ITEM NO. 25

STAFF REPORT

CITY OF OCEANSIDE

DATE: July 6, 2011

TO: Honorable Mayor and City Councilmembers

FROM: Human Resources Department

SUBJECT: **RESOLUTION IMPLEMENTING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OCEANSIDE AND THE MANAGEMENT EMPLOYEES OF THE CITY OF OCEANSIDE (MECO) EFFECTIVE JULY 1, 2011**

SYNOPSIS

City management representatives have met and conferred with representatives of the Management Employees of the City of Oceanside based on City Council's direction. A tentative agreement for a Memorandum of Understanding (MOU) was reached on June 3, 2011. MECO has ratified the agreement. Based on the Council's prior direction, it is requested that the City Council adopt the resolution to implement the proposed MOU.

BACKGROUND

The previous Memorandum of Understanding between the City and the Management Employees of the City of Oceanside expires June 30, 2011. The City's negotiating team and MECO representatives met and conferred; this resulted in a tentative agreement on June 3, 2011. On June 23, 2011, MECO ratified the agreement. The proposed agreement is for a term from July 1, 2011, through June 30, 2013, and includes compensation and contract language clarification as directed by the City Council.

ANALYSIS

The key economic issues in the MOU include revisions to the California Public Employees' Retirement System (PERS) benefit, and revisions in medical insurance cost-sharing.

The MOU provides that unit employees, with the exception of public safety employees, will commence paying an additional 2% of the employee's portion of their retirement effective the first full pay period in July 2011 (for a total of 6%), and an additional 2% effective the first full pay period in January 2012 (for a total of 8%).

Public safety employees will commence paying 4.5% of the employee's portion of their retirement effective the first full pay period in July 2011, and an additional 4.5% effective the first full pay period in January 2012, (for a total of 9%).

The agreement also provides for a reopener clause if in January 2013, medical insurance rates are scheduled to increase by more than 10%.

Other items contained in the agreement include a 2nd tier retirement formula to apply to new hires, elimination of the Employer Paid Member Contribution (EPMC) reporting to CalPERS as special compensation, a provision for severance pay for employees separated due to layoff, and an increase in the maximum number of vacation hours employees may accrue.

FISCAL IMPACT

As provided by the Finance Director, the total projected savings to the City to implement the proposed changes to PERS and EPMC, from all funds for FY 2011/2012, is approximately $186,241. The savings target for the general fund only was $150,400. The savings target for all funds was $228,400.

The budget reduction for PERS and EPMC, in the amount of $186,241, is applied as follows:

General Fund	$ 120,386
All Other Funds	$ 65,855
Total Reduction	$ 186,241

Attachment 1 is the amended budget prior to June 30, 2011, which provides a running balance of the General Fund deficit.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution implementing the Memorandum of Understanding with the Management Employees of the City of Oceanside effective July 1, 2011, through June 30, 2013.

PREPARED BY:

Edward Raya
Human Resources Director

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
Teri Ferro, Financial Services Director

ATTACHMENTS:
- Resolution
- Memorandum of Understanding

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE APPROVING AND IMPLEMENTING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OCEANSIDE AND THE MANAGEMENT EMPLOYEES OF THE CITY OF OCEANSIDE

WHEREAS, representatives of the City Council of the City of Oceanside have met and conferred in good faith pursuant to the Myers-Milias-Brown Act with representatives of the Management Employees of the City of Oceanside Association; and

WHEREAS, as a result of the said meet and confer sessions a Tentative Agreement (Agreement) with said Association was signed by the Interim Human Resources Director and representatives of said Association.

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

SECTION 1. That the Memorandum of Understanding for the period from July 1, 2011 through June 30, 2013 (attached hereto as Attachment I), between the City of Oceanside and the Management Employees of the City of Oceanside is hereby approved and adopted. The Memorandum of Understanding hereby approved shall expire at 11:59 p.m., on June 30, 2013, unless extended or modified as set forth in the Memorandum of Understanding.

SECTION 2. That all terms and conditions contained in the Memorandum of Understanding shall prevail over any inconsistent provisions of prior Memoranda of Understanding adopted by the City Council.

SECTION 3. That the City Manager is hereby directed to implement all provisions of said Memorandum of Understanding and to prepare any required amendments to the

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Personnel Rules and Regulations of the City of Oceanside and to submit said amendments to this Council for its approval.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____day of _____, 2011, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

_____
MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

John P Mullen
_____
City Attorney

CITY OF OCEANSIDE
FY 2011-2012 ADOPTED & AMENDED OPERATING BUDGET

	General Fund	Other Funds	Total
Adopted 6/1/2011 (Agenda Item #17)	$ 112,915,313	$ 224,690,535	$ 337,605,848
Amended 6/1/2011 (Unreps,Aides,CCCS positions)	$ 9,163	$ (30,426)	
Amended 6/22/2011 (OCEA MOU)	$ (296,634)	$ (496,024)	$ (792,658)
Amended 7/6/2011 (MECO MOU)	$ (120,386)	$ (65,855)	$ (186,241)
Amended 7/6/2011 (WCE MOU)	$ (32,022)	$ (10,254)	$ (42,276)
Total Amended Budgets @ 7/6/2011	$ 112,475,434	$ 224,087,976	$ 336,563,410
Total Budgeted Revenues @ 6/1/2011	$ 112,033,102	$ 224,690,535	$ 336,723,637
Amended 7/6/2011 (Vehicle Replacement)	$ 306,483	$ 667,029	$ 973,512
Total Amended Revenues @ 7/6/2011	$ 112,339,585	$ 225,357,564	$ 337,697,149
Surplus/(Shortfall) - Use of Reserves	$ (135,849)	$ 1,269,588	

Prepared by Teri Ferro 6/27/2011

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF OCEANSIDE

and

THE MANAGEMENT EMPLOYEES OF THE CITY OF OCEANSIDE

Effective July 1, 2011 – June 30, 2013

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SUMMARY OF CHANGES

1. **TERM** - From the date of ratification through June 30, 2013.

2. **RETIREMENT** – Effective July 2011 all employees, except Public Safety, will contribute an additional 2% of the employee's portion of PERS; Public Safety employees will commence paying 4.5% of the employee's portion of PERS. Effective January 2012 all employees, except Public Safety, will contribute an additional 2% of the employee's portion of PERS; Public Safety employees will contribute an additional 4.5% of the employee's portion of PERS. Reporting of EPMC will be eliminated effective July 2011. A second-tier pension contract will be established with PERS for 2% @ 60 with the three highest year average. The second tier pension will apply to all new hires upon a date to be determined by the City.

4. **VACATION ACCRUAL** – Employees hired after July 1, 1995 may accrue up to a maximum of 240 hours of vacation.

5. **SEVERANCE PAY** – Provides language outlining guidelines for severance payments upon layoff.

MEMORANDUM OF UNDERSTANDING
Between the
CITY OF OCEANSIDE
and the
MANAGEMENT EMPLOYEES OF THE CITY OF OCEANSIDE

I. GENERAL

A. INTENT AND PURPOSE

It is the intent and purpose of this Memorandum of Understanding to set forth the understanding of the parties reached as a result of meeting and conferring in good faith pursuant to the Meyers-Milias-Brown Act, regarding, but not limited to, matters related to the wages, hours, terms and conditions of employment between employees represented by the Management Employees of the City of Oceanside (hereinafter referred to as MECO) and representatives of the City of Oceanside.

The group agrees to recommend ratification to its membership, and City representatives agree to recommend to the City Council of the City of Oceanside that all terms of the Memorandum be adopted in full by resolution of the City Council. Upon such adoption, all terms and conditions of this Memorandum shall then become effective without further action by either party.

