

EXHIBIT "A" TO RESOLUTION NO. RES-2017-146

WAGES, HOURS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT

APPROVED BY

THE SANTA ROSA CITY COUNCIL

FOR EMPLOYEES IN THE CITY'S UNIT 10

EXECUTIVE MANAGEMENT

JULY 1, 2017 THROUGH JUNE 30, 2020

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This Document describes wages, hours and conditions of employment approved at Santa Rosa, California this 18th day of July 2017, by the City of Santa Rosa, hereinafter referred to as the "CITY," for employees in the CITY's Unit 10 (Executive Management), hereinafter referred to as the "UNIT." This Document contains two (2) addenda, Addendum A – Police Chief and Addendum B – Fire Chief. The addenda cover wages and benefits specific to Safety Executive Management classifications assigned to the Police and Fire Departments except as otherwise provided therein all other Articles of this resolution shall apply to said classifications. Implementation of the provision of this resolution that relate to any employees in Unit 10 that are supervised by the City Attorney shall be contingent upon completion of any legally required negotiations between the City and Teamsters Local 856 with respect to creation of such a position and/or the impact thereof on Bargaining Unit 17.

ARTICLE 1 **CONTRAVENTION OF LAWS**

1.1 The provisions of this Document shall be subordinate to any present or subsequent Federal law, State law or City Charter provision.

ARTICLE 2 **TERM**

2.1 This Document shall become effective July 1, 2017, except where otherwise provided and all its provisions shall terminate at twelve (12) midnight on June 30, 2020.

ARTICLE 3 **DEFINITIONS**

3.1 The term "CITY" shall mean the City of Santa Rosa.

3.2 The term "day" shall mean a calendar day with each day commencing at 12:01 a.m. and ending at 12:00 midnight.

3.3 The term "employee" or "employees" shall mean a person or persons employed in a full-time regular or part-time regular position by the CITY whose classification is assigned to the Executive Management Units.

3.4 The term "work week" shall mean any consecutive seven (7) day period, as determined by the CITY, beginning at 12:01 a.m. on the first day and ending at 12:00 midnight on the seventh day.

3.5 "Qualified domestic partner" means a person who is in a domestic partnership that meets the criteria of California Family Code Section 297 and is formalized through registration with the California Secretary of State pursuant to California Family

Code Sections 197 et. seq and/or CITY domestic partners registered with the Human Resources Department prior to November 19, 2013.

3.6 The term “retirement” shall mean the following criteria has been met:
a) separation from the CITY; b) qualifying for PERS retirement benefits; and c) having filed an application for retirement with PERS.

3.7 The term “classic member” shall mean all active CalPERS members as of December 31, 2013 or as defined by CalPERS.

ARTICLE 4 **PURPOSE**

4.1 The purpose of this Document is to set forth the full wages, hours and other terms and conditions of employment determined in accordance with State law and City ordinances, rules and regulations.

ARTICLE 5 **SCOPE**

5.1 Any and all prior or existing understandings and/or documents describing wages, hours and other terms and conditions of employment, whether formal or informal, are superseded and terminated in their entirety.

ARTICLE 6 **SEVERABILITY**

6.1 Should any part of this Document be rendered or declared illegal or invalid by Legislation or decree of a court of competent jurisdiction, this invalidation shall not affect the remaining portions of this Document.

ARTICLE 7 **SUPPLEMENT OR MODIFICATION**

7.1 Any agreement, alteration, understanding, variation, waiver, supplement or modification affecting any of the terms or provisions contained in this Document shall not in any manner be binding upon the CITY unless made and executed in writing by the CITY and, if required, approved by the City Council.

ARTICLE 8 **MUTUAL RESPONSIBILITY**

8.1 The employees recognize their responsibility to provide the citizens those municipal services deemed appropriate by the CITY.

8.2 Employees shall continue to support the CITY and its programs including the maintenance of basic CITY and Management responsibilities to manage, control and operate the CITY.

8.3 In addition to their regular duties, employees may be required to act as Disaster Service Workers in accordance with California Government Code Section 3100

and the City's Emergency Preparedness Plan and policies. Employees shall not be entitled to any additional compensation for said duties.

ARTICLE 9 **RULES AND REGULATIONS**

9.1 The following rules and regulations as they exist now, or as they may be amended or changed by the CITY, shall be applicable to employees unless superseded by any provisions of this Document:

- Personnel Rules and Regulations;
- Employer-Employee Relations Ordinance.

ARTICLE 10 **HOLIDAYS**

10.1 Employees shall receive the following twelve (12) holidays:

<u>HOLIDAY</u>	<u>DATE</u>
New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day After Thanksgiving	Friday After Thanksgiving
Christmas Day	December 25
Floating Holiday	By Agreement Between Employee and Supervisor
Floating Holiday	By Agreement Between Employee and Supervisor

ARTICLE 11 **FLOATING HOLIDAYS**

11.1 Floating Holidays must be taken during the fiscal year in which they are earned. Employees hired between July 1 and December 31 shall receive sixteen (16) hours and employees hired between January 1 and June 30 shall receive eight (8) hours of Floating Holiday time. Following twenty (20) years of full time equivalent of CITY service, employees shall receive one (1) additional full time equivalent (8 hours) floating holiday for a total of three (3) full time equivalent floating holidays.

ARTICLE 12 **HOLIDAY PAY**

12.1 Holiday pay shall be paid based on the number of hours in the employee's regular work shift. A regular work shift is considered to be eight (8), nine (9) or ten (10) hours per day for full-time employees. If a full-time employee is regularly scheduled to work nine (9) hours on a holiday, the employee shall be eligible for nine (9) hours of holiday pay; if a full-time employee is regularly scheduled to work eight (8) hours on a holiday, the employee shall be eligible for eight (8) hours of holiday pay. If the number of hours an employee is regularly scheduled to work is reduced, holiday pay shall be reduced accordingly.

12.2 When an employee is assigned to a Monday through Friday schedule, and when any of the aforementioned holidays fall on Saturday, the holiday shall be observed on the preceding Friday. If any of the aforementioned holidays fall on Sunday, the following Monday shall be observed.

12.3 If the holiday falls on the normally scheduled off-duty day, employees shall observe the holiday on the immediately preceding scheduled work day.

12.4 Employees assigned to a 4/10 or 9/80 work schedule, whose work week normally includes three (3) consecutive days off, shall observe the preceding work day when a holiday falls on the first day off. If the holiday falls on either of the last two (2) days off, the following work day shall be observed. If the holiday falls on a single regular day off, the following day shall be observed.

12.5 Employees who are not on a paid status the day before and the day after a holiday shall not be paid for the holiday.

