

MEMORANDUM OF UNDERSTANDING

between the

City of Carmel-by-the-Sea

and the

Carmel Fire Ambulance Association

for the period

July 1, 2017- June 30, 2022

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**Memorandum of Understanding
Between
The City of Carmel-by-the-Sea
And
Carmel Fire Ambulance Association**

ARTICLE 1: PREAMBLE

This Memorandum of Understanding (MOU) is entered into between the City of Carmel-by-the-Sea, hereinafter referred to as "CITY," and the Carmel Fire Ambulance Association, hereinafter referred to as "ASSOCIATION," pursuant to California Government Code Section 3500 et seq. The purpose of this MOU is to establish rates of compensation, hours of work and other terms and conditions of employment. Existing practices and/or benefits which are not referenced in this MOU and which are subject to the meet and confer process shall continue without change unless modified subject to the meet and confer process.

ARTICLE 2: RECOGNITION

2.1 The City of Carmel-by-the-Sea recognizes the ASSOCIATION as the recognized exclusive representative for the following classification:

- **Firefighter Paramedic**

2.2 For clarity in this agreement the following definition shall apply:

Shift Employee: Those employees classified as regular, full time Firefighter Paramedics, who are normally assigned to work a Fifty-Six (56) hour work period.

ARTICLE 3: TERM OF CONTRACT

3.1 The term of this MOU shall be retroactive to ~~January-July 1, 2017-2019~~ and continue through June ~~31~~~~30~~, ~~2019-2022~~ unless otherwise stated.

ARTICLE 4: PROBATION

- 4.1 Probationary Period: All original, promotional and re-hire appointments to full time, regular classifications shall be subject to a probationary period of eighteen (18) months. Employees who miss more than five shifts during their probationary period shall have their probation extended by an equal number of shifts as those missed.
- 4.2 Objective of Probationary Period: The probationary period shall be regarded as part of the selection process and shall be utilized for training and observation of the new employee on work assignments and standards in order to evaluate the employee's performance.
- 4.3 Rejection of Probationary Employee: During the probationary period, an employee may be rejected at any time by the City Administrator upon recommendation of the Department Manager without the right of appeal. Notification of rejection shall be served to the probationary employee in writing. Any promoted employee who is rejected during the probationary period shall be entitled to return to the position held prior to promotion at the range and step held prior to promotion, unless the rejection is due to discharge in which case no reinstatement shall occur
- 4.4 Extension of Probation: All efforts will be made to sufficiently evaluate the probationary employee during the designated period. An extension of the probationary period may, however, be recommended by the appointing authority when good cause exists. Such extension shall be for a specific period of time not to exceed three (3) months.

ARTICLE 5: COMPENSATION

- 5.1 Regular Full-Time Shift Employee:
- ~~A. A salary adjustment of 2% will be applied to salaries effective retroactively to January 1, 2017.~~
- ~~B. A salary adjustment of 4.0% will be applied to salaries effective Jan 1, 2018.~~
- ~~C. A salary adjustment of 4% will be applied to salaries effective January 1, 2019.~~
- A. **2019/20 Salaries**
Effective the first full pay period following ratification of this agreement by the Association, salaries shall be increased by three percent (3%)
- Effective the first full pay period following ratification of this agreement by the Association, a one-time payment of \$1,500 shall be provided to each member of the unit;

this lump sum payment is not subject to CalPERS reporting of benefits.

B. 2020/21 Salaries

Effective July 1, 2020, salaries shall be increased by two percent (2.0%).

C. 2021/22 Salaries

Effective July 1, 2021, salaries shall be increased by two percent (2.0%).

ARTICLE 6: EDUCATIONAL INCENTIVE PAY PLAN

6.1 Payment Established: The City Council, having determined the acquisition of additional education by employees makes those employees more valuable to the City, does hereby establish an Educational Incentive Pay Plan (EIP).

6.2 Definitions: For the purpose of this program, the following definitions shall apply:

A. Base Salary shall mean the monthly salary of the employee as established by the City Council and shall not include any overtime, holiday-in-lieu pay or allowances or other supplemental benefits.

B. Satisfactory Completion shall mean a grade of "C" or better in any course. No more than one-third (1/3) of the total number of units considered for EIP may be on a "credit only" or "pass/fail" basis (limit of 10 out of 30 units or 20 out of 60 units). Units earned with a grade of "C- Minus" or less or a failing grade will not be considered eligible under the EIP program.