B. UNIT DESCRIPTION

The City and the Association agree to the appropriateness of the following bargaining unit:

1. All full-time, exempt and non-exempt, classified Supervisory and Administrative regular employees which include the following classifications:

   Upon execution of this Memorandum, the following exempt classifications are represented by the Group and are members of the unit:

   Accountant
   Accounting Supervisor
   Administrative Analyst I
   Administrative Analyst II
   Customer Service Supervisor
   Engineering Services Manager
   Environmental Specialist I
   Environmental Specialist II
   Financial Analyst
   Laboratory Supervisor
   Police Records Supervisor
   Principal Engineering Staff Assistant
   Principal Librarian
   Principal Planner
   Program Specialist
   Public Information Officer (Police)
   Public Works Inspection Superintendent
   Records Manager
   Recreation Supervisor
   Senior Chemist
   Senior Civil Engineer
   Senior Code Enforcement Officer
   Senior Planner
   Senior Property Agent
   Senior Transportation Engineer
   Supervising Accountant
   Supervising Property Agent

Transportation Engineer
Transportation Operations Supervisor
Water Utilities Engineer
Waste Management Specialist

Upon execution of this Memorandum, the following non-exempt classifications are represented by the Group and members of this unit:

Administrative Secretary
Aquatics Supervisor
Beach Lifeguard - Captain
Chief Plant Mechanic
Chief Plant Operator
Community Services Supervisor
Contract Coordinator
Electrical/Traffic Maintenance Supervisor
Evidence and Property Supervisor
Fleet Supervisor
Geographic Information Systems Supervisor
Instrumentation Supervisor
Maintenance Supervisor
Meter Shop Supervisor
Ordinance Enforcement Supervisor
Plant Maintenance Supervisor
Records Center Supervisor
Senior Building Inspector
Supervising Automotive Technician
Supervising Housing Specialist
Supervising Mechanic
Utility Supervisor
Wastewater Plant Supervisor
Water Distribution Supervisor
Water Treatment Supervisor

2. REGULAR EMPLOYEE DEFINED. A regular employee shall be a full-time exempt or non-exempt employee working a regular or predetermined schedule, even though at odd hours, who is compensated on an hourly wage or salary basis and receives fringe benefits. Hourly, casual, seasonal or emergency employees shall not be considered as regular employees.

C. MANAGEMENT RIGHTS

Except as limited by State law, the City retains all rights not specifically delegated in this agreement and the provisions described herein including, but not limited to, the exclusive right to set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action for proper cause; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of the City.

II. THE SALARY/CLASSIFICATION PLAN

A. THE SALARY PLAN

1. Flat Rate Salary Levels. Certain classifications have been assigned a single or flat rate salary. The Salary Step Plan shall not apply to employees in such classes.

2. The salary step plan shall provide a salary range for each job classification (except as noted in 1 above). Such salary range will be divided into six (6) salary level steps which shall be interpreted and applied as follows:

   a. "A" Step. The "A" or first step salary level will be the minimum rate and normally shall be the starting or hiring rate. In special cases, when it is merited by experience, education, training or other qualifications, the City may approve the hiring of a candidate for employment at a higher level.

   b. "B" Step. The "B" or second step salary level may be granted to an employee after satisfactory completion of six (6) calendar months of service during the probationary period. The adjustment shall be made only if granted by the City except that this second step must be granted at the time of satisfactory completion of the original probationary period.

   c. "C" Step. The "C" or third step salary level may be granted to an employee who has proven to be satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

   d. "D" Step. The "D" or fourth step salary level may be granted to an employee who has proven to be satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

   e. "E" Step. The "E" or fifth step salary level may be granted to an employee who has proven to be satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

   f. "F" Step. The "F" or sixth step salary level may be granted to an employee who has proven to be satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase only if granted by the City.

3. Upon promotion, the employee shall receive the salary range established for that designated classification. The employee shall be placed on the step within that range that provides a salary increase no less than one salary step, provided that such increase shall be at least equivalent to the minimum and shall not exceed the maximum salary level established for the new job.

B. <u>SALARY PLAN ADMINISTRATION</u>

1. a. Non-exempt employees shall normally receive salary compensation on a bi-weekly basis based on the number of hours spent in a pay status during a bi-weekly period, with paychecks being distributed on Friday. Each bi-weekly pay period shall normally extend from 12:01 a.m. on the Sunday before a regular payday through 12:00 a.m. on the Saturday following a regular payday. For employees scheduled to work a 9/80 work schedule, each bi-weekly pay period shall normally extend from 12:01 p.m. on the Friday

before a normal payday through 12:00 (noon) on the Friday following a normal payday.

b. Exempt employees are "salaried" employees for the purposes of the Fair Labor Standards Act and shall receive salary compensation in twenty-six (26) bi-weekly installments with paychecks being distributed on Friday. Employees shall receive full pay for each pay period without regard to the number of hours actually worked within a payperiod subject to rules relating to leave.

2. An employee will not receive any compensation of any type while on leave of absence without pay or while absent from duty without official leave.

3. If the salary range for a particular job classification is either increased or decreased, then all employees within that classification shall maintain their same salary step level in the adjusted salary range.

4. The City may accelerate salary step advancement for individual employees at its discretion.

5. To maintain any given salary level, an employee must continue to maintain a fully satisfactory level of performance. All employees normally shall receive at least one (1) annual written department evaluation. Additionally, the City may at any time assess an employee's performance by conducting an evaluation. If any such written departmental performance evaluation does not demonstrate an employee's continued successful performance, that employee may be reduced in salary level or demoted in job classification. Any such reduction may be reevaluated, at the City's discretion, after a specified period of time not exceeding six months.
   Any grievance appeal to any performance-based salary reduction or demotion in job classification may be appealed pursuant to the disciplinary appeals process provided for in this agreement.

6. Evaluation Date Defined: The date on which an employee is to receive a performance evaluation in accordance with the salary step plan and the probationary period. Any change in an employee's job classification or salary step shall be considered as an appointment which establishes a new Evaluation Date.

   a. This definition shall be utilized, as appropriate, throughout this Agreement unless specifically provided otherwise.

   b. The Evaluation Date for any employee not present for duty, nor in a pay status for two or more consecutive payperiods shall be advanced that number of days.

   c. If the employee does not receive their evaluation when it is due and the employee is eligible for a recommended pay step increase, the step increase will be paid retroactively.

7. A minimum of ten percent (10%) differential will be maintained between job classifications within the same class series.

C. ACTING APPOINTMENTS

The City may, at its discretion, appoint an employee to an acting capacity in a job classification different than that one currently held by the employee. The employee shall receive any salary range increase which may be attendant to such acting service only after eighty (80) consecutive working hours of City-recognized successful service in such acting capacity, except as provided below. Employees appointed to an acting capacity shall only be required to complete the eighty (80) consecutive work hour requirement, for the same acting capacity (sick leave, vacation and other accrued leaves will be excluded from the initial eighty hour requirements), once per calendar year to be eligible to receive the salary range increase. Any salary range increase provided to an employee shall be determined in accordance with the promotion provisions of this Agreement and shall be paid retroactively to the first day of acting service. Service in an acting capacity shall not continue for a period of time exceeding 180 days, nor be considered in establishing an employee's Evaluation Date for the purpose of applying the salary plan, nor be applied toward any subsequent probationary period.

D. H-RATING

1. Defined: "H-Rating" shall mean that the salary for the affected employee shall remain on hold until the salary range for the employee's classification equals or exceeds the "H-Rating" level.

2. The City may, at its discretion, "H-Rate" any employee in the City Service. Such action shall not take effect until that employee has had 15 calendar days advance notice. Upon request, the City shall meet with an employee concerning the impact of the City's decision to apply an "H-Rate".