ARTICLE 13 **VACATION LEAVE**

13.1 Employees shall earn and may accumulate vacation time as indicated below:

<u>YEARS OF SERVICE</u>	<u>HOURS EARNED MONTHLY</u>	<u>HOURS EARNED ANNUALLY</u>	<u>MAXIMUM HOURS OF ACCUMULATION</u>
1 – 4	6-2/3	80	240
5 – 9	10	120	360
10 – 14	13-1/3	160	480
15 – 19	14 1/6	170	510
20 – 24	15	180	540
25+	16-2/3	200	600

13.2 Part-time employees shall accrue vacation time on a prorated basis based upon years of service not to exceed the FTE allocation per fiscal year.

13.3 Maximum vacation accrual is established at three (3) times the annual accrual rate. Any employee with a vacation balance at or above the cap will not accrue any additional vacation time until his/her balance falls below the cap.

13.4 Vacation scheduling shall be approved by the CITY prior to being taken with due regard for the employee's needs and the CITY's need to provide services. Employees working an alternative 4/10 shall record ten (10) hours for each day taken as vacation. Employees working a 9/80 schedule shall record nine (9) hours for each day taken as vacation, except for the eight (8) hour work day.

13.5 Vacation shall not be used for industrial injury leave or to extend a date of retirement.

13.6 The City Manager or the City Attorney for employees who report to the City Attorney shall have the discretion to grant a balance of vacation hours to newly hired Executive Staff. The City Manager shall also have the discretion to place Executive Staff members at a higher established vacation accrual rate.

ARTICLE 14 **MANAGEMENT VACATION "SELL BACK" PROGRAM**

14.1 Employees may "sell back" vacation accrual up to eighty (80) hours of vacation providing he/she has eighty (80) hours of vacation remaining after the sell back.

14.2 The vacation sell back option is only available once a fiscal year for each employee.

14.2.1 In calendar year 2017, to sell back vacation hours, the employee will enter on his/her time card the appropriate number of hours (whole hours only) s/he would like to sell back. The payout on the "sell back" hours will be made on the following paycheck.

14.2.2 Beginning in calendar year 2018, there will be an open enrollment period in December of the preceding calendar year during which each employee must make an irrevocable election to "sell back" vacation accrual in the following calendar year. The number of hours that the employee will sell back must be indicated at that time. Failure to submit an irrevocable election form shall be the same as electing not to sell back vacation leave.

14.2.2.1 The sell back must be made by the first paycheck in December of the following year. An employee who has elected to sell back vacation but has not done so by the first paycheck in December will be automatically cashed out for the number of hours elected (subject to the limits of Article 14.1) on the second paycheck in December.

ARTICLE 15 **SICK LEAVE**

15.1 Each employee shall earn and may accumulate sick leave as follows:

<u>HOURS EARNED MONTHLY</u>	<u>HOURS EARNED ANNUALLY</u>
8	96

15.2 The City Manager or the City Attorney for employees who report to the City Attorney shall have the discretion to grant a balance of sick leave hours to newly hired Executive Staff.

15.3 There is no limit on the maximum hours of accumulated sick leave.

15.4 Sick leave shall not be considered as a right which an employee may use at his/her discretion and shall be allowed only in case of actual sickness or disability of employee or dependent or as authorized by State law.

15.5 Employees may use sick leave when they are unable to work because of disability due to a non-industrial sickness or injury.

15.6 No sick leave shall be payable for any sickness, disability or injury which results or occurs as follows:

1. Participating in a criminal act.
2. Working for an employer other than the CITY.
3. During vacation unless the employee was confined to a hospital or other fixed location under written doctor's orders.
4. During a layoff, leave of absence or disciplinary suspension; and/or
5. After a termination date.

15.7 On taking sick leave time, employees shall notify their appropriate department either prior to or within one (1) hour after the time set for beginning daily duties or by another time specified by the CITY.

15.8 The CITY shall revoke pay and sick leave time and take appropriate disciplinary action if the employee is not using sick leave as authorized or has engaged in private or other public work while on sick leave.

15.9 The CITY may require an employee to provide a medical provider's statement verifying the employee's ability to return to work and any work restrictions prior to permitting the employee to return to work following the use of any sick leave in accordance with the City's Personnel Rules and Regulations.

15.10 If an employee has not recovered by the time he/she has exhausted accumulated sick leave, a leave of absence, without pay, may be requested in writing according to City Policy.

15.11 Sick leave shall continue to be earned while an employee is on vacation or sick leave.

15.12 Sick leave shall not be used to extend a date of retirement; however, a miscellaneous employee, upon retirement, may convert his/her unused sick leave balance to service credit as provided by Government Code Section 20965.

ARTICLE 16 **SICK LEAVE – INITIAL PROBATIONARY PERIOD**

16.1 The City Manager or the City Attorney for employees who report to the City Attorney may allow a probationary employee up to forty-eight (48) hours or the FTE percent for regular part-time employees' sick leave with pay before it has been earned. An employee must exhaust all existing leave balances prior to receiving the sick leave advance. This article does not apply to promotional, extended or disciplinary probationary periods.

ARTICLE 17 **SICK LEAVE – FAMILY ILLNESS:**

17.1 Employees may use hours of accumulated sick leave during the fiscal year for the illness or medical treatment of an immediate family member. For the purposes of this section, "immediate family member" is defined as an employee's child (including an employee's biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands *in loco parentis*), parent (including an employee's biological, adoptive, or foster parent, step parent, or legal guardian, or a person who stood *in loco parentis* when the employee was a minor child), spouse, domestic partner, the parent(s) of an employee's spouse or domestic partner, grandparent, grandchild or sibling. With prior approval of the

City Manager or the City Attorney for employees who report to the City Attorney, employees may use hours of accumulated sick leave to care for other members of the household or family. The CITY may require an employee to provide a medical professional's statement which outlines the severity of the illness and expected duration of treatment.

ARTICLE 18 **SICK LEAVE – RETIREMENT BUYBACK**

18.1 Background: Executive Management employees who were hired prior to July 1, 2008 had one of two options for remuneration of accumulated but unused sick leave as follows:

18.1.1 Option One: In July of each year the CITY shall reimburse the employee for twenty-five percent (25%) of the immediate past fiscal year's earned but unused sick leave hours. Under this option, upon retirement all unused sick leave is converted to service credit; or

18.1.2 Option Two: All sick leave accumulates and upon retirement and completion of ten (10) years of employment with the CITY, the employee may receive payment for one-half (1/2) of any accumulated but unused sick leave up to a maximum of six hundred (600) hours and receive service credit for the remainder OR may choose to convert the entire balance of their sick leave to service credit.

18.1.3 Under either option, the value of unused sick leave is calculated at the regular hourly rate of pay at the date of the buyback.

