend to exercise any right of reduction or bumping to a lower class. The employee must carry the burden of proof to show that the employee's failure to respond within the time limits was reasonable. If the employee establishes that failure to respond within the time limit was reasonable, to the Human Resources Manager's satisfaction, the employee shall be permitted to exercise bumping rights but shall not be reinstated to a paid position until the employee to be bumped has vacated the position. If the employee disagrees with the Human Resources Manager's decision, the employee may appeal pursuant to the provisions of Sections 3 and 4 below.

### b. Reinstatement/Re-employment Lists

Any employee who takes a reduction to a position in a lower class within the occupational series in lieu of layoff shall be placed on the reinstatement/re-employment list pursuant to Part 3, Re-employment.

### c. Qualifications Appeal

Any employee who is denied a reduction to a position in a lower class within the occupational series on the basis that the employee does not possess the necessary qualifications to successfully perform the duties of the lower position may appeal the decision. The appeal shall be filed with the Human Resources Manager within five (5) calendar days of the employee's receipt of written notice of the decision and

## FIRE MANAGEMENT ASSOCIATION

reason(s) for denial. The employee's appeal shall be in writing and shall include supporting facts or documents supporting the appeal.

### d. Qualifications Appeal Hearing

- 1) Upon receipt of an appeal, the Human Resources Manager shall contact a mediator from the California State Mediation and Conciliation Service to schedule a hearing within two (2) weeks after receipt of the appeal. If the California State Mediation and Conciliation Service is not available within that time frame, the parties shall mutually select a person who is available within the time frame. If the California State Mediation and Conciliation Service and the person mutually selected are not available within the time frame, the parties shall select the earliest date either is available to conduct the hearing. The parties shall split the cost, if any, of the hearing officer. In addition, the parties shall meet within three (3) workdays to attempt to resolve the dispute. If the dispute remains unresolved, the parties shall endeavor in good faith to submit to the hearing officer a statement of all agreed upon facts relevant to the hearing.
- 2) Appeal hearings shall be limited to two (2) hours, except as otherwise agreed by the parties or directed by the hearing officer.
- 3) The hearing officer shall attempt to resolve the dispute by mutual agreement if possible. If no agreement is reached, the hearing officer shall render a decision at the conclusion of the hearing which shall be final and binding.

### 5. Part 3 – Re-employment

#### a. Re-employment

- 1) Employees who are laid off or reduced to avoid layoff shall have their names placed upon a reemployment list, for each class in the occupational series, in seniority order at or below the level of the class from which laid off or reduced.
- 2) Names of persons placed on the reemployment lists shall remain on the list for two (2) years from the date of layoff or reduction.
- 3) Vacancies shall be filled from the reemployment list for a class, starting at the top of the list, providing that the person meets the necessary qualifications for the position.
- 4) Names of persons are to be removed from the reemployment list for a class if on two (2) occasions they decline an offer of employment or on two (2) occasions fail to respond to offers of employment in a particular class within five (5) calendar days of receipt of written notice of an offer. Any employee who is

F-1.98

## FIRE MANAGEMENT ASSOCIATION

dismissed from the City service for cause shall have his or her name removed from all re-employment lists.

- 5) Re-employment lists shall be available to FMA and affected employees upon reasonable request,
- 6) Qualification appeals involving reemployment rights shall be resolved in the same manner as that identified in Part 2., Section 4.

### b. Status on Re-employment

- 1) Persons re-employed from layoff within a two (2) year period from the date of layoff shall receive the following considerations and benefits:
  - a) Service credit held upon layoff shall be restored, but no credit shall be added for the period of layoff.
  - b) Prior service credit shall be counted toward sick leave and vacation accruals.
  - c) Employees may cash in sick leave upon layoff or at any time after layoff in the manner and amount set forth in existing Memoranda of Understanding for that employee's unit. Sick leave shall be paid to an employee when the reemployment list(s) expire(s), if not previously paid.
  - d) Upon reinstatement the employee may have his or her sick leave re-credited by repayment to the City the cashed amount. Sick leave accumulation of less than 480 hours shall be restored upon reemployment.
  - e) The employee shall be returned to the salary step of the classification held at the time of the layoff and credited with the time previously served at that step prior to being laid off.
  - f) The probationary status of the employee shall resume if incomplete.
- 2) Employees who have been reduced in class to avoid layoff and are returned within two (2) years to their former class shall be placed at the salary step of the class they held at the time of reduction and have their merit increase eligibility date recalculated.

## ARTICLE XI -- MISCELLANEOUS

### A. Vehicle Policy

1. Approval is required by the City Administrator or his designee for any City vehicle to be taken home by a FMA employee.

F-1.99

## FIRE MANAGEMENT ASSOCIATION

2. The auto allowance for qualifying employees shall be one hundred sixty-one dollars and fifty-three cents (\$161.53) bi-weekly.
3. The monthly automobile allowance shall not be reduced during the term of this agreement.
4. Eligibility for automobile allowance and the use of City vehicles shall be determined in accordance with the Administrative Regulation, Vehicle Use Policy and the City's Fleet Management Program.
5. Employees that are assigned a City vehicle must reside within 25 miles of the City's limits.