E. PROMOTION

The City may, at its discretion, promote any properly certified employee to a different job classification within the City service having more responsible duties, and/or higher job qualifications, and/or a higher salary range level. Upon promotion, any employee shall receive a minimum salary increase equivalent to one (1) salary step in the employee's current (pre-promotional) job classification, provided that such increase shall be at least equivalent to the minimum and shall not exceed the maximum salary range level established for the new job classification. A promotion shall establish a new Evaluation Date for purposes of applying the salary step plan. Any promotional appointment shall be tentative and subject to the probationary period. Any employee rejected during such probationary period shall be reinstated to the job classification held prior to the promotion, unless the employee is discharged from the City service as provided in this Agreement.

F. DEMOTION

The City may, in accordance with this Agreement, demote any employee to a different job classification within the City service having less responsible duties, and/or lower job qualifications, and/or a lower salary range level. Upon demotion, an employee shall receive a minimum salary decrease equivalent to one (1) salary step in the employee's current (pre-demotional) job classification, provided that no

employee shall receive a salary which exceeds the maximum salary range level established for the new job classification. A demotion shall establish a new Evaluation Date for purposes of applying the salary step plan and may reinstitute the probationary period.

III. COMPENSATION

Compensation as provided hereinbelow shall not be granted to any employee for services for which the employee has been otherwise compensated. For purposes of this subsection, compensation for paid time off shall not be considered as compensation for services rendered.

A. EXEMPT/NON-EXEMPT EMPLOYEES

Non-exempt employees may be assigned work in excess of the normal, regularly scheduled work week which shall be compensated as overtime pay (OT), or as compensatory time off (CTO) as agreed upon by the appropriate immediate supervisor and the employee. Such compensation for non-exempt personnel shall be computed at the rate of 1½ times the employee's regular hourly rate of pay for hours worked in excess of 40 hours in a week. Compensatory time off must be requested in the same manner as any other request for time off (vacation, holiday, etc.). If for any reason the City cannot grant the employee's request for CTO, then the employee will be allowed to request alternate days off or be paid at the applicable overtime rate. All overtime work shall be in accordance with departmental procedures. All time which an employee spends in a pay status shall be considered in establishing the employee's normal regularly scheduled work week.

1. FLSA exempt employees shall not receive overtime or compensatory time off.

2. Overtime compensation shall not be paid during a leave of absence taken by request or while on Injury-on-Duty (IOD) status.

3. Non-exempt employees may accrue a maximum of 80 hours of CTO. Such time off shall be scheduled with due regard to the wishes of the employee and in compliance with FLSA rules and consistent with the City's work requirements. CTO shall only be taken in even, whole hour increments. Upon separation, an employee shall receive compensation for all accrued CTO at the employee's then-current salary rate.

4. An employee may cash out any accrued compensatory time off once each quarter upon a written request to the Payroll Supervisor in the Financial Services Department.

B. RETIREMENT - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

1. **The City has contracted with PERS to fund the 2.7% at 55 retirement plan effective the first full pay period in July 2009.**

2. The City shall continue to provide for the same optional retirement including the following:

   a. 1959 Survivor Benefit pursuant to Section 21380 through 21388 of the California Government Code.

   b. Third level Survivor Benefit pursuant to Section 21390 of the California Government Code.

   c. Post Retirement Survivor's Benefits pursuant to Section 21263 through 21263.1 of the California Government Code.

   d. Military Service Credit pursuant to Section 20930.3 of the California Government Code.

   e. One Year Final Compensation pursuant to Section 20024.2 of the California Government Code.

   f. Waiver of age 70 retirement pursuant to Section 20983.6 of the California Government Code.

   g. Service credit for unused sick leave.

3. **Effective the first full pay period in July 2011, the City agrees to eliminate reporting of the Employer Paid Member Contribution (EPMC) as additional compensation pursuant to Section 20692 of the California Government Code.**

4. **Effective the first full pay period in July 2011, all bargaining unit employees, except Public Safety employees, shall pay an additional 2% of the employee's portion of PERS, for a total of 6%. Effective the first full pay period in January 2012, all bargaining unit employees, except Public Safety employees, shall pay an additional 2% of the employee's portion of PERS, for a total of 8% and shall continue to pay the full employee's portion of the PERS contribution.**

5. **Effective the first full pay period in July 2011, all Public Safety employees shall commence paying 4.5% of the employee's portion of PERS. Effective the first full pay period in January, 2012, all Public Safety employees shall pay an additional 4.5% of the employee's portion of PERS, for a total of 9%, and shall continue to pay the full employee portion of the PERS contribution.**

6. **During the term of this MOU, the City shall contract and implement an agreement with PERS to provide a 2nd tier retirement benefit for all employees hired on or after a date to be determined by the City.. Said 2nd tier retirement benefit shall provide a 2% at 60, with 3-year average final compensation, retirement formula.**

C. HEALTH BENEFITS

1. The City shall provide every eligible employee with the option of selecting medical and/or dental and/or vision insurance for the employee only or for the employee and all eligible family members. If eligible family members are enrolled, they must be enrolled in the same coverages as elected by the employee.

2. The City agrees to contribute a sum not to exceed $545 per month toward City group insurance premiums for the employee and eligible family members. Each eligible employee may elect to use this contribution only toward health coverage by enrolling in the City's group insurance plans. If the employee and his/her spouse are both eligible for coverage as City employees and enroll in the same plans under family coverage, the monthly City contribution may be combined to offset the costs of the premiums. Under no circumstances shall the City be required to pay any of the unused City contribution to the employee in cash.

3. Each eligible employee may elect to change the selection of optional benefits programs once per year at a time designated by the City.

4. The City shall continue group health insurance coverage for employees on approved leaves of absence without pay provided the employee pays the premiums in a timely manner. The City shall provide the employee with a payment schedule. For employees on approved leaves of absence without pay under the Family and Medical Leave Act, the City shall continue the monthly insurance contribution as provided by law.

5. The City and the Association agree to establish a joint committee to review the feasibility and implementation of a Voluntary Employee Benefit Association (VEBA) or similar plan. Implementation of such a plan will be at no cost to the City, however; it is anticipated that employees will be able to elect to donate accrued sick leave provided such employee has used thirty-two hours or less of sick leave during the calendar year. An employee donating such hours shall be eligible for one half (50%) of the number of hours of sick leave accrued less those hours used for the calendar year period. The employee's accrued sick leave shall be reduced by the number of sick leave hours donated. This voluntary donation shall be in lieu of the sick leave cash out contained in Section IV.B.4.b.

6. Effective January 2008, the City agrees to pay the employee's health insurance premium as follows:

   a. Medical:
   For family coverage, the City agrees to pay 75% of the medical insurance premium, not to exceed 75% of the cost of the **City of Oceanside currently contracted Anthem Blue Cross or equivalent** HMO plan.
   For two-party coverage, the City agrees to pay 85% of the medical insurance premium, not to exceed 85% of the cost of the **City of Oceanside currently contracted Anthem Blue Cross or equivalent** HMO plan.

For single coverage, the City agrees to pay 100% of the medical insurance premium, not to exceed 100% of the cost of the **City of Oceanside currently contracted Anthem Blue Cross or equivalent** HMO plan.

b. Dental:

For family coverage, the City agrees to pay 75% of the dental insurance premium not to exceed 75% of the cost of the **City of Oceanside contracted** PPO premium.

For two-party coverage, the City agrees to pay 85% of the dental insurance premium not to exceed 85% of the cost of the **City of Oceanside contracted** PPO premium.

For single coverage, the City agrees to pay 100% of the dental insurance premium not to exceed 100% of the cost of the City of Oceanside contracted PPO premium.

c. Vision:

For family coverage, the City agrees to pay 75% of the vision insurance premium.

For two-party coverage, the City agrees to pay 85% of the vision insurance premium.

For single coverage, the City agrees to pay 100% of the vision insurance premium.

7. If both husband and wife are employed full time with the City, the City will pay the full cost of the family plan for health, dental, and vision, not to exceed the cost of the PacifiCare HMO plan; the Delta Preferred PPO plan and the vision plan.