18.1.4 Employees in Option Two made an irrevocable choice of remaining in Option Two or changing to Option One.

18.2 Implementation: Effective July 1, 2008 all new employees and all current employees who had previously chosen Option One shall be remunerated for all accumulated but unused sick leave as set forth below:

18.2.1 In July of each year the City shall deposit the financial equivalent of twenty-five percent (25%) of the employee's immediate past fiscal year's earned but unused sick leave hours into the individual Retiree Health Savings Plan account for said employee.

18.2.2 The financial equivalent of sick leave shall be calculated using the regular hourly rate of pay at the date of the buyback.

18.2.3 The remainder of the sick leave shall be accumulated and accounted for in the employee's sick leave balance.

18.2.4 Employees leaving CITY service prior to the end of the fiscal year shall have a deposit made to their Retiree Health Savings Plan account based on twenty-five percent (25%) of the total earned but unused sick leave for that fiscal year.

18.2.50 Upon retirement from the CITY, the remaining balance of their sick leave, if any, shall be converted to service credit according to PERS contract.

18.3 Effective January 1, 2010 all employees who remained in Option Two shall be remunerated as described in Article 18.1.3

18.4 Employees entering this unit from another unit, must switch to Option One. Employees switching to Option One shall have their total accrued sick leave as of the date of their entry into the unit remain in an Option Two bank which will be paid out upon retirement as described in Article 18.1.3. This amount shall be reduced by use of sick leave beyond that accumulated in the new Option One bank. Upon retirement, all sick leave not paid out shall be converted to service credit according to PERS contract.

ARTICLE 19 **SICK LEAVE DEATH BENEFIT**

19.1 If an employee dies, then all of the employee's accumulated sick leave shall be paid at the regular hourly rate of pay at the time of the employee's death. Such payment shall be made to the person named by the employee as beneficiary in the employee's CITY provided life insurance policy.

ARTICLE 20 **CATASTROPHIC LEAVE**

20.1 Catastrophic leave is a paid leave of absence due to life-threatening verifiable long-term illness or injury such as, but not limited to, cancer or heart attack which clearly disables the individual, as provided in the City's Catastrophic Leave Policy. The policy can be found on the following link:

https://inet.srcity.org/policy/_layouts/15/WopiFrame.aspx?sourcedoc=/policy/master_library/Catastrophic%20Leave.docx&action=default

20.2 All regular employees of the City of Santa Rosa who have completed one (1) year in paid status shall be eligible for catastrophic leave due to their own catastrophic illness or injury or catastrophic illness or injury to spouse, qualified domestic partner, parent, child or child of employee's qualified domestic partner.

20.3 The employee must first exhaust all accrued sick leave, vacation leave, twenty (20) hour benefit portion of administrative leave, and compensatory time, if applicable, before qualifying for catastrophic leave. Once all accrued benefits have been exhausted and catastrophic leave has been granted, the employee shall not accrue any vacation or sick leave while using donated hours. If an employee returns to work on a part-time basis during their catastrophic leave, the employee shall accrue vacation and sick leave. Any such accruals will be banked. No new accruals, if any, may be used until all catastrophic leave credit has been exhausted.

20.4 Catastrophic leave shall be additional paid leave available from vacation, compensatory leave, administrative leave hours, floating holidays, or up to twenty-four (24) hours of sick leave in a fiscal year, donated by other CITY employees to a specific qualified employee.

20.5 Employees donating vacation, compensatory or administrative leave must donate in increments of whole hours. The donating employee must have a vacation leave balance of at least forty (40) hours after the donation of vacation time, and a sick leave balance of eighty (80) hours after donation of sick leave. Employees may donate all of their accrued compensatory time, administrative leave, or floating holiday time.

20.6 An employee requesting catastrophic leave must receive the recommendation and the approval of the City Manager or his/her designated committee. Such leave may initially be approved up to a maximum of three hundred forty (340) donated hours. If the catastrophic illness or injury continues, up to an additional three hundred forty (340) donated hours may be recommended for approval. The maximum donation for part-time employees shall be the FTE percent.

20.7 If leave is granted, the CITY shall require the employee to provide medical information indicating the nature of the illness or injury, the prognosis and estimated date of return. In addition, the CITY shall require, prior to the employees' return to work, written approval from his or her doctor to resume job duties. The CITY shall require an employee to sign a form authorizing release to the CITY of any and all medical information prior to granting catastrophic leave. If the department head determines that documentation of illness or injury and ability to return to work is unnecessary, the requirement to provide medical information and doctor's release may be waived.

20.8 Catastrophic leave may not be used to extend a date of retirement. Various Government Code sections stipulate the circumstances to initiate disability retirements. The CITY will comply with these provisions and other applicable Government Codes and PERS regulations.

20.9 Catastrophic leave shall not be used in conjunction with any long or short term disability benefits or Workers' Compensation leave.

20.10 The Finance Department shall account for the donation and disbursement of catastrophic leave hours. All time donated will be credited on an hour-for-hour basis regardless of hourly pay differentials between donating employee and recipient.

20.11 A catastrophic leave committee shall be appointed by the City Manager to administer the program.

ARTICLE 21 INDUSTRIAL INJURY OR ILLNESS LEAVE

21.1 Miscellaneous Employees:

21.1.1 Industrial injury or illness benefits shall be payable in situations where employee absence is due to industrial injury or illness as provided in California Workers' Compensation law and CITY policies.

21.1.2 Regular full-time employees may select one (1) of the two (2) plans outlined below to receive benefits upon suffering an industrial injury or illness. Employees who do not specifically choose one (1) of the two (2) plans shall be compensated in accordance with the CITY Supplemental Workers' Compensation Plan provided the employee has accumulated paid sick leave.

21.1.3 Regular part-time employees shall be compensated under the State Workers' Compensation Plan as outlined in Article 21.3.

21.2 City Supplemental Workers' Compensation Plan:

This plan supplements the State plan and provides:

21.2.1 The employee shall receive supplemental wages to ensure the pay is equivalent to take-home pay prior to the injury from the CITY during the time the employee has sufficient paid sick leave to supplement "temporary disability payments" as defined by law.

21.2.2 While on the supplemental plan, the employee's paid sick leave will be-charged at the rate of one-fourth (1/4) day for each day of absence.

21.2.3 Payments shall be based on a seven (7) day week in accordance with state law.

21.2.4 The employee will be paid and shall not be charged sick leave on the day of injury or for the subsequent three (3) days.

21.2.5 As required by CalPERS, the temporary disability portion and the supplemental portion of the payment shall not be “reportable” as income to PERS and not subject to PERS deductions. Any portion that is paid from the employee’s sick leave is reportable income to PERS.

21.2.6 As required by state and federal regulations, the temporary disability portions of the payment are not taxable income.

21.2.7 During this time, vacation and sick leave shall accrue as if the employee were on full salary, the employee’s qualified time off shall concurrently count toward Family and Medical Leave (FMLA) and California Family Rights Act (CFRA) and all benefits shall be paid in the same manner as before the injury.