Employees that are assigned a City vehicle and who are assigned a pager for immediate call out shall be allowed to use the assigned vehicle for personal use within the City limits and/or within ten (10) miles of the employee's residence.

### B. Deferred Compensation Loan Program

Employees may borrow up to 50% of their deferred compensation funds for critical needs such as medical costs, college tuition, or purchase of a home, pursuant to program standards and regulations.

### C. Association Business

An allowance of fifty (50) hours per year shall be established for the purpose of allowing authorized representatives of the Association to represent employees in their employment relations.

F - 1,100

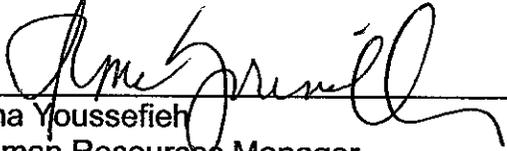
**FIRE MANAGEMENT ASSOCIATION**

**ARTICLE XII – CITY COUNCIL APPROVAL**

It is the understanding of the City and the Association that this Memorandum of Understanding is of no force or effect whatsoever unless and until adopted by Resolution of the City Council of the City of Huntington Beach.

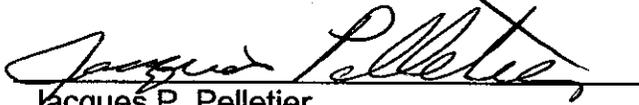
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this \_\_\_\_ day of \_\_\_\_\_, 2005.

**CITY OF HUNTINGTON BEACH**



Irma Youssefieh  
Human Resources Manager

**HUNTINGTON BEACH  
FIRE MANAGEMENT ASSOCIATION**



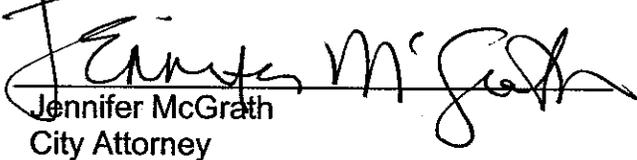
Jacques P. Pelletier  
FMA President

Penelope Culbreth-Graft  
City Administrator



William H. Reardon  
Bargaining Committee

APPROVED AS TO FORM:



Jennifer McGrath  
City Attorney

F-1.101

# FIRE MANAGEMENT ASSOCIATION

## FMA LIST OF MOU EXHIBITS

EXHIBITS	SUBJECT
A	Salary Schedule
B	Service Credit Subsidy
C	Delta Care (PMI) Dental Plan
D	Delta Dental – Dental Plan
E	Vision Service Plan

F-1.102

**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT A – SALARY SCHEDULE**

**4% Effective January 1, 2005  
(Monthly Rates)**

Job Code	Classification	Pay Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	591	\$7,205	\$7,602	\$8,020	\$8,460	\$8,925
0026	Fire Division Chief	623	\$8,451	\$8,916	\$9,406	\$9,923	\$10,469

**4% Effective January 1, 2005 (40 Hour)**

Job Code	Classification	Pay Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	591	\$41.57	\$43.86	\$46.27	\$48.81	\$51.49
0026	Fire Division Chief	623	\$48.76	\$51.44	\$54.27	\$57.25	\$60.40

**4% Effective January 1, 2005 (56 Hour)**

Job Code	Classification	Pay Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	591	\$29.69	\$31.33	\$33.05	\$34.86	\$36.78
0026	Fire Division Chief	623	\$34.83	\$36.74	\$38.77	\$40.89	\$43.14

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**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT A – SALARY SCHEDULE**

**4% Effective September 24, 2005  
(Monthly Rates)**

Job Code	Classification	Pay Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	599	\$7,497	\$7,910	\$8,346	\$8,805	\$9,289
0026	Fire Division Chief	631	\$8,795	\$9,279	\$9,788	\$10,326	\$10,895

**4% Effective September 24, 2005 (40 Hour)**

Job Code	Classification	Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	599	\$43.26	\$45.64	\$48.15	\$50.80	\$53.59
0026	Fire Division Chief	631	\$50.74	\$53.53	\$56.47	\$59.58	\$62.86

**4% Effective September 24, 2005 (56 Hour)**

Job Code	Classification	Range	STEP				
			A	B	C	D	E
0031	Fire Battalion Chief	599	\$30.90	\$32.60	\$34.39	\$36.28	\$38.28
0026	Fire Division Chief	631	\$36.25	\$38.24	\$40.34	\$42.55	\$44.90

*F - 1.104*

**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT B – SERVICE CREDIT SUBSIDY**

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An employee who has retired from the City and meets the plan participation requirements shall receive a monthly Service Credit Subsidy to reimburse the retiree for the payment of qualified medical expenses incurred for the purchase of medical insurance.