8. **In the event that medical insurance rates are scheduled to increase by more than 10 percent (10%) of the currently contracted Anthem Blue Cross or equivalent HMO plan in January 2013, either party may reopen for renegotiation the portion of this agreement covering medical insurance cost-sharing.**

D. <u>LIFE INSURANCE</u>

The City shall provide every eligible employee $30,000 in group life insurance coverage. The City shall contribute the appropriate monthly premium for such coverage. Effective July 2005, the City shall provide every eligible employee group life insurance coverage equal to one times their annual salary with a minimum benefit of $30,000 **and maximum of $200,000.00.** The City shall contribute the appropriate monthly premium for such coverage.

The City will provide a **supplemental** life insurance program option for the employee and dependents. Employees who opt to participate in this program will pay the cost of such insurance purchased under this provision.

E. <u>LONG-TERM DISABILITY INSURANCE</u>

1. The City shall provide long-term disability insurance at the current rates and levels. Minimally, such program shall provide a disability benefit equivalent to 66 2/3% of the employee's basic monthly salary up to a maximum benefit of

$6,000.00 per month. Any such disability benefit shall not become payable until the passage of 90 days from the date of disability, or until the use of all the employee's accrued sick leave, whichever is later. Such disability benefits shall be reduced by any disability retirement benefits, workers' compensation benefits, benefits equivalent to those provided in Labor Code Section 4850 or like benefits which may be imposed by state or federal mandate in the future. In no event shall the total benefits provided to any employee by this Subsection exceed 66 2/3% of the employee's basic monthly salary up to the maximum benefit.

2. The City shall contribute, as appropriate, up to **the full "employee only"** premium cost of the above-described long-term disability insurance program.

F. SHORT-TERM DISABILITY INSURANCE

1. The City shall provide for Short-Term Disability insurance at the current rates and levels. Minimally, such program shall provide a disability benefit equivalent to 55% of the employee's basic weekly salary up to a maximum benefit of **$700.00** per week. Any such disability benefit shall not become payable until the passage of seven days from the date of disability or until the use of all the employee's accrued sick leave, whichever is later. However, if the employee is hospitalized, there is no waiting period after all accrued sick leave is exhausted. Such disability benefits shall not be paid concurrently with sick leave benefits, disability retirement benefits, workers' compensation benefits, benefits equivalent to those provided in Labor Code Section 4850 or like benefits which may be imposed by state or federal mandate in the future. The maximum benefit period for Short-Term Disability Insurance shall be 90 days.

2. The City shall contribute, as appropriate, up to **the full "employee only"** premium cost of the above-described **short-term disability program.**

G. REPLACEMENT OF PERSONAL PROPERTY

Any employee that suffers damage, destruction or loss of personal property, except a motor vehicle, boat, airplane or similar such vehicle, required in the performance of regular duties and as a result of performing those duties, shall be entitled to replacement or repair thereof upon the approval of the Risk Manager, not to exceed $500.00, provided that such damage or destruction did not result from employee negligence. Any reimbursement provided under this subsection shall not exceed the reasonable value of functional replacement or repair. Specific replacement or repair value limitations on such articles as eyeglasses and watches shall be established by the City.

H. UNIFORMS

The City shall provide uniforms for any public safety employee required by the City to wear such uniforms in the course of regular job duties, or provide an annual cash uniform allowance payment of $475.00.

I. MILEAGE REIMBURSEMENT/CITY VEHICLES

No employee by virtue of this agreement has a right to a City-owned vehicle.

1. City-owned vehicles may be provided on a take-home basis during an actual emergency as determined by the Department Director.

2. When an employee is authorized to use his/her personally owned vehicle during work assignments, the City shall provide advanced mileage or mileage reimbursement at a level equivalent with the current IRS rate. This rate is subject to adjustment up or down based on actions of the Federal government. The set rate is intended to be a total amount paid for use of the vehicle, inclusive of gas, oil, insurance and maintenance.

J. DEFERRED COMPENSATION PLAN

The City shall provide a non-contributory Deferred Compensation Plan. In addition to salary, any portion of the following benefits may be diverted to the Plan at the employee's option, subject to restrictions established by the City's adopted Plan: compensation for holidays, sick leave, overtime and Suggestion Program Awards. The City reserves the right to change, alter, amend or discontinue any plan, and to impose specific conditions upon the use of any plan.

K. PHYSICAL EXAMINATIONS

The City shall provide any job/City-required medical examination at no cost to the employee.

L. EMERGENCY RECALL PAY

All non-exempt employees recalled to perform job duties after the close of the regularly assigned shift and after departure from City facilities shall receive a minimum of three (3) hours of OT or CTO, as agreed upon by the appropriate immediate supervisor and the employee. Any employee required to work longer than three (3) hours after being recalled shall receive overtime pay as provided in this Compensation Plan.

M. EDUCATIONAL INCENTIVE PLAN

The educational incentive plan provided by the City pursuant to Resolution No. 69-171 shall be discontinued except for those employees currently receiving compensation under that plan. Such compensation rate for those employees shall not be increased or decreased. Employees who have earned and are receiving educational incentive program benefits shall continue to receive said benefits. Employees who have not earned and are not receiving educational incentive program benefits shall not be eligible to earn or receive said benefits.

N. TUITION REIMBURSEMENT

The City shall provide reimbursement for tuition, books, lab fees and mandatory fees within a fiscal year up to a dollar amount which shall not exceed the per unit rate

based on a normal semester full load tuition rate at San Diego State University for courses related to the permanent employee's current job. An employee shall be reimbursed upon submitting evidence that he/she has satisfactorily completed the approved course work. Employees shall obtain pre-approval from the City prior to commencement of classes. Effective ninety days after ratification by all parties, employees must submit their request for reimbursement within ninety days of course completion. **Coursework approved during a fiscal year will be applied to that fiscal year allowance, regardless of the course end date.**

Reimbursement will only be granted for courses taken at universities or colleges that are accredited with the Western Association of Schools and Colleges or one of the other five regional associations that accredit public and private schools, colleges and universities in the United States.

Effective January 2002, the City shall also provide reimbursement pursuant to the guidelines outlined above for courses taken as part of a curriculum (general education or classes applicable to a specific major) that leads toward an Associate's or Bachelor's Degree.

In no event will the total amount toward tuition reimbursement for any employee, for any combination of classes taken in a fiscal year, exceed the full load rate at San Diego State University.

If an employee attains a degree in a subject related to his/her current job, the employee shall receive a one-time payment of $300 for an Associate level degree and $600 for a Bachelor's Degree.

O. SAFETY SHOES

The City shall reimburse any employee required by the City to wear safety shoes in the course of regular job duties for the cost of purchasing and maintaining such shoes up to a maximum of $120.00 per pair. Any such shoes shall meet City specifications. City reimbursement for safety shoes provided pursuant to this Agreement shall be limited to one (1) pair of shoes at any one time, and no replacement reimbursement shall be provided unless such replacement has been authorized by the City. No limit shall be established on the number of pairs of safety shoes replaced during any specific period of time. No replacement reimbursement shall be made until the shoes to be replaced have been turned in to the City.

P. BILINGUAL PAY

An employee who is appointed to a position which is enhanced by the use of bilingual skills may request to be tested for bilingual certification. The City shall determine the number of bilingual positions and which languages are needed. Bilingual pay is provided at $100.00 per month to employees who occupy designated positions and who are certified as proficient in English and Spanish or Samoan.

Q. SHIFT DIFFERENTIAL

Employees assigned to a regular work schedule which begins between the hours of 3:00 p.m. and 3:00 a.m. shall receive an additional 5% of regular base salary as shift

differential pay. Only those employees assigned to a full eight (8) hour or more shift, or to a split shift totaling eight (8) or more hours shall be eligible to receive such pay. A minimum assignment of at least ten (10) consecutive working days shall be required before an employee becomes eligible to receive such pay from the first day of the assignment.