6.3 College Level shall mean any post-high school educational institution accredited by the California State Department of Education, the Western Association of Schools and Colleges, or by equivalent organizations in other states and countries, or which have the prior approval of the City Administrator.

6.4 Job Related shall mean any college level course related to technical or specialized aspects of the employee's position, as well as courses meeting general educational degree requirements, which are reasonably job-related. The City Administrator's determination of the eligibility of any course shall be final and shall be obtained prior to taking a course.

6.5 Units shall mean semester units (two semesters to a full academic year). Each quarterly or trimester unit shall be counted at a value of .67% of a semester unit.

6.6 Rates of additional compensation:

A. Academic Education. Upon satisfactory completion of 30 units of college level

related courses, the employee shall receive a salary increase equal to two and one-half percent (2.5%) of their base salary. Upon attainment of 60 units or the attainment of an Associate Degree, the employee shall receive a salary increase equal to five percent (5%) of base salary.

- B. Non-Academic Training or Instruction. For eligible employees, the City Administrator, upon recommendation of the Department Manager, may grant prior

approval for a course of instruction or training, which would lead to the attainment of EIP. The City Administrator shall be guided in this determination by the value to the City of the employee's knowledge and/or skill accumulation, and by the employee's expenditure of time and effort as compared to that put forth by an employee earning the same level of EIP by the accumulation of college-level units (at approximately 30 to 54 hours per college unit).

- C. In no case shall the EIP rate of compensation exceed five percent (5%)

- 6.7 Eligibility: In order for employees to be eligible for EIP, all of the following conditions shall be met:

- A. Employees currently employed, as of the effective date of this MOU, shall become eligible for EIP once he or she successfully completes 18 months of continuous service to the City. This period of time may be waived at the discretion of the City Administrator.

Employees hired after January 1, 2017 shall become eligible for EIP on their date of hire.

- B. The education, training or instruction shall be acquired at times when the City does not compensate the employee. Reimbursement to the employee by the City for the costs of books, tuition, or supplies shall not affect eligibility. Scholarships or veteran's benefit shall not be considered compensation.
- C. Credit shall not be given for work experience, even though an academic institution may have given credit for such experience, until such time as a degree is granted the employee by such institution.
- D. The employee shall submit to the City Administrator through the Department Manager a list of courses and credits, together with transcripts or other proof of satisfactory completion, as may be required to verify the acquisition of claimed credits.

- 6.8 Time of payment: EIP shall be paid eligible employees beginning with the pay period in

which the City Administrator has approved the application for EIP.

ARTICLE 7: RETIREMENT PROGRAMS

This Section (including subsections) applies to Safety members who are contributing members of CalPERS.

A. Retirement Benefits for Members Before April 15, 2012.

Employees hired before April 15, 2012 shall be eligible to receive the 3% @ 50 retirement benefit formula, the formula that was in place at the time they began employment at Carmel-by-the-Sea. For purposes of determining a retirement benefit, final compensation for employees covered by this section shall mean the single highest year of service. Employees covered by this section shall pay 100% of the required member contribution, which is 9%. In addition, these employees shall pay a percentage of their compensation towards the employer's contribution, as described in subsection D. below.

B. Retirement Benefits for Members Hired After April 15, 2012 but Before January 1, 2013, and Classic Members, as Determined by CalPERS

Employees hired after April 15, 2012 but before January 1, 2013, and for "classic" employees within the meaning of the Public Employees' Pension Reform Act of 2013 ("PEPRA"), as determined by CalPERS, who are hired on or after January 1, 2013, shall be eligible to receive the 2% @ 50 retirement benefit formula, the formula that was in place at the time they began employment at Carmel-by-the-Sea. For purposes of determining a retirement benefit, final compensation for employees covered by this section shall mean the highest average compensation earnable earned during 3 consecutive years of service. Employees covered by this section shall pay 100% of the required member contribution, which is 9%. In addition, these employees shall pay a percentage of their compensation towards the employer's contribution, as described in subsection D. below.

C. Retirement Benefits for Members Hired On or After January 1, 2013

Employees hired on or after January 1, 2013, shall be eligible to receive the 2.7% @ 57 retirement benefit formula. For purposes of determining a retirement benefit, final compensation for employees covered by this section shall mean the pensionable compensation earned during the 3 consecutive years of service immediately preceding the member's retirement. Employees covered by this section shall pay 100% of the

required member contribution, which is 50% of the normal cost established by CalPERS. In addition, these employees shall pay a percentage of their compensation towards the employer's contribution, as described in subsection D. below.