21.2.8 Once sick leave is exhausted, compensation shall be made in accordance with the State Workers’ Compensation Plan.

21.3 State Workers’ Compensation Plan:

Employees who have no accumulated sick leave remaining or choose not to supplement their temporary disability shall use the State Workers’ Compensation Plan. This plan is the State-wide plan which shall be strictly adhered to and provides:

21.3.1 The employee shall receive sixty-six and two-thirds (66-2/3%) of salary to a maximum prescribed by State law per week from the CITY workers compensation administrator.

21.3.2 No sick, vacation or holiday leave shall be charged, paid or accrued to the employee.

21.3.3 Temporary disability payments shall be based on a seven (7) day week or as prescribed by law.

21.3.4 No regular CITY salary shall be paid.

21.3.5. No compensation shall be paid for the day of injury or for the subsequent three (3) days unless the employee was hospitalized or lost time exceeds fourteen (14) days.

21.3.6 The City shall continue to pay health, dental, and vision premiums in the same manner as prior to the injury while the employee is receiving temporary disability and the employee shall continue to pay his/her portion of the premium, for a period not to exceed twenty-four (24) months from the date of injury or from the first day off work due to the injury. After that time, the employee shall be responsible for paying the full insurance premiums.

21.3.7 Employees still considered to be temporarily disabled and no longer eligible for temporary disability under California law, may use any accumulated sick, vacation or other available leave.

ARTICLE 22 **BEREAVEMENT LEAVE**

22.1 Full-time employees may take up to forty (40) hours, of bereavement leave because of death in the immediate family. For the purposes of bereavement leave, immediate family shall mean the employee's spouse, qualified domestic partner, father, father-in-law, mother, mother-in-law, parents of employee's qualified domestic partner, brother, sister, child, step-child, child of qualified domestic partner, stepparents, grandparents, and grandchildren. Payment for bereavement leave shall only be authorized by the City Manager or the City Attorney for employees who report to the City Attorney.

ARTICLE 23 **MILITARY LEAVE**

23.1 An employee may be absent on military leave as authorized in Section 395 through 395.8 of the Military and Veterans Code of California, the Federal Uniformed Services Employment and Re-employment Rights Act, all other applicable laws and CITY policies. The employee shall furnish to the City Manager's Office, or the City Attorney for employees who report to the City Attorney, satisfactory proof of his/her orders to report for duty and of his/her actual service pursuant to such orders. Employees with less than one (1) year of City service shall take such leave without compensation from the City as provided in the Military and Veterans Code.

ARTICLE 24 **JURY LEAVE**

24.1 Employees who are required to serve as jurors shall be provided jury leave for the duration of the jury duty.

24.2 Employees serving as jurors shall be paid as follows:

24.3 Full salary and benefits for the duration of the jury leave provided all money, less travel expenses, received by the employee for the jury duty is remitted to the CITY.

ARTICLE 25 **LEAVE OF ABSENCE**

25.1 Employees may request a leave of absence without pay in accordance with the City Leave of Absence Procedure, in writing to the City Manager or the City Attorney for employees who report to the City Attorney. Employees are required to exhaust accumulated sick leave, vacation, bereavement leave (if applicable), twenty (20) hours of administrative leave, or floating holidays prior to taking a leave of absence without pay in accordance with State and Federal law. These requests may be approved as follows:

25.1.1 By the City Manager or the City Attorney for employees who report to the City Attorney for a time not exceeding three (3) working days.

25.1.2 By the City Manager or Human Resources Director for any time exceeding three (3) working days.

25.1.3 As required by state or federal law.

25.2 If the continuous period of absence is confined within one (1) calendar month and is less than the full calendar month, insurance benefits shall be continued by the CITY as for an active employee. In all other instances, the employee must make arrangements to prepay the appropriate monthly premiums if insurance benefit coverage is to continue unless covered under FMLA.

ARTICLE 26 **ADMINISTRATIVE LEAVE**

26.1 Administrative Leave shall be provided as follows:

26.1.1 Twenty (20) hours annual leaves, prorated for regular part-time employees, approved by the City Manager or the City Attorney for employees who report to the City Attorney.

26.1.2 An additional sixty (60) hours annual Administrative Leave per fiscal year shall be available as approved by the City Manager, or the City Attorney for employees who report to the City Attorney. Administrative Leave is not accruable from fiscal year to fiscal year and any unused time shall not be paid out upon retirement or termination.

26.1.3 Executive Staff shall have the option of selling back up to forty (40) hours of administrative leave under the following procedure:

26.1.4 The employee will enter on his/her time card the appropriate number of hours (whole hours only) he/she would like to sell back. The payout on the “sell back” hours will be made on the following paycheck.

26.2 The City Manager, or the City Attorney for employees who report to the City Attorney shall establish procedures and is responsible for administration of the Administrative Leave Program.

ARTICLE 27 **COMMUNITY INVOLVEMENT**

27.1 The CITY encourages Executive Management employees to become involved in local community affairs. The CITY will make a reasonable amount of time available for this type of involvement if in the opinion of the City Manager or the City Attorney for employees who report to the City Attorney, this involvement is beneficial to the CITY and to the employee.

ARTICLE 28 **INSURANCE PROGRAMS**

28.1 The CITY shall provide the insurance programs described in this Document. The City reserves the right to provide these insurance programs by self-insurance, through an insurance company or by any other method which provides the coverage outlined.

ARTICLE 29 **HEALTH INSURANCE**

29.1 The CITY shall offer employees and their dependents, including qualified domestic partners, a health insurance program under the terms set forth below.

29.2 Employee contributions toward the monthly health insurance premium shall be as follows:

a. Employees will pay twelve and one-half percent (12.5%) of the cost of the health premium for the health plan with the least expensive monthly premium. If the other health plans remain at or below six percent (6%) of the least expensive monthly premium, employees with those plans shall also contribute twelve and one-half percent (12.5%).

b. For the next most expensive monthly health premium, employees shall contribute fifteen percent (15%) of the cost of the premium if the average premium difference is higher than six percent (6%) of the least expensive premium.

c. For the most expensive monthly health premium, employees shall contribute twenty percent (20%) of the cost of the premium if the average premium difference is twelve percent (12%) or more than the least expensive premium. If the most

expensive premium has an average premium difference greater than six percent (6%) but less than twelve percent (12%), the employee shall pay fifteen percent (15%).

d. Deductions occur semi-monthly. Current contributions can be found on the Employee Services web page at

<https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

29.3 The average premium difference is calculated at each premium level (single, double, family) and then the percentages are averaged.