R. FLEXIBLE SPENDING ACCOUNT

Effective January 1, 1996, the City will provide an IRS-approved Flexible Spending Account (FSA) program that will enable employees to defer compensation on a pre-tax basis for eligible health care expenses and dependent care expenses. Administrative fees will be paid by the City.

S. DIVE PAY

Aquatics Supervisors will be entitled to dive pay equal to double their current hourly rate. Dive pay applies only to actual time in the water utilizing scuba equipment. Dressing time, planning time and clean-up time will be paid at the regular hourly rate. The minimum number of certified divers per dive shall be two (2).

T. EMPLOYEE COMPUTER ASSISTANCE PROGRAM

Effective January 2002, employees who have satisfactorily completed their initial probationary period, shall be eligible to participate in the Employee Computer Assistance Program. Employees will be eligible for a loan up to a maximum of $3000 for the purchase of hardware and software approved by the City for home use. The loan will be repaid, by payroll deduction, over a period not to exceed 30 months. Any remaining loan balance is due and payable upon termination, and may be deducted from the employee's final check.

U. RECRUITING INCENTIVE BONUS

The Oceanside Police Department has established a recruiting incentive bonus for employees. Employees who refer a qualified experienced police officer for consideration for hire will be paid $250 if the candidate is hired. The referring employee will receive an additional $250 when the candidate completes the probationary period.

An experienced police officer is one that has worked for a California law enforcement agency and is eligible for or possesses the Basic P.O.S.T. Certificate. An experienced police officer from outside California will have had to receive the Basic Course Waiver from P.O.S.T. and have completed the three-week P.O.S.T. Recertification Course.

The purpose of this recruiting incentive is to attract quality experienced police officers to Oceanside. A referral card has been established that employees can provide to perspective candidates. The candidate will submit the card with the City application for employment or may instruct applicants to place the employee's name on the reverse side of the job application under Section 15: "How did you learn of this position?"

V. NOTARY PAY

Employees licensed by the State of California, as Notaries shall be eligible to receive a monthly stipend of $100.00 per month. Department Directors shall determine the number of personnel needed to perform notary services within their respective departments based on a demonstrated need.

W. CERTIFICATION PAY

Effective July 2005 the City will pay $150 per month to employees with the State of California Hazardous Materials Handler Certification, or the State of California Playground Equipment Inspector Certification, or the State of California pesticide Applicator Certification. Department Directors shall determine the number of personnel needed to perform professional services under these licenses/certifications within their respective departments based on a demonstrated need.

IV. ATTENDANCE AND LEAVES

A. WORKDAY/WORKWEEK

1. FLSA exempt employees shall be considered to work an "indefinite" workweek and not be entitled to overtime compensation.

2. Indefinite workweek is meant to imply some flexibility in the schedule so long as all responsibilities and obligations are covered. Employees who elect to leave a shift early or leave the worksite to conduct personal business shall, when practicable, inform the immediate supervisor or log in the time of departure and how the employee may be contacted in case of emergency. It shall also be the employee's responsibility to provide the oncoming supervisor with sufficient information to insure safe and efficient continuity of operations.

3. The basic workweek for non-exempt employees shall consist of five (5) eight (8) hour days or forty (40) hours per week. However, employees for whom the City deems a different schedule to be desirable or necessary shall work according to such other schedule.

4. Nothing herein shall be construed to be a guarantee of a minimum work week for any employee.

5. Lunch periods and break periods shall be as scheduled by the City.

6. Employees working during the conversion from Standard Time to Day Light Savings Time will be allowed to utilize their accrued leave (excluding sick leave) or take one hour leave without pay at the employees option, to ensure a full work day (i.e. if the employee normally works an eight hour shift and due to the conversion only works seven hours, the employee will be authorized to utilize their accrued leave (excluding sick leave) to ensure a full paid work shift).

B. SICK LEAVE

1. Defined: Sick leave is leave from duty which may be granted by the City to an employee because of non-work-related illness, injury, exposure to contagious disease, necessary consultation with or treatment by a doctor or dentist, necessary attendance to the illness or injury of a member of the employee's immediate family, or death within the employee's immediate family.

   For purposes of this Section, an employee's immediate family shall consist of the employee's spouse; children; the employee's or spouse's grandparents, mother, father, brother, or sister; other members of the employee's family residing in the employee's home; or other members of the employee's family entirely dependent upon the employee.

2. Sick Leave Use.

   a. An employee may be granted sick leave only in the case of actual sickness as defined in Subsection B.1. above. In the event that an employee recovers from any such sickness after being granted sick leave, and during the regularly scheduled hours of work, then such employee shall notify the appropriate immediate supervisor and be available to return to duty.

   b. In case of pregnancy, the beginning date of sick leave usage shall be at the employee's discretion, with the concurring written advice of her personal physician. Date of return shall be based upon the written recommendation of the employee's physician and, when deemed necessary by the City, the concurrence of the City's examining physicians.

   c. Employees shall notify the appropriate immediate supervisor no later than one (1) hour after the time established for beginning daily duties if an employee intends to use sick leave.

   d. Sick leave shall not be granted to any employee absent from duty as a result of any sickness, injury, or disability purposely self-inflicted or caused by willful misconduct.

   e. Non-exempt employees will be granted sick leave in even one-half (½) hour increments. Excessive absences may reflect upon an employee's performance and may be grounds for discipline, including termination.

   f. Sick leave shall not be granted to any employee absent from duty after separation from City service, or during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

   g. Sick leave shall not be granted to any employee to permit an extension of the employee's vacation.

   h. Sick leave, equal to the amount accrued, may be granted to any employee during the employee's original probationary period.

i. In the event that an employee has applied for sick leave use for two (2) or more consecutively scheduled working days, the City may require a physician's certification attesting to the employee's illness and a prognosis or approval for the employee's return to work. The City may, however, require such certification regarding sick leave use at any time.

j. Sick leave granted to any employee for necessary attendance to the illness of a member of the employee's immediate family shall not exceed forty (40) hours in any twelve (12) month period.

3. Sick Leave Accrual

a. All employees shall accrue 3.69 hours of sick leave for each 80 hours spent in a pay status beginning on the first day of service as a City employee. (This accrual amounts to approximately 12 days per year or equivalent.) Such accrual shall take place on a pay period basis. Hours spent in a pay status shall include all regular hours worked in the City service and all hours spent in a paid leave status from regular duties, and shall exclude any hours worked as overtime or special time.

b. Sick leave granted by the City and used by an employee shall be deducted from the employee's accrued sick leave balance.

c. Employees granted a leave of absence with pay or other approved leave with pay shall accrue sick leave as otherwise regularly provided by this Agreement.

d. Sick leave shall not be accrued by an employee absent from duty after separation from City service, or during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

e. All employees may accrue sick leave without limitations.

f. Sick leave will be accrued on an hour-by-hour basis.

4. Reimbursement for Accrued Sick Leave

a. Upon separation of any type, other than by disciplinary discharge, employees may be paid 50% (up to a maximum payoff level of 1250 hours) of the employee's total unused and accrued sick leave or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation, and shall reduce the employee's total amount of accrued sick leave to zero.

b. Each calendar year, any employee may elect to receive payment in lieu of accrued sick leave. An eligible employee shall notify the City of the desire to receive such payment prior to the last working day in November of each calendar year. An employee receiving such pay shall receive, at the then-current salary rate, pay for 50% of the number of hours of sick leave accrued less those hours used for the calendar year period. The employee's accrued

sick leave shall be reduced by the number of sick leave hours for which pay is provided.