D. Cost Sharing of Employers Cost Under Section 20516

The CITY shall pay the employer rate prescribed by the Public Employees' Retirement System (CalPERS) in accordance with the rules and regulations governing such employer contributions.

~~1.~~

~~Classic Effective June 16, 2017, employees will pay a portion of the employer rate, as described below.~~

~~Effective June 16, 2017, the~~ employees described in Paragraphs 3A and 3B ~~above~~ above, shall pay 100% of their required member contribution rate of 9% for their respective benefit formula, plus an additional 3% of pensionable compensation towards the employer's contribution for a total of 12%.

~~2.1.~~

For the duration of this Agreement, Classic employees as defined by CalPERS (Paragraphs A and B) described in this Article shall contribute no more than 12% of pensionable compensation towards retirement.

~~2.~~ Effective upon ratification, the PEPRAs employees, described in Paragraph 3C above shall pay ~~their required member contribution rate of 50% of the total normal cost of their pension benefit, plus an additional 3% of pensionable compensation towards the employer's contribution~~ 50% of the plan's total normal cost, plus an additional 3% of pensionable compensation.

~~3.~~ For the duration of this contract, the City shall not impose any increases to the member contribution for Classic or PEPRAs members beyond those provided herein, unless the employer contribution is reduced by a commensurate rate or as otherwise negotiated by the parties.

~~The parties acknowledge that CalPERS mandates an election of unit members, separate from ratification of this Agreement, to provide for this cost sharing pursuant to Government Code Section 20516. As soon as practicable after the effective date of this Agreement, the City will initiate the contract amendment process. Upon approval and agreement from the bargaining unit and completion of the City's amendment to the CalPERS contract, employee contributions will be made pursuant to Government Code Section 20516; Employee Cost Sharing of Additional Benefits. Notwithstanding the above, the cost sharing described in this subsection D. shall be implemented outside of a PERS contract amendment as authorized by Government Code Section 20516(f). The Association and the City will take all actions necessary to implement the pension cost sharing agreement described in this subsection D.~~

E. Additional Retirement Options

The CITY shall continue to maintain the following, contracted retirement options:

1. Single Highest Year (only for employees hired on or before April 15, 2012).
2. Fourth level of 1959 Survivors Benefit (\$2.00 per month cost to the employee)
3. The City agrees to permit members, if they choose, to purchase military service credit as public service to the extent permitted by PERS, solely at the members' expense.
4. Pursuant to Resolution No. 96-116 qualified members shall have the option to elect the pre-tax payroll deduction plan for their service credit purchases (i.e., redeposit, service prior to membership, military service, etc.).
5. In accordance with Government Code Section 20965, upon retirement, members may elect to convert unused accumulated sick leave toward additional CalPERS service credit.

ARTICLE 8: DEFERRED COMPENSATION

8.1 The CITY offers employees the opportunity to participate in a deferred compensation plan on a voluntary basis through the payroll deduction plan. Participation and contributions are regulated by the rules and regulations established by the Internal Revenue Service (IRS) for such plans (457 Plans). Nothing in this section shall prohibit or restrict this voluntary participation, in the plan(s) offered by the City.

8.1.1 The City shall make monthly contributions on behalf of each Full Time Shift employee ~~in the amount of twenty-five dollars (\$25.00)~~ as follows:

<u>PEPRA Employees</u>	<u>\$100/month</u>
<u>Classic Employees</u>	<u>\$ 25/month</u>

-The individual members of the ASSOCIATION shall specify the City sponsored plan and investment option(s).

ARTICLE 9: UNIFORM ALLOWANCE

9.1 Regular Full Time Shift Employees shall be entitled to a uniform allowance of \$50.00 per month for dry cleaning of their uniforms. The City will continue to provide two new

uniforms to new employees and replace any damaged or worn uniforms, upon request from the employee and approval of the Director. The City will reimburse employees up to \$300 per year for boot replacement or repair. Reimbursement will require a receipt from the employee.