29.4 Example – How the Average Premium Difference is Calculated

	Lowest Cost Plan	Medium Cost Plan	% Over	Highest Cost Plan	% Over
Single	\$487	\$508	4.3%	\$584	19.9%
Double	\$994	\$1,032	3.8%	\$1,192	19.9%
Family	\$1,311	\$1,449	10.5%	\$1,666	27.1%
Average Premium Difference			6.20%		22.30%
Percentage of Premium Employee Would Pay	12.50%	15%		20%	

ARTICLE 30 RETIREE HEALTH SAVINGS PLAN

30.1 The CITY has established a retiree health savings plan for employees in Unit 10. Under current IRS laws, contributions are tax-free, earnings are tax-free and withdrawals are tax-free. Withdrawals may be used for with the intention of having the following attributes and subject to current tax laws: tax-free treatment of health benefits, ability to charge reimbursement for taxable health premiums, with assets remaining after employee’s death going to spouse/qualified dependents if present.

30.1.1 The retiree health savings plan is employee funded with a mandatory employee contribution of one half of one percent (.50%) of base earnings and contribution of annual sick leave payment as provided in Section 18.1.6. Additionally, 50% of accrued vacation upon separation will be contributed to the plan in accordance with the plan document.

30.1.2 City Contribution to Health Savings Plan

30.1.2.1 Effective the first full pay period following July 1, 2017, the City will contribute one-quarter percent (0.25%) of base wage to each employee's Health Savings Plan, for a total of one-quarter percent (0.25%) of base wage.

30.1.2.2 Effective the first full pay period following July 1, 2018, the City will increase this contribution by one-quarter percent (0.25%) of base wage, for a total contribution of one half percent (0.5%) of base wage.

30.1.2.3 Effective the first full pay period following July 1, 2019, the City will increase this contribution by one quarter percent (0.25%) of base wage, for a total contribution of three quarters percent (0.75%) of base wage.

ARTICLE 31 COMBINED DENTAL AND VISION INSURANCE

31.1 The CITY shall offer employees and their dependents, including qualified domestic partners, a dental and vision insurance program under the terms as set forth below:

31.2 The CITY shall contribute one hundred percent (100%) toward the premium for full time employees.

31.3 Applicable monthly premium contributions and benefit description for this program can be found on the Employee Services web page at <https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

31.4 The vision care program which provides an eye examination, and allowance for lenses, and frames once each twelve (12) months. The deductible shall not exceed twenty dollars (\$20.00).

31.5 The vision allowance for frames shall be \$150, and the allowance for contact lenses shall be \$125.

31.6 Adult children up to age twenty-six (26) shall be permitted coverage under combined dental and vision insurance without proof of student status.

ARTICLE 32 LIFE INSURANCE

32.1 Employee

The CITY shall provide term life insurance and accidental death and dismemberment in the same amount for each full time and part-time employee as follows:

<u>Employee Category</u>	<u>Amount City Provides</u>	<u>Supplement Insurance Employee May Purchase</u>
Unit 10 Executive Management	\$50,000	\$200,000

32.2 The additional amount, up to the maximum indicated above, shall only be purchased at the cost of the employee through a payroll deduction program.

32.3 Proof of good health may be required for employee paid life insurance subject to the rules of the insurance carrier.

32.4 Optional spouse or qualified domestic partner life insurance up to fifty thousand dollars (\$50,000) may be purchased through payroll deduction.

32.5 The amount of spouse or qualified domestic partner life insurance may not exceed fifty percent (50%) of the supplemental insurance amount the employee has on him/herself.

32.6 The CITY shall provide each employee under this program with a certificate of coverage and the summary description of the program can be found on the Employee Services web page at

<https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

ARTICLE 33 **DEPENDENT LIFE INSURANCE**

33.1 Employees shall receive term life insurance coverage for their families, including qualified domestic partners, in the amount of fifteen hundred dollars (\$1,500) per family member. However, employees may not cover spouses/qualified domestic partners who are also employees of the City under this plan as it is not allowed by the carriers.

ARTICLE 34 **DISABILITY INSURANCE**

Long Term Disability Insurance

34.1 The CITY shall offer employees a long-term disability insurance program that provides coverage equal to the lesser of sixty percent (60%) of your Basic Monthly Earnings or six thousand dollars (\$6,000), minus other Income, with a waiting period of sixty (60) days subject to the terms and conditions provided by the LTD carrier.

34.1.2 The CITY shall contribute the monthly premium calculated for the employee.

34.1.3 The CITY shall provide each employee under this program with a certificate of coverage upon request. The summary description of the program can be found on the Employee Services web page at

<https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

Short Term Disability Insurance

34.2 Effective August 1, 2017, the City shall offer employees a short term disability insurance program and pay the monthly premium costs during the balance of this Agreement.

34.2.1 The major components of the plan are:

- 34.2.1.1 55% of insured earnings;
- 34.2.1.2 \$1,500 maximum weekly benefit;
- 34.2.1.3 \$25 minimum weekly benefit;
- 34.2.1.4 Elimination period of 7 days.

34.2.2 The CITY shall provide each employee under this program with a certificate of coverage and a summary description of the program.

ARTICLE 35 **DEPENDENT CARE ASSISTANCE PROGRAM**

35.1 The CITY shall provide a Dependent Care Assistance Program (flexible spending account Section 125) consistent with State and Federal law.

ARTICLE 36 **ADDITIONAL INSURANCE PLANS**

36.1 The CITY shall deduct premium costs from employees' paychecks for additional insurance plans in amounts and for plans that have been approved by the CITY at the employee's request.

ARTICLE 37 **MISCELLANEOUS RETIRED EMPLOYEES HEALTH INSURANCE**

37.1 Employees who retire from the City may continue their health insurance coverage by enrolling in the retiree Health Plan that corresponds to the active plan they are enrolled in at the time of retirement. Employees who retire from the City must pay appropriate premiums to the CITY, or its designated administrator, in advance of such coverage on a monthly basis. The premiums shall be determined by the CITY. The CITY shall provide enrolled retired employees a description of the plan. Plans become a Medicare supplement for enrollees and/or their spouse or qualified domestic partner at age sixty-five (65). The employee and spouse or qualified domestic partner must be enrolled under the respective Health Insurance Program at the time of retirement in order to qualify for the conversion privilege.

37.2 Employees enrolled in the health plan, in the month prior to retirement, who have access to another employer provided insurance plan, may exercise a waiver that

allows them a one-time option to re-enroll in the waived health plan within thirty (30) days of termination of that other employer provided insurance plan. Proof of the loss of prior coverage will be required to reenroll in City retiree plan.

37.3 The CITY has the right, at its option, to separately experience rate the retirees.

37.4 The spouse or qualified domestic partner of a retiree who dies may elect to continue on the CITY Health Insurance Program at his or her expense. Payment of appropriate premiums shall be paid to the CITY on a monthly basis.

37.5 The above provisions are subject to the enrollment and eligibility rules of the various insurance providers.

ARTICLE 38 **RETIREMENT – MISCELLANEOUS EMPLOYEES**

38.1 The term “retirement” is defined as separation from the CITY and filing and qualifying with the California Public Employee Retirement Systems (CalPERS).