C. BEREAVEMENT LEAVE

a. All employees shall be eligible to take three (3) days paid leave of absence on account of the death of a member of the employee's immediate family.

b. Members of the immediate family shall be limited to spouse; children; the employee's or spouse's grandparents, mother, father, brothers or sisters; and other members of the employee's family residing in the employee's home.

c. Upon approval of the Department Director, an additional two (2) days of bereavement leave may be granted. These two (2) days, if granted, shall be chargeable to sick leave.

D. HOLIDAYS

1. Employees shall receive the following paid holidays on a straight-time basis:

   a. January 1st, "New Year's Day";
   b. The third Monday in January, "Martin Luther King Day";
   c. The last Monday in May, "Memorial Day";
   d. July 4th, known as "Independence Day";
   e. The first Monday in September, known as "Labor Day";
   f. November 11th, "Veteran's Day";
   g. The Thursday in November appointed as "Thanksgiving Day";
   h. The Friday following "Thanksgiving Day"; and
   i. December 25th, "Christmas Day".

2. In the event that one of the above holidays falls on a Sunday, the Monday following will be observed as the holiday. In the event that any of the above holidays falls on a Saturday, the Friday preceding will be observed as the holiday.

3. In the event that a holiday falls on an employee's regularly scheduled work day, and the employee is required to work, then the employee shall be entitled to accrue another day off in lieu thereof, in addition to straight-time pay for each hour worked, or overtime, as appropriate.

4. All holiday credit accrued between January 1 and June 30 must be scheduled and taken by the employee by June 30. If the time is not scheduled and taken by June 30, the employee shall be paid for any such hours at the employee's hourly rate on the **second** full scheduled payday after June 30, and the hours shall be subtracted from the employee's accrual balance. All holiday credit accrued between July 1 and December 31 must be scheduled and taken by the employee by December 31. If the time is not scheduled and taken by December 31, the employee shall be paid for any such hours at the employee's hourly rate on the first full scheduled payday after December 31, and the hours shall be subtracted from the employee's accrual balance.

E. FLOATING HOLIDAYS

a. In addition to the above holidays, each employee in the bargaining unit shall be credited with 48 hours of floating holidays. Floating holidays hours are to commemorate other holidays including President's Day, Admission's Day, Columbus Day, State wide election Day and other holidays that may be celebrated by employees. All employees will be credited with 48 floating holidays hours on July 1 of each year. The hours shall not exceed 48 and unused hours from the prior year shall have no cash value.

b. Floating holiday leave shall be scheduled at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City

c. Such leave shall only be taken in half hour increments.

F. VACATION LEAVE

1. Vacation Use

a. All employees shall be entitled to annual vacation leave with pay as provided in this Compensation Plan.

b. Scheduling of an employee's vacation leave shall be at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City.

c. Vacation leave shall only be granted in even whole hour increments.

d. Vacation leave shall not be granted to any employee after separation from City service, or during a City-authorized leave of absence without pay or any other absence from duty not authorized by the City.

e. Vacation leave shall not be granted to any employee during the first six (6) full calendar months of the employee's original probationary period. However, on the successful completion of the probationary period, the employee shall then be credited with vacation leave that would otherwise have been accrued during the probationary period as provided in this Agreement.

2. Vacation Accrual

a. Vacation Accrual Rates. All employees shall accrue vacation leave on the basis of the number of regular hours worked in the City Service and all hours spent in a paid leave status from regular duties, excluding any time worked as overtime or special time as provided below. Such accrual shall take place on a payperiod basis.

b. All employees will accrue vacation as follows:

(1) During an employee's first five (5) full consecutive years of employment, the employee shall accrue 3.08 hours of vacation leave

for each 80 hours spent in a pay status. (This accrual amounts to approximately 10 days per year or equivalent.)

(2) During an employee's 6th consecutive year of employment, the employee shall accrue 3.39 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 11 days per year or equivalent.)

(3) During an employee's 7th consecutive year of employment, the employee shall accrue 3.69 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 12 days per year or equivalent.)

(4) During an employee's 8th consecutive year of employment, the employee shall accrue 4.00 hours of vacation leave for each 80 hours in a pay status. (This accrual amounts to approximately 13 days per year or equivalent.)

(5) During an employee's 9th consecutive year of employment, the employee shall accrue 4.31 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 14 days per year or equivalent.)

(6) During an employee's 10th consecutive year of employment, the employee shall accrue 4.62 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 15 days per year or equivalent.)

(7) During an employee's 11th consecutive year of employment, the employee shall accrue 4.93 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 16 days per year or equivalent.)

(8) During an employee's 12th consecutive year of employment, the employee shall accrue 5.24 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 17 days per year or equivalent.)

(9) During an employee's 13th consecutive year of employment, the employee shall accrue 5.55 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 18 days per year or equivalent.)

(10) During an employee's 14th consecutive year of employment, the employee shall accrue 5.86 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 19 days per year or equivalent.)

(11) Beginning with an employee's 15th consecutive year of employment, the employee shall accrue 6.15 hours of vacation leave for each 80

hours spent in a pay status. (This accrual amounts to approximately 20 days per year or equivalent.)

(12) Beginning with an employee's twentieth (20th) consecutive year of employment and through the remaining years of employment, the employee shall accrue 7.69 hours of vacation leave for each 80 hours spent in a pay status. (This accrual amounts to approximately 25 days per year of equivalent).

c. All employees are encouraged to take annual vacation leave away from their job duties.

d. Vacation leave granted by the City and used by an employee shall be deducted from the employee's accrued vacation leave.

e. Employees granted a leave of absence with pay or other approved leave with pay shall accrue vacation leave as otherwise regularly provided by this Agreement.

f. Vacation leave shall not be accrued by any employee absent from duty after separation from City Service, during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

g. Employees hired before July 1, 1995, may accrue vacation up to a maximum of 360 hours.

h. Employees hired July 1, 1995, or later, may accrue vacation up to a maximum of two hundred (200) hours. **Effective the first full pay period in July, 2011, employees hired July 1, 1995 or later may accrue vacation up to a maximum of two hundred forty (240) hours.**

i. If the employee complies with scheduling the vacation time off, and the City cancels the scheduled vacation, the City and employee will mutually reschedule the vacation without loss of any vacation accrual to the employee.

j. Upon separation, all employees covered by this Agreement shall receive compensation for any accrued vacation leave that has cash value. Compensation shall be at the employee's salary rate at the time of separation.

3. In the event that a holiday recognized in this Agreement occurs during an employee's scheduled vacation leave, then such holiday shall not be considered as vacation leave used by the employee.

4. Employees may not utilize accrued vacation for the sole purpose of extending employment with the City.

G. MILITARY LEAVE

The State Military and Veteran's Code shall govern the City's granting and an employee's use of military leave.

H. LEAVE OF ABSENCE WITHOUT PAY

1. Any employee who has successfully completed the original probationary period may submit to the appropriate immediate supervisor a written request for leave of absence without pay for a period not exceeding one (1) year for the specific purpose of obtaining improved job training, or recuperating from an extended illness for which sick leave is not available, including maternity leave, or for attending to urgent personal affairs. Use of a leave of absence without pay for a purpose other than that requested shall be considered as an employee's automatic resignation from the City service. No leave of absence without pay shall be utilized to permit an employee to engage in non-City employment. The City shall have sole discretion to approve or disapprove any such request.

2. Any employee having been granted a leave of absence without pay and not reporting for work promptly upon its expiration shall be considered to have automatically resigned from the City Service.

3. During periods of fiscal need, the City may, in lieu of layoffs, designate furlough days of unpaid leave time. The specific days off may be scheduled for each employee at the City's discretion to meet its operational needs and with due regard to the wishes of the employee.

I. LEAVE FOR JURY DUTY

Any employee called to serve as a juror shall receive compensation from the City for the difference between the pay received as a juror, except payment for mileage, and the employee's regular salary that would have been received but for jury duty.