The items provided to new members by the City are:

- 2 pair of duty pants
- 2 Class B Uniform Shirts
- 1 Belt
- 1 pair of boots not to exceed \$300
- A Badge
- A City firefighter ID Card

ARTICLE 10: HOLIDAYS

10.1 The following holidays shall be observed:

- A. January 1 - New Year's Day
- B. Third Monday of January - Martin Luther King Day
- C. February 12th - Lincoln's Birthday
- D. Third Monday of February - President's Day
- E. Last Monday of May - Memorial Day
- F. July 4th – Independence Day
- G. First Monday of September - Labor Day
- H. November 11th - Veteran's Day
- I. The Thursday in November appointed by the Governor or the President as Thanksgiving Day
- J. The Friday immediately following the Thursday in November designated as Thanksgiving
- K. The weekday (excludes Saturday and Sunday), which precedes December 25th
- L. December 25th – Christmas Day

ARTICLE 11: GENERAL LEAVE

11.1 Full Time Shift Employees of the Association shall be entitled to one shift (24 hours) of General Leave during the period of the contract. The Department Manager shall approve use of General Leave. General Leave may not be accumulated from one year to the next and may not be considered for monetary compensation.

ARTICLE 12: HOLIDAY-IN-LIEU

12.1 Regular Full Time Shift Employees of the ASSOCIATION shall be compensated at the regular hourly rate for that position for holidays.

ARTICLE 13: VACATION ACCRUAL PLAN

13.1 The following vacation accrual schedule shall be in effect for all Regular Full Time Shift Employees:

1 - 4 years of service:	144 hours per year
5 - 10 years of service:	168 hours per year
11 - 15 years of service:	216 hours per year
15 years of service and over:	288 hours per year

13.2 Usage shall only be in increments of twenty-four (24) hours, unless prior approval has been obtained from the appropriate department administrator.

13.3 The maximum amount of vacation time that may be held in an unused status shall be the amount an employee is entitled to accrue in two (2) anniversary years; an employee stops earning vacation once the employee has banked an amount equal to two years accrual, and does not begin earning vacation again until the employee's accrual drops below that amount. The Public Safety Director may grant exceptions with approval by the City Administrator.

13.4 During the term of this MOU, the parties agree to meet and confer on the Association's proposal that members receive service credit from other agencies.

ARTICLE 14: BEREAVEMENT LEAVE

14.1 Each regular full time Shift Employee of the ASSOCIATION shall be entitled to use seventy-two (72) hours of bereavement leave each fiscal year for serious illness, disability, or death in the employee's immediate family.

14.2 Immediate family is defined as the employee's spouse, child, stepchild, parent, stepparent, grandparent, sibling, mother-in-law, father-in-law, sister-in-law, and brother-in-law, or any other person approved by the department manager. The department manager may require the employee furnish satisfactory proof to substantiate the use of bereavement leave. Bereavement leave shall not be subtracted from an employee's sick leave account and shall not accrue from one fiscal year to the next.

ARTICLE 15: SICK LEAVE

- 15.1 The rate of accrual for sick leave for Regular Full Time Shift Employees of the ASSOCIATION shall be 24 hours per month. These days are to be used in used in accordance with the procedure(s) outlined below and in the Personnel Ordinance of the Municipal Code of the City of Carmel- by-the-Sea.
- 15.2 Sick leave shall be charged against an employee's credit only for regular working days and shall not be charged for time absent on holidays or other authorized days off. Charges against an employee's credit shall be rounded off to the lowest hour, for example:

<u>Time Off Work</u>	<u>Time Charged</u>
59 minutes or less	0
1 hour	1 hour
1 hour and any segment of the next hour	1 hour

- A. Medical appointments of 59 minutes or less, with written physician verification, shall not be charged to an employee's sick leave account.
- B. Medical appointments of 59 minutes or less, without written physician verification, shall be charged to employee's sick leave account in 15 minute segments
- C. If an employee becomes sick on scheduled vacation time, the department manager may, with acceptable documentation, authorize the use of sick leave instead of vacation leave.
- 15.3 Regular Full Time Shift employees hired on or after 1 November 1984 shall be able to accumulate an unlimited number of sick leave hours, while employed. A maximum of six hundred (600) base hours will be the total amount on which the City will base reimbursement to the employee upon termination or resignation from employment.

This provision does not apply to employees with less than five (5) years of continuous service who **shall not** be entitled to any compensation under this section.

- A. Resignation from employment after five (5) years will result in reimbursement at 25% of 600 hours maximum, times the actual hourly rate at the time of resignation.
- B. Retirement from employment after five (5) years will result in reimbursement at 50% of 600 hours maximum, times the actual hourly rate at the time of resignation.