**Plan Participation Requirements**

1. At the time of retirement the employee has a minimum of ten (10) years of continuous regular (permanent) City service or is granted an industrial disability retirement; and
2. At the time of retirement, the employee is employed by the City; and
3. Following official separation from the City, the employee is granted a retirement allowance by the California Public Employees' Retirement System (CalPERS).

The City's obligation to pay the Service Credit Subsidy as indicated shall be modified downward or cease during the lifetime of the retiree upon the occurrence of any one of the following:

- a. On the first of the month in which a retiree or dependent reaches age 65 or on the date the retiree or dependent can first apply and become eligible, automatically or voluntarily, for medical coverage under Medicare (whether or not such application is made) the City's obligation to pay Service Credit Subsidy may be adjusted downward or eliminated.
  - b. In the event of the death of an eligible employee, whether retired or not, the amount of the Service Credit Subsidy benefit which the deceased employee was eligible for at the time of his/her death, shall be paid to the surviving spouse or dependent for a period not to exceed twelve (12) months from the date of death.
4. Minimum Eligibility for Benefits

With the exception of an industrial disability retirement, eligibility for Service Credit Subsidy begins after an employee has completed ten (10) years of continuous regular (permanent) service with the City of Huntington Beach. Said service must be continuous unless prior service is reinstated at the time of his/her rehire in accordance with the City's Personnel Rules.

F-1.105

**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT B – SERVICE CREDIT SUBSIDY**

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To receive the Service Credit Subsidy retirees are required to purchase medical insurance from City sponsored plans. The City shall have the right to require any retiree (annuitant) to annually certify that the retiree is purchasing medical insurance benefits.

5. Disability Retirees

Industrial disability retirees with less than ten (10) years of service shall receive a maximum monthly payment toward the premium for health insurance of \$120. Payments shall be in accordance with the stipulations and conditions, which exist for all retirees.

6. Service Credit Subsidy

Payment shall not exceed dollar amount, which is equal to the qualified medical expenses incurred for the purchase of City sponsored medical insurance.

7. Maximum Monthly Service Credit Subsidy Payments

All retirees, including those retired as a result of disability whose number of years of service prior to retirement exceeds ten (10), continuous years of regular (permanent) service shall be entitled to a maximum monthly Service Credit Subsidy by the City for each year of completed City service as follows:

F-1.106

**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT B – SERVICE CREDIT SUBSIDY**

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**Maximum Service Credit Subsidy Retirements After:**

Years of Service	Service Credit Subsidy
10	\$ 120
11	135
12	150
13	165
14	180
15	195
16	210
17	225
18	240
19	255
20	270
21	285
22	299
23	314
24	329
25	343

The Service Credit Subsidy will be reduced every January 1<sup>st</sup> by an amount equal to any required amount to be paid by the City on behalf of the retiree (annuitant). Article VIII(A)(4)(a) provides an example of expected reductions per retiree per month.

**8. Medicare**

- a. All persons are eligible for Medicare coverage at age 65. Those with sufficient credited quarters of Social Security will receive Part A of Medicare at no cost. Those without sufficient credited quarters are still eligible for Medicare at age 65, but will have to pay for Part A of Medicare if the individual elects to take Medicare. In all cases, the participant pays for Part B of Medicare.
- b. When a retiree and his/her spouse are both 65 or over, and neither is eligible for paid Part A of Medicare, the Service Credit Subsidy shall pay for Part A for each of them or the maximum subsidy, whichever is less.
- c. When a retiree at age 65 is eligible for paid Part A of Medicare and his/her spouse is not eligible for paid Part A of Medicare, the spouse shall not

F-1.107

**FIRE MANAGEMENT ASSOCIATION  
EXHIBIT B – SERVICE CREDIT SUBSIDY**

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receive the subsidy. When a retiree at age 65 is not eligible for paid Part A of Medicare and his/her spouse who is also age 65 is eligible for paid Part A of Medicare, the subsidy shall be for the retiree's Part A only.

9. Cancellation

- a. For retirees/dependents eligible for paid Part A of Medicare, the following cancellation provisions apply:
  - i. Coverage for a retiree under the Service Credit Subsidy Plan will be eliminated on the first day of the month in which the retiree reaches age 65.
  - ii. At age 65 retirees are eligible to make application for Medicare. Upon being considered "eligible to make application," whether or not application has been made for Medicare, the Service Credit Subsidy Plan will be eliminated.

F-1,108

**FIRE MANAGEMENT ASSOCIATION**

**EXHIBIT C – DELTA CARE (PMI) DENTAL PLAN BROCHURE**

A copy of the Delta Care (PMI) Brochure  
may be obtained from the Human Resources Division

F-1.109

**FIRE MANAGEMENT ASSOCIATION**

**EXHIBIT D – DELTA DENTAL PLAN BROCHURE**

A copy of the Delta Dental Plan Brochure  
may be obtained from the Human Resources Division

F-1.110

**FIRE MANAGEMENT ASSOCIATION**  
**EXHIBIT E – VISION (VSP) PLAN BROCHURE**

A copy of the Vision (VSP) Brochure  
may be obtained from the Human Resources Division

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