J. EXECUTIVE LEAVE

Exempt employees will be credited with the authorized amount of Executive Leave each July 1 in order to bring the existing balance to fifty (50) hours. In no case will unused executive hours be carried over and added to the executive leave balance for the next fiscal year.

Upon separation, the unused portion of an employee's Executive Leave will be provided as direct compensation at the employee's then-current salary rate.

K. SEPARATION FROM CITY SERVICE

1. Separation of an employee from the City Service may be accomplished for any of the following reasons:

   a. Completion of work assignment or project for limited-term employees.

   b. Resignation which may be either deliberate or automatic. Any deliberate resignation shall be submitted to the appropriate immediate supervisor at least seven (7) calendar days prior to an employee's actual separation from the City Service.

c. Retirement which may be either deliberate or by virtue of disability.

d. Layoff as provided in the Personnel Rules and Regulations.

e. Discharge as a result of disciplinary action as provided in this Compensation Plan.

f. Death.

2. SEVERANCE PAY

Employees who are laid off and separated from City service shall be entitled to severance pay in the amount of one week base salary for each year worked with a cap of four weeks.

L. FAMILY AND MEDICAL LEAVE

The City of Oceanside Family and Medical Leave Policy shall govern the granting and employee use of family and medical leave.

V. INDUSTRIAL INJURIES AND ACCIDENTS

A. The State Workers' Compensation Laws and this Compensation Plan shall govern all aspects of duty-related injuries, illnesses and accidents.

B. INJURY AND ILLNESS REPORTING

1. Any duty-related injury or illness which requires medical treatment shall be reported to the immediate supervisor by any injured or ill employees as soon as possible.

2. Any duty-related injury or illness which does not require medical treatment shall be reported to the appropriate immediate supervisor by any injured or ill employee by the end of the workday schedule in which the injury or illness occurred, or as soon as possible.

3. Within one working day of receiving notice or knowledge of injury, the supervisor will provide a claim form and a notice of potential eligibility benefits pamphlet to the injured worker.

   In the case of the employee's death, this information will be given to his or her dependents.

4. The completed claim form will be filed with the Administrative Services Department, Employee Services Division, by the injured employee, or, in the case of death, by a dependent of the injured employee, or by an agent of the employee or dependent.

A copy of the completed form indicating date received will be provided by the Employee Services Division to the employee, dependent or agent who filed the claim form.

5. Claim forms and benefit pamphlets will be available through the Employee Services Division.

C. ACCIDENT REPORTING

1. Any duty-related accident which results in any injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee as soon as possible.

2. Any duty-related accident which does not result in any injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee by the end of the workday schedule in which the accident occurred, or as soon as possible.

D. MEDICAL TREATMENT FOR INJURY OR ILLNESS

Any employee suffering any duty-related injury or illness which requires either immediate or continued medical treatment shall immediately seek such treatment from a City-approved physician or medical facility, except as provided herein.

1. If an employee has notified the City in writing prior to the date of injury that the employee has a personal physician as defined by State Law, then the employee shall have the right to be treated by such physician from the date of injury.

2. After 30 calendar days from the date any such injury or illness is reported, the employee may be treated by a physician of choice or at a facility of choice within a reasonable geographic area.

E. ABSENCE FOR INDUSTRIAL INJURY OR ILLNESS

1. Any employee suffering a duty-related injury or illness which prohibits that employee from the performance of regular job duties may request an absence from duty. Such request shall be submitted in the form of a Workers' Compensation claim. Upon the acceptance of any such claim by the City or the State Workers' Compensation Appeals Board, the employee shall be granted an absence from duty. Any dispute regarding any such claim shall be resolved through the State Workers' Compensation Appeals Board process.

2. **After the date the illness or injury is reported, the employee may select a physician from the Medical Provider Network.**

3. **Employees may predesignate a personal physician as per Labor Code 4600. The forms are available on the City's intranet website.**

VI. STANDARDS OF CONDUCT

Employee misconduct may be cause for disciplinary action including, but not limited to, reprimand, reduction in pay, transfer/demotion, suspension without pay or discharge. Such misconduct shall include, but is not limited to, any of the following:

A. Commission of an act which results in a felony criminal conviction or conviction as a misdemeanor involving moral turpitude.

B. Misuse, misappropriation, negligent handling or unauthorized use or possession of City property, equipment or funds.

C. Causing damage to or waste of public property through misconduct or negligence.

D. Excessive absence from regularly assigned duties.

E. Excessive tardiness in reporting to regularly assigned duties.

F. Use of fraud or material misrepresentation but for such fraud or material misrepresentation the employee would not have secured employment.

G. Use of an employee's official position or office for personal gain or advantage.

H. Deliberate dishonesty or theft related to the performance of an employee's duties.

I. Asking for, agreeing to accept, or accepting favors, bribes or gratuities in return for services as a part of the employee's official duties and responsibilities.

J. Discourteous treatment of the public or other City employees.

K. Wrongdoing, misconduct or failure to carry out assigned duties promptly, adequately or efficiently.

L. Insubordination.

M. Incompetence, inefficiency, inability or negligence in the performance of duties.

N. Violation of the City Code, Personnel Rules, Memoranda of Understanding, safety rules or departmental rules and regulations.

O. Being in the unauthorized possession of, or being under the influence of, any alcoholic beverages or controlled substances while on duty.

P. Engaging in any outside employment or enterprise for financial gain determined by the City Manager to be conflicting with City employment.

Q. Gambling on City property or while on duty.

R. Other serious or socially reprehensible conduct either during or outside of duty hours which is of such a nature that it causes public discredit to the employee's department or the City.

VII. DISCIPLINE

A. Full authority for discipline is retained by the City. The City agrees, however, that employees will be disciplined only for cause.

   1. All appeals by employees to a third party neutral shall be advisory.

B. Prior to the imposition of any discipline, excluding reprimand, of any permanent employee in the Classified Service, the following procedure shall be utilized.

   1. The employee shall be given written notice of the proposed disciplinary action including a statement of the reason therefore.

   2. The notice of proposed disciplinary action must include a copy of the charges of misconduct and, whenever practical, a copy of the material or documents upon which the charges are based, a statement of the rules, regulations or policies violated, and an explanation of the employee's right to respond. If it is impractical to provide the employee with a copy of such materials or documents, the employee and/or his/her representative shall be allowed reasonable time to review such materials or documents and the notice of proposed disciplinary action shall set forth the procedure for such a review.

      Notice of discipline should be handed to the employee, whenever feasible, before the employee has left the work premises. In any event, proof of delivery and the date of delivery is mandatory so there will be no doubt as to the beginning of any appeal period. If the notice cannot be given to the employee before leaving the work premises or cannot be delivered by the supervisor at the employee's home, a postal return receipt for certified mail must be used.

   3. The employee shall be given the right to respond to the proposed discipline, either orally or in writing, to the appropriate City appointing authority. The City shall give the employee a reasonable time to submit a response and in no event shall such time period be less than 48 hours from the completion of service of the notice of disciplinary action.

   4. An employee waives all rights to respond to the proposed discipline if he/she fails to submit such response within the time limit established by the City.

   5. Following the response period, the proposed discipline may be imposed, modified, or not imposed, as the situation warrants. The Department Director's decision shall be provided to the employee in writing and will include a statement of the charges upon which the action is based and notice of the employee's right to appeal, if any.

      This shall put the disciplinary action into effect and discipline so imposed shall not be stayed by the initiation of a grievance by the employee as provided for herein.

C. Notwithstanding the provisions of Subsection **VI.**B hereinabove, any discipline which, in the judgment of the appointing authority, must be imposed immediately to protect

the health, safety or welfare of the community or other City employees, may be summarily imposed without affecting the predisciplinary procedure of Subsection B. Such procedure shall be completed, however, within five (5) working days of the imposition of the discipline. In the event of immediate removal, the employee will stay in a paid status, unless at the employee's request the procedure outlined in "B" above is continued beyond five (5) working days.