~~15.4 Regular Full Time Shift employees employed by the City before 1 November 1984 will be entitled to accumulate an unlimited amount of sick leave hours. The formula for compensation upon severance of employment will be:~~

~~Resignation: Twenty five percent (25%) of the full accrued sick leave hours times the current hourly rate.~~

~~Retirement: Fifty percent (50%) of the full accrued sick leave hours times the current hourly rate.~~

15.5 Upon approval of the department manager, accrued sick leave may be used to accommodate the need for additional hours in the case of illness, disability, or death in the employee's immediate family. Immediate family is defined as the employee's spouse, child, step-child, parent, stepparent, grandparent, sibling, mother-in-law, father-in-law, sister-in-law, and brother-in-law, or any other person approved by the department manager. The department manager may require the employee furnish satisfactory proof to substantiate the use of sick leave for this purpose.

15.6 Pursuant to Government Code Section 20965 and the City's CalPERS retirement contract, an employee may elect to use sick time available to him/her under the provision of the contract for sick leave service credit. If an employee elects to use sick leave available for service credit, such time cannot also be applied to the "sell back" provision under this section.

ARTICLE 16: CATASTROPHIC ILLNESS/SICK LEAVE HOURS TRANSFER

16.1 General Requirements: A Regular Full Time Shift employee shall be faced with or have incurred either a catastrophic illness or major injury from an accident in order to be eligible for this program. Individual determinations of catastrophic illness or major injury from an accident shall be determined by the appointing authority (City Administrator)

16.2 The employee requesting the transfer of sick leave hours must have reached zero balances in the sick leave, vacation, compensatory time and executive leave accounts during the illness or recovery period in order to be eligible.

16.3 Generally, the illness or accident recovery period must be longer than three weeks for the employee to be eligible. The appointing authority will evaluate each request and may modify this time period based on the facts of the case.

- 16.4 Any employees desiring to contribute hours must maintain a minimum balance of three hundred-sixty (360) hours after the transfer has been deducted from their sick leave account(s).
- 16.5 Hours transferred from general employee accounts to any Shift Employee of the ASSOCIATION shall be deducted in eight (8) hour blocks and converted into twenty- four (24)-hour units by multiplying by three (3). The result shall be the number of hours that will be transferred to the employee.
- 16.6 Hours transferred from these accounts to any forty (40) hour per week employee shall be deducted in twenty-four (24) hour blocks and converted into eight hour units by dividing by three (3). The result shall be the number of hours that will be transferred.
- 16.7 Employee Use of the Program - Employees **MUST**:
- A. Notify their Department Manager to request assistance in utilizing the program.
 - B. State the reason for the request and the approximate number of hours they believe will be needed.
- 16.8 The Department Manager **WILL**:
- A. File the employee's request with the Human Resources Office.
- 16.9 The Administrative Services Department **WILL**:
- A. Present the request to the City Administrator for authorization and determination of the validity of the request.
 - B. Disseminate notices to Municipal Departments stating an employee is in need of sick leave hours and request interested employees to contact the Administrative Services Department.
 - C. Maintain the confidentiality of the employee(s) who donates sick leave hours to the employee in need.
 - D. Notify the Finance Specialist to make the transfer of sick leave hours when the transfer is approved.

- 16.10 The City Administrator **WILL**:
- A. Review requests for participation in the program.
 - A. Authorize or deny the transfer of sick leave hours pursuant to the request.

ARTICLE 17: PHYSICAL EXAMINATIONS

- 17.1 Each Regular Full Time Shift employee under the age of forty-five (45) shall be entitled to a physical examination every other year during the term of the contract, subject to the financial guidelines stated in this section. Employees in this category who had a City paid physical in the fiscal year just prior to the fiscal year of this contract shall not be entitled to a City paid physical during the period of this contract.

During the term of this MOU, the parties agree to meet and confer a City wide wellness program.