38.2 The CITY provides three (3) tiers of retirement benefits for bargaining unit members. Eligibility for each retirement tier is determined by date of hire with the CITY. Effective January 1, 2013 the Public Employees Pension Reform Act (PEPRA) added the third tier. The retirement benefit provided by PEPRA applies to “new members.” The PEPRA defines a new member as an employee hired on/after January 1, 2013 who: (a) has never been a member of the California Public Employee Retirement System (PERS) or a reciprocal agency or; (b) has had a six (6) month (or more) break in service from PERS or a reciprocal public agency or; (c) has previously worked for a public agency whose retirement system does not have reciprocity with PERS.

38.3 Miscellaneous eligibility for each retirement tier shall be as follows:

	Tier 1	Tier 2	Tier 3
Benefit Formula	3% @ 60	2.5% @ 55	2% @ 62
Final Compensation	Single highest year final compensation	Single highest year final compensation	Three year average final compensation
Hire Date	Hired before July 8, 2012	Hired on/after July 8, 2012 or worked for a PERS (or reciprocal) agency within the last six months	New members hired on/after January 1, 2013

38.4 Effective July 12, 2015, each bargaining unit member shall pay, through payroll deductions, an additional one and one-half percent (1.5%) of PERSable compensation toward the CITY'S normal cost of pension benefits for a total PERS contribution of nine and one-half percent (9.5%) for classic members in Tier 1 and Tier 2, and one and one-half percent (1.5%) above the contribution rate set by CalPERS for PEPPRA Tier 3 members. Employee contributions will be made as per Government Code Section 20516, Employee Cost Sharing of Additional Benefits.

38.5 The history of CalPERS Changes is as follows:

38.5.1 Effective January 1, 1992, the Miscellaneous employees were provided retirement benefits under the State Public Employees' Retirement System at two percent (2%) at fifty-five (55) formula.

38.5.2 Effective May 4, 2003, the Miscellaneous employees were provided retirement benefits under the State Public Employee's Retirement System of three percent (3%) at sixty (60) formula at a cost of eight and two-hundredth percent (8.02%).

38.5.3 Effective July 9, 2000, the CITY amended its contract with PERS to provide the so-called "single highest year" Final Compensation Formula for PERS Miscellaneous employees. The CITY amended its miscellaneous contract with PERS to provide Pre-Retirement Option 2W Death Benefit.

38.6 Specific details regarding these programs are available to employees from the Human Resources Department.

38.7 The CITY shall provide each employee a description of this retirement plan and information is available on the CalPERS website at www.calpers.ca.gov .

ARTICLE 39 **HISTORY OF PAYMENT FOR 3% AT 60 – MISCELLANEOUS**

39.1 Effective July 1, 2002, there shall be a one and five-tenths percent (1.5%) increase for each miscellaneous classification in Units 10. This increase reflects a three and one-tenths percent (3.1%) reduction to partially fund a PERS retirement of 3% at 60.

39.2 Effective July 1, 2003, there shall be a two and forty-five tenths percent (2.45%) due to pay toward the cost of the retirement benefit.

39.3 Effective July 1, 2004, there shall be a two and forty-seven hundredths percent (2.47%) due to pay for the cost of the 3% at 60 retirement.

39.4 In the event the COLA's granted for fiscal years 2003/04 and 2004/05 are not sufficient to cover the agreed upon cost, two and forty-five tenths percent (2.45%) effective July 1, 2003 and two and forty-seven hundredths percent (2.47%) effective July 1, 2004, the difference between the payment made from COLA on July 1, 2003 and the two and forty-five tenths percent (2.45%) due for the cost of the benefit will be paid by a pre-taxed payroll deduction effective July 1, 2003.

39.5 If the COLA granted effective July 1, 2004 is sufficient to pay the two and forty-seven hundredths percent (2.47%) due plus all or any portion of the two and forty-five tenths percent (2.45%) amount due from July 1, 2003, the aforementioned payroll deduction or portion thereof will end. If the COLA is not sufficient to cover the agreed upon cost of two and forty-seven hundredths percent (2.47%) effective July 1, 2004, plus the remaining two and forty-five tenths percent (2.45%) cost due from July 1, 2003, the difference between the COLA received on July 1, 2004 and the amount due will be paid by a pre-taxed payroll deduction effective July 1, 2004.

39.6 Effective July 1, 2005, the CITY shall offset the two and ninety-two hundredths percent (2.92%) due to the 3% at 60 benefit and the aforementioned payroll deductions shall end.

ARTICLE 40 **MILITARY, PEACE CORP AND VISTA BUY BACK**

40.1 Effective January 1, 2001, the CITY amended its contract with PERS so an employee may buy back the employees Peace Corps or AmeriCorps Volunteers in Service to America (VISTA) service as provided by the Government Code.

40.2 Effective September 19, 1998, the CITY amended its contract with PERS so an employee may buy back the employee's military service as provided by CalPERS.

ARTICLE 41 **PERS "PICK-UP"**

41.1 The CITY shall continue the implementation of Section 414(h)(2) of the Internal Revenue code concerning the tax treatment of employee's retirement contribution, designated by the Public Employees Retirement System as PERS "Pick-Up".

ARTICLE 42 **MANAGEMENT SALARY PLAN AND**
PERFORMANCE EVALUATION SYSTEM

42.1 All Management classifications, except City Council-appointed positions, shall be included in a Management Salary Plan and Performance Evaluation System as established and administered by the City Manager.

ARTICLE 43 **SALARY SCHEDULE**

43.1 Effective the first full pay period following July 1, 2017, all unit employees shall receive a three percent (3%) Cost of Living adjustment (COLA).

43.2 Effective the first full pay period following July 1, 2018, all unit employees shall receive a three percent (3%) COLA.

43.3 Effective the first full pay period following July 1, 2019, all unit employees shall receive a two and a half percent (2.5%) COLA.

43.4 The City Council reserves its discretion to modify the COLAs set forth in this Article based the City's property tax and/or sales tax revenue growth rates, or for any other lawful reason.

A current salary schedule can be found at: <https://srcity.org/192/Salaries>

ARTICLE 44 – SEVERANCE PAY

44.1 The City Manager, or the City Attorney for an employee who reports to the City Attorney, has the discretion to enter into an employment or severance agreement on behalf of the City with any current or future employee in Unit 10 offering the employee severance pay of up to 6 months' salary should the employee be discharged, unless the discharge is for cause. Severance pay agreements shall, to the maximum extent permitted by law, be conditioned upon a waiver of all claims related to employment by the City.

44.2 The discretion of the City Manager and City Attorney under section 45.1 extends to employment and severance agreements between the City and any City employee, provided that the employee serves in an interim positions in Unit 10 for at least 3 months and relinquishes his or her right to return to a permanent employment position with the City.