D. Grievances of discipline must be initiated by the employee within five (5) calendar days after the imposition of the discipline or, in the case of discipline imposed under Subsection **VI.C hereinabove**, after the completion of the informal response procedures. Failure to initiate a grievance within such time limit shall constitute a waiver by the employee of all rights to grieve such discipline hereunder.

E. All disciplinary grievances shall be initiated at Step 3 - City Manager of the Grievance Procedure delineated herein except grievances of disciplinary action involving reprimand which shall be initiated at Step 1 and completed at Step 3 – City Manager.

F. A copy of all disciplinary actions shall be filed in the employee's department file and the central personnel file in the Personnel Department. If an employee's performance is satisfactory and the employee does not receive any form of disciplinary action in the twenty-four (24) months following receipt of the disciplinary action, then the disciplinary action may be removed from the employee's departmental personnel file at the employee's written request. The disciplinary action will still be retained in the central personnel file in the Personnel Department. However, if the employee's performance is not satisfactory or if the employee receives any form of disciplinary action in the twenty-four (24) month period following receipt of the disciplinary action, the disciplinary action shall remain part of the department personnel file and may be included in any subsequent disciplinary action.

VIII. GRIEVANCE PROCEDURE

A. Defined. A grievance is an alleged violation of a specific clause of this Agreement. Matters for which another method of review are provided by this Agreement, by Resolution, by Ordinance, by Charter, or by State Law shall be excluded from this procedure.

B. Procedure. All grievances shall be presented in the following manner:

1. Step 1 - Supervisor: The aggrieved employee, who may be represented by another person, shall present the facts relative to the grievance to the appropriate immediate supervisor in writing within 30 working days of the date on which the grievance arises, except as provided otherwise in this Agreement. Prior to filing any such written grievance, every effort will be made to resolve the matter informally. The supervisor shall render a decision in writing to the grievant within five (5) working days from the day the grievance is presented.

2. Step 2 - Department Director: If the grievance is not resolved in Step 1, the grievant may appeal it to the Department Director within five (5) working days from the date a decision was rendered in Step 1, above. Such appeal shall be in

writing, and shall include: a statement of the grievance and the facts relative to it, a statement of the alleged violation of the Agreement, and a statement of the remedy requested. Within ten (10) working days of receiving such appeal, the Department Director shall arrange a meeting between himself/herself, the aggrieved employee, the employee's representative (if applicable), and a representative of the Personnel Division to review the grievance. The Department Director shall render a written decision on the grievance within ten (10) working days after the meeting.

3. Step 3 - City Manager: If the grievance is not resolved in Step 2, the grievant may appeal it in writing to the City Manager within five (5) working days from the date a decision was rendered in Step 2, above. The City Manager, or a designated representative, may render a decision solely on the basis of a review of the record or may arrange a meeting between those affected before rendering a decision. The decision shall be rendered within ten (10) working days of the meeting.

4. Step 4 - Advisory Arbitration: If the grievance is not resolved in Step 3, the grievant may submit it to an advisory arbitrator by filing a written request to do so with the City Manager within five (5) working days from the date a decision was rendered in Step 3, above.

   a. The City Manager shall request a panel of seven (7) advisory arbitrators from the California State Conciliation Service within 15 working days of receiving such a request. The advisory arbitrator shall be selected to hear the grievance by alternately striking names from such a panel beginning with the aggrieved employee.

   b. The advisory arbitrator shall issue subpoenas to compel the attendance of witnesses if such be necessary at the request of either party.

   c. The hearing shall be recorded by a certified shorthand reporter or tape recorder as agreed by the parties. Expenses for such recording services shall be borne equally by the City and the employee, provided, however, that each shall be responsible for any specialized or extraordinary services they might individually request.

   d. In rendering a recommendation to the City Manager, the advisory arbitrator shall be limited to the express terms of the Agreement and shall not modify, amend, or delete any terms or provisions of this Agreement. Failure of either party to insist upon compliance with any provision of this Agreement at any given time or times under any given set or sets of circumstances shall not operate to waive or modify such provision, or in any manner whatsoever to render it unenforceable, as to any other time or times as to any other occurrence or occurrences, whether the circumstances are, or are not, the same.

5. Step 5 - City Council Review: The City Council may, if it deems appropriate, review any recommendation rendered by an advisory arbitrator on the basis of a review of the materials prepared by the arbitrator and/or record of the hearing conducted in Step 4, above. Any such City Council review must be concluded

within 30 working days of the City's receipt of the advisory arbitrator's recommendation, and any City Council action as a result of that review shall be final and binding upon the parties. Any City Council decision shall not be arbitrary, and shall be based on substantial evidence as contained in the record of the advisory arbitrator's hearing.

a. As used in this procedure, the term "working days" shall mean regular work days Monday through Friday between 8:00 a.m. and 4:30 p.m., except holidays on which the City Administrative Offices are closed to the public. For employees working a 9/80 work schedule, the term "working days" shall mean regular work days Monday through Friday between 7:30 a.m. and 5:30 p.m., except holidays and Fridays on which the City administrative offices are closed to the public.

b. The fees and expenses of the arbitrator shall be shared equally by the parties involved, except that if either party rejects the advisory decision of the arbitrator, that party must pay the entire cost of the arbitrator's fees and expenses. All other expenses and costs incurred by the parties during arbitration shall be the responsibility of the individual party incurring same.

c. The time limits in this procedure may only be waived by mutual agreement of both parties, in writing.

IX. REEMPLOYMENT RIGHTS/ELIGIBILITY

A. The Reemployment List shall be made an addendum to any existing regular eligible list or in lieu of if no list exists for each affected job classification for employees who are laid off for a period of 24 months from the date of lay off.

B. The Reemployment List shall be made an addendum to any existing regular eligible list for each job classification of employees demoted in lieu of layoff. There is no time limit on the right of the employee to be considered for reemployment.

C. Permanent employees slated for layoff may displace within the Department any temporary and/or hourly extra-help employee in a lateral or lower classification in which the employee has demonstrated that he/she is qualified. Such employee shall be temporary or extra-help in that new position but would retain reemployment rights to a permanent position for a period of 24 months.

XI. ACCESS TO WORK LOCATIONS

Association officers and officially designated Association representatives shall have reasonable access for legitimate Association business. Association officers or designated Association representatives should first give notice to the Personnel Director and the department head or his/her designated representative. If the department head or representative indicates to the officer or Association representative that they will be interfering with the normal conduct of City services or safety or security standards, the department head or representative shall arrange another time for the officer or Association

representative to return to speak with the employee. The Association shall inform the City of its officers and designated representatives immediately after changes are made.

XII. SAVINGS PROVISION

If any provision(s) of this Agreement are held to be contrary to the law by a court of competent jurisdiction, such provision(s) will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect.

XIII. BINDING ON SUCCESSORS

This Agreement shall be binding upon the successors and assignees of the parties hereto.

XIV. TERM OF THE AGREEMENT

This agreement and each of its provisions are effective when ratified by the City Council and shall be in full force and effect until **June 30, 2013,** and from year to year thereafter unless one of the parties notifies the other that it wishes to meet and confer on a successor agreement. In such case this agreement shall not expire until the meet and confer process, including impasse procedures, if any, has been concluded.

DATED _____, Management Employees of the City of Oceanside

BY _____
Kelvin Harris
President MECO

BY_____
Jane Cinciarelli
Customer Service Supervisor

BY_____
Gracie Ramirez
Administrative Secretary

BY_____
Bryan Forward
Ordinance Enforcement Supervisor

DATED _____, CITY OF OCEANSIDE

BY_____
Edward Raya
Human Resources Director

BY _____
Christine Singer
Principal Human Resources Analyst