- 17.2 Regular Full Time Shift Employees who turn forty-five (45) years of age during the term of this contract shall be entitled to one City paid physical per year after attaining that age and subject to the financial guidelines stated in this section.
- 17.3 Regular Full Time Shift Employees forty-five (45) years of age or older shall be entitled to one City paid physical examination per fiscal year, subject to the financial guidelines stated in this section.
- 17.4 The City shall pay up to two hundred and twenty-five dollars (\$225.00) for the physical examination and accompanying tests. Any expense in excess of this amount shall be borne by the employee.
- 17.5 A licensed physician of the employee's choice may perform physical examinations. The physician shall complete a Physician Evaluation Report Form. Payment shall be made upon receipt by the Human Resources Office of the form and a statement of all charges, within ninety (90) days from date-of-service.

ARTICLE 18: HOURS OF WORK/SCHEDULING

- 18.1 The work period for Shift Employees shall be fifty-six (56) hours.
- A. Development of the shifts pursuant to this agreement shall be at the discretion of the Department Manager, subject to meet and confer in good faith.

ARTICLE 19: OVERTIME COMPENSATION AND/OR COMPENSATORY TIME

- 19.1 The CITY shall comply with all regulations established by the Fair Labor Standards Act (FLSA)
- 19.2 Shift Employees shall have all overtime compensation based on the fifty-three (53) hour work period rate. Exception: The three (3) hours between fifty-three (53) and fifty-six (56) shall be compensated at **half** time.
- 19.3 There shall be a one (1) hour minimum call back.
- 19.4 Overtime shall be compensated at time and one-half for all work performed over the normal work period. Paid time off shall be counted as time worked.
- 19.5 Employees entitled to overtime compensation may, in lieu of monetary compensation for statutory overtime, choose to receive compensatory time at a rate of not less than one and one-half hours for each hour of overtime worked. Compensatory time shall only be granted upon approval of the department manager.
- 19.6 Accrued compensatory time may be used within a “reasonable period” of time after an employee’s request as long as it does not “unduly disrupt” the operations of the agency. (Per FLSA guidelines)
- 19.7 Compensatory time may be accrued up to the following limits with Department Manager approval: 120 hours (equivalent to 80 hours at time and one-half). In the first pay period of June and December of each year, members may cash out any accrued compensatory time beyond 80 hours. Any cash out may not result in a compensatory time bank of fewer than 80 hours.
- 19.8 In the event compensatory time is sold back to the CITY, it will be paid at the FLSA regular rate.

ARTICLE 20: INSURANCE PROGRAMS

- 20.1 The City offers a variety of insurance protection programs for the employee and dependents. Some protection is provided through fully insured instruments. Other protection is provided through a City self-funded program. Other protection is employee funded.

20.2 For the purposes of this section the following definitions and groupings of coverage shall exist:

A. **Non-Elective (Core):** Mandatory coverages: (Employer Paid)

- 1) The mandatory contribution required by CalPERS for each employee enrolled in the medical protection program. The non-elective City contribution/premium toward the medical will be CalPERS minimum contribution under Gov. Code Section 22892.
- 2) Employee/Dependent dental premium, established by the City's broker of record for the self-insured dental plan, depending on the level of coverage chosen
- 3) Collective employee/dependent vision premium established by the City's broker of record for the self-insured vision plan.
- 4) Basic \$30,000 life insurance premium (available only to Full-Time Shift employees).
- 5) Accidental Death and Dismemberment Policy (available only to Full Time shift employees)

B. **Elective (non-core) coverages**, available for purchase with flexible spending monies given each eligible employee:

- 1) Employee and/or dependent medical coverage in the CalPERS Program less the mandatory per month required employer payment.
- 2) Optional (Supplemental) Life Insurance
- 3) I.R.C. Section 125 - Flexible Spending Account
- 4) I.R.C. Section 125 - Dependent Care

C. **Opting Out** (Medical Program Only): Full-Time Shift- employees may elect not to participate in the CalPERS medical plan. Anyone opting out **shall only be eligible to take cash in the amount of \$291 per month**, providing they meet the following condition(s):

- 1) They shall submit proof of coverage elsewhere.

- 2) They shall sign a medical plan waiver.
- 3) Married employees shall be required to obtain the signature of their spouse on the medical plan waiver form.
- 4) Employees under legal order to provide medical coverage for any dependents shall only be permitted to opt out after showing proof of coverage for each dependent identified in such legal order.

D. **Section 125 Plan:** The City's insurance plan is structured within this tax-deferred program. This is an Internal Revenue Code permitted plan. A third party administrator provides administration of the plan. The City pays administrative fees.