APPROVAL

APPROVED: _____
Chris Coursey, Mayor

Date

EXHIBIT A - VISION AND DENTAL INSURANCE PLANS

DENTAL INSURANCE

In general, the program includes for employees, and their dependents, including qualified domestic partners, basic dental insurance coverage of payment of the indicated percentage up to the maximum of two thousand dollars (\$2,000) (two thousand one hundred dollars (\$2,100) for employees choosing a premier preferred provider under the current dental program) for each eligible person per year for the following benefits:

<u>BENEFITS</u>	<u>PROGRAM PAYS</u>	<u>EMPLOYEE PAYS</u>
Preventive Services	100%	0%
Basic Services	80%	20%
Major Services	80%	20%
Prosthodontic Services	50%***	20%
Orthodontic Services	50%	50%

*Two thousand dollars (\$2,000) lifetime maximum per person for orthodontics.

*** Prosthodontic Services – Program will pay eighty percent (80%) effective January 1, 2010.

VISION INSURANCE

The CITY shall offer employees and their dependents, including qualified domestic partners, a vision care program which provides an eye examination, and allowance for lenses, and frames once each twelve (12) months. The deductible shall not exceed twenty dollars (\$20.00). The vision allowance for frames shall be one hundred fifty dollars (\$150), and the allowance for contact lenses shall be one hundred twenty-five dollars (\$125). A summary description of the program and the current premium costs can be found at the following link:

<https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

Addendum A
To the Wages Hours and Working Conditions
For Managers in the City's Units 10
POLICE CHIEF

This Addendum to the Unit 10 Document covers benefits specific to the Police Chief classification for the sections identified. Except as specifically provided herein, all other terms and conditions set forth in the Document apply to the Police Chief. In the event of any conflict between the terms and conditions of this Addendum and the Document with respect to the Police Chief, the terms of this Addendum shall control.

ARTICLE A.1 **INDUSTRIAL INJURY OR ILLNESS LEAVE**

A.1.1 Benefits for safety employees shall be as provided for under Section 4850 of the Labor Code in lieu of the provisions set forth in Article 21. Sick leave shall not be used for an industrial injury or illness.

ARTICLE A.2 **UNIFORMS**

A.2.1 Employees in the classification of Police Chief shall receive an annual uniform allowance of eight hundred seventy-five dollars (\$875.00) per year on the first day of the fiscal year payable during the month of August for the purchase of uniforms as specified by the CITY. No employee shall receive a uniform allowance more than once during each fiscal year.

ARTICLE A.3 **HEALTH INSURANCE – POLICE CHIEF**

A.3.1 Subject to the provisions above, the CITY shall offer the Police Chief, his/her dependents, including qualified domestic partner, a health insurance program through the PERS Health Benefits Program. Eligibility and participation in this program shall be in accordance with the rules promulgated by PERS.

A.3.2 The City contribution to health insurance for active employees will be the minimum contribution required by CalPERS.

A.3.3 The total City allowance for active employees shall be equal to the Northern California PERS Kaiser rate and adjusted each January to equal the new Northern California PERS Kaiser rate.

A.3.4 The Additional City Contribution shall be determined by taking the Northern California PERS Kaiser premium rates at each level of coverage and subtracting the City health insurance contribution.

A.3.5 Applicable monthly premium and premium contributions for the PERS Health Benefits Program can be found on the Employee Services web page at <https://inet.srcity.org/EmployeeServices/Pages/Home.aspx>

A.3.6 All employees shall select health insurance coverage unless the employee requests a waiver of coverage from PERS through the Human Resources Department. Such waiver shall only be granted if the employee shows proof of other coverage from another carrier. Should an employee who has obtained a waiver of this provision lose such alternate coverage, the employee shall notify PERS or the Human Resources Department and enroll in a PERS sponsored health insurance program within 30 (thirty) days after termination of such coverage.

A.3.7 The CITY shall provide an additional CITY contribution over and above the PERS health insurance contribution to employees based on their family status. Employees who do not use their allowance for health insurance may choose to have the unused amount equal to the CITY'S additional allowance for single (\$568.99, as adjusted annually) contributed to the Dependant Care spending option in the CITY'S flexible benefit plan (Section 125) up to a total of five thousand dollars (\$5,000) per calendar year. The portion of the allowance not utilized by the employee shall remain with the CITY.

A.3.8 That portion of PERS plan costs that exceed the amount of the City allowance shall be paid by the employee through automatic pre-tax payroll deduction.

A.3.9 Retirees are eligible for health insurance through PERS. For retirees, the City has elected the unequal contribution option. This means the City contribution toward retiree health insurance shall be pursuant to the provisions of the California Public Employees' Retirement Law, Section 22892(c) under the unequal method.

ARTICLE A.4 RETIREMENT

A.4.1 Sick leave shall not be used to extend a date of retirement; however, the Police Chief, upon retirement, may convert his/her unused sick leave balance to service credit as provided by Government Code Section 20965.

A.4.2 Effective January 1, 1982, for the public safety classification of Police Chief, the CITY amended its contract with PERS to provide the so-called “single highest year” Final Compensation Formula.

A.4.3 The term “retirement” is defined as separation from the CITY and filing and qualifying with the California Public Employee Retirement Systems (CalPERS).

A.4.4 The CITY provides three (3) tiers of retirement benefits for bargaining unit members. Eligibility for each retirement tier is determined by date of hire with the CITY. Effective January 1, 2013 the Public Employees Retirement Act (PEPRA) added the third tier. The retirement benefit provided by PEPRA applies to “new members.”

The PEPRA defines a new member as an employee hired on/after January 1, 2013 who: (a) has never been a member of the California Public Employee Retirement System (PERS) or a reciprocal agency or; (b) has had a six (6) month (or more) break in service from PERS or a reciprocal public agency or; (c) has previously worked for a public agency whose retirement system does not have reciprocity with PERS.

A.4.5 Police Safety eligibility for each retirement tier shall be as follows:

	Tier 1	Tier 2	Tier 3
Benefit Formula	3% @ 50	3% @ 55	2.7% @ 57
Final Compensation	Single highest year final compensation	Three year average final compensation	Three year average final compensation
Hire Date	Hired before July 8, 2012	Hired on/after July 8, 2012 or worked for a PERS (or reciprocal) agency within the last six months	New members hired on/after January 1, 2013

A.4.6 Effective July 12, 2015, each bargaining unit member shall pay, through payroll deductions, an additional one and one-half percent (1.5%) of PERSable compensation toward the CITY’S normal cost of pension benefits for a total PERS contribution of ten and one-half percent (10.5%) for classic members in Tier 1 and Tier 2, and one and one-half percent (1.5%) above the contribution rate set by CalPERS for

PEPRA Tier 3 members. Employee contributions will be made as per Government Code Section 20516, Employee Cost Sharing of Additional Benefits.