20.3 Medical Insurance Contributions:

A. The City's Maximum Medical Premium Contribution will be capped at 80% of the PORAC, CalPERS CHOICE, SELECT, CARE, or EPO Medical Premium for eligible employees enrolled in the Public Employees' and Hospital Care Act (PEMHCA) Medical Plan.

20.4 If employees select elective benefits which cost more than their allotted flexible spending dollars as defined in Section 20.3, that cost will be deducted through payroll deduction on a monthly basis, using pre-tax dollars.

20.5 As stated in Section 20.2(B.2) above, the CITY agrees to maintain a contract for Supplemental Term Life Insurance. The cost of this insurance shall be paid fully by each participating employee. Implementation and continuation requires participation of ten (10) employees from the eligible group. For purposes of this program the eligible group shall include all city employees currently eligible for the City Funded Life Insurance. Individuals must purchase coverage in blocks of \$10,000, with 5 blocks available without a medical certification/examination. Dependent blocks are also available. Rates for each \$10,000 of coverage and are determined on a cash-specific basis using age of the individual and whether or not the individual is a smoker/non-smoker.

ARTICLE 21: OTHER BENEFITS

21.1 Jury Duty

A. The CITY provides time off with no loss of salary for employees who must fulfill jury duty obligations. Employees shall be entitled to keep the mileage reimbursement for such service. Any per diem amount received by the employee

shall be signed over to the CITY.

21.2 Employee Payroll Deductions

- A. The CITY, upon authorization from any employee, shall make direct deposit(s) to the financial institution of the employee's choice providing the CITY has the compatible technology to do so. Employee funded insurance programs and deductions for deferred compensation programs shall be paid through payroll withholding.

ARTICLE 22: IMPASSE RESOLUTION

22.1 Impasse Defined

- A. "Impasse" means that the representatives of the City and a recognized employee organization have reached a point in their meeting and conferring in good faith where their differences on matters to be included in a Memorandum of Understanding, and concerning which they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring would be futile.

22.2 Initiation of Impasse Procedures

If the meet and confer process has reached impasse as defined in "A" above, either party may initiate the impasse procedures by filing with the other party a written request for an impasse meeting, together with a statement of its position on all issues. The City Administrator shall then schedule an impasse meeting promptly. The purpose of such meeting shall be:

- A. To allow the parties to review each other's position in a final effort to reach agreement on a Memorandum of Understanding; and
- B. To discuss arrangements for the utilization of the impasse procedures if the impasse is not resolved.

22.3 Mediation

- A. The parties agree that if the impasse is not resolved the dispute shall be submitted to a mediator from the California State Mediation and Conciliation Service. Costs for mediation services, if any, shall be borne equally by the City and the Employee Association.

B. All mediation proceedings shall be private. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.

ARTICLE 23: MANAGEMENT RIGHTS

23.1 It is understood and agreed that the CITY retains all of its powers and authority to manage municipal services and the work force performing those services.

23.2 It is agreed that during the term of this contract the CITY shall not be required to meet and confer on matters, which are solely a function of management, including the right to:

- A. Determine and modify the organization of City government and its constituent work units.
- B. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.
- C. Determine the methods, means, and the numbers and kinds of personnel by which services are to be provided.
- D. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
- E. Establish employee performance standards and to require compliance therewith.
- F. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law including the current Personnel Ordinance.
- G. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
- H. Implement rules, regulations, and directives consistent with all applicable laws and the specific provisions of the Memorandum of Understanding.
- I. Take all necessary actions to protect the public and carry out its mission in emergencies.

23.3 Decisions under this section shall not be subject to the grievance procedure unless specifically authorized by the Personnel Ordinance or other applicable law.

ARTICLE 24: SEPARABILITY

24.1 If a court of competent jurisdiction finally determines that any provision of the Memorandum of Understanding is invalid and unenforceable, such provision shall be separable, and the remaining provisions of the Memorandum of Understanding shall remain in full force and effect.

ARTICLE 25: EFFECT OF AGREEMENT

25.1 This Memorandum of Understanding sets forth the full and complete understanding between the parties hereto. Any items, from previous agreements, not addressed in this agreement are carried forward.

SIGNATURES

For the City of Carmel-by-the-Sea:

Chip Rerig, City Administrator Dated

Georgia Cochran, City Negotiator Dated

For the Carmel Fire Ambulance Association:

David Jedinak, Negotiator Dated

Isaac Eckel, Negotiator Dated

Stuart D. Adams, Esq., CFAA Negotiator Dated