ARTICLE A.5 **SALARY – POLICE CHIEF**

A.5.1 Effective the first full pay period following July 1, 2017, all unit employees shall receive a three percent (3%) Cost of Living adjustment (COLA).

A.5.2 Effective the first full pay period following July 1, 2018, all unit employees shall receive a three percent (3%) COLA.

A.5.3 Effective the first full pay period following July 1, 2019, all unit employees shall receive a two and a half percent (2.5%) COLA.

A.5.4 The City Council reserves its discretion to modify the COLAs set forth in this Article based on the City's property tax and/or sales tax revenue growth rates, or for any other lawful reason.

A current salary schedule can be found at: <https://srcity.org/192/Salaries>

Addendum B
To the Wages Hours and Working Conditions
For Managers in the City's Units 10
FIRE CHIEF

This Addendum to the Unit 10 Document and covers benefits specific to the Fire Chief classification for the sections identified. Except as specifically provided herein, all other terms and conditions set forth in the Document apply to the Fire Chief. In the event of any conflict between the terms and conditions of this Addendum and the Document with respect to the Fire Chief.

ARTICLE B.1 **INDUSTRIAL INJURY OR ILLNESS LEAVE**

B.1.1 Benefits for safety employees shall be as provided for under Section 4850 of the Labor Code in lieu of the provisions set forth in Article 21. Sick leave shall not be used for an industrial injury or illness.

ARTICLE B.2 **HEALTH INSURANCE**

B.2.1 Subject to the provisions above, the CITY shall offer the Fire Chief and his/her dependents, including qualified domestic partner, a health insurance program through the PERS Health Benefits Program. Eligibility and participation in this program shall be in accordance with the rules promulgated by PERS.

B.2.2 The City contribution to health insurance for active employees will be the minimum contribution required by CalPERS.

The total City allowance for active employees shall be equal to the CalPERS Blue Shield rate and adjusted each January to equal the new CalPERS Blue Shield rate.

B.2.3 The Additional City Contribution shall be determined by taking the CalPERS Blue Shield premium rates at each level of coverage and subtracting the City health insurance contribution.

B.2.4 Applicable monthly premium and premium contributions for the PERS Health Benefits Program can be found on the Employee Services Web Page.

B.2.5 All employees shall select health insurance coverage unless the employee requests a waiver of coverage from PERS through the Human Resources. Such waiver shall only be granted if the employee shows proof of other coverage from another carrier. Should an employee who has obtained a waiver of this provision lose such alternate

coverage, the employee shall notify PERS or the Human Resources Department and enroll in a PERS sponsored health insurance program within 30 (thirty) days after termination of such coverage.

B.2.6 The CITY shall provide an additional CITY contribution over and above the PERS health insurance contribution to employees based on their family status. Employees who do not use their allowance for health insurance may choose to have the unused amount equal to the CITY'S additional allowance for single (\$675.51 as adjusted annually) contributed to the Dependent Care spending option in the CITY'S flexible benefit plan (Section 125) up to a total of five thousand dollars (\$5,000) per calendar year. The portion of the allowance not utilized by the employee shall remain with the CITY.

B.2.7 That portion of PERS plan costs that exceed the amount of the City allowance shall be paid by the employee through automatic pre-tax payroll deduction.

B.2.8 Retirees are eligible for health insurance through PERS. For retirees, the City has elected the unequal contribution option. This means the City contribution toward retiree health insurance shall be pursuant to the provisions of the California Public Employees' Retirement Law, Section 20965 under the unequal method.

ARTICLE B.3 RETIREMENT

B.3.1 The term "retirement" is defined as separation from the CITY and filing and qualifying with the California Public Employee Retirement Systems (CalPERS).

B.3.2 The CITY provides three (3) tiers of retirement benefits for bargaining unit members. Eligibility for each retirement tier is determined by date of hire with the CITY. Effective January 1, 2013 the Public Employees Retirement Act (PEPRA) added the third tier. The retirement benefit provided by PEPRA applies to "new members."

The PEPRA defines a new member as an employee hired on/after January 1, 2013 who: (a) has never been a member of the California Public Employee Retirement System (PERS) or a reciprocal agency or; (b) has had a six month (or more) break in service from PERS or a reciprocal public agency or; (c) has previously worked for a public agency whose retirement system does not have reciprocity with PERS.

B.3.3 Fire Safety eligibility for each retirement tier shall be as follows:

	Tier 1	Tier 2	Tier 3
Benefit Formula	3% @ 50	3% @ 55	2.7% @ 57
Final Compensation	Single highest year final compensation	Three year average final compensation	Three year average final compensation
Hire Date	Hired before July 8, 2012	Hired on/after July 8, 2012 or worked for a PERS (or reciprocal) agency within the last six months	New members hired on/after January 1, 2013

B.3.4 Effective July 12, 2015, each bargaining unit member shall pay, through payroll deductions, an additional one and one-half percent (1.5%) of PERSable compensation toward the CITY'S normal cost of pension benefits for a total PERS contribution of ten and one-half percent (10.5%) for classic members in Tier 1 and Tier 2, and one and one-half percent (1.5%) above the contribution rate set by CalPERS for PEPR Tier 3 members. Employee contributions will be made as per Government Code Section 20516, Employee Cost Sharing of Additional Benefits.

ARTICLE B.4 **SALARY - FIRE CHIEF**

B.4.1 Effective the first full pay period following July 1, 2017, all unit employees shall receive a three percent (3%) Cost of Living adjustment (COLA).

B.4.2 Effective the first full pay period following July 1, 2018, all unit employees shall receive a three percent (3%) COLA.

B.4.3 Effective the first full pay period following July 1, 2019, all unit employees shall receive a two and a half percent (2.5%) COLA.

B.4.4 The City Council reserves its discretion to modify the COLAs set forth in this Article based on the City's property tax and/or sales tax revenue growth rates, or for any other lawful reason.

A current salary schedule can be found at: <https://srcity.org/192/Salaries>

ARTICLE B.5

FIRE DEPARTMENT DUTY CHIEF

B.5.1 The Fire Chief may act as Duty Chief, as appropriate. When assigned this duty, the Fire Chief shall be required to have immediate access to all equipment necessary to respond to Code 3 emergencies. When performing the duties of Duty Chief, the Fire Chief shall receive premium pay of an additional four dollars and thirty-five cents (\$4.35) per hour for each hour so assigned (equivalent to \$556.80 per week).

B.5.2 "Duty Chief Assignment Premium Pay" duty is defined as the period of time that a unit employee serving as a DC is required to respond to incidents or other needs of the Fire Department as the Duty Chief.

B.5.3 DCs shall refrain from activities that might impair his/her performance of assigned duties upon call.