

**Memorandum  
Of  
Understanding**

**Between**

**Ontario  
Fire Management  
Group**

**And**

**City of Ontario**

**July 1<sup>st</sup>, 2023  
through  
June 30<sup>th</sup>, 2027**



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## **Article I. Administration of Memorandum of Understanding**

### **Section 1.01 Parties to Memorandum of Understanding**

This Memorandum of Understanding (hereinafter known as MOU) is made and entered into by and between the City of Ontario (hereinafter known as City) and the Ontario Fire Management Group (hereinafter known as the Group).

### **Section 1.02 Recognition**

The City hereby formally recognizes the Group as the Representative for those employees employed by the City and defined in Rule I, Section 9 of the Personnel Rules and Regulations, in the following classifications:

**Senior Deputy Fire Chief**

**Deputy Fire Chief**

**Fire Battalion Chief**

Recognition is granted for the purpose of meeting and conferring on wages, hours, working conditions, and general representation of employees defined within this section.

### **Section 1.03 Agency Personnel Rules**

It is understood and agreed that there exists within the City, in written or unwritten form, certain personnel rules, policies, practices, and benefits generally contained in the “City of Ontario Personnel Rules and Regulations,” and the “Employment Policies” in the City’s Online Policy Center which shall continue in effect, except for those provisions modified by this MOU, unless and until modified in accordance with State laws, orders, regulations, official instructions, or policies. This section shall conform within the scope of MMBA.

### **Section 1.04 Effect of MOU**

- A. The parties acknowledge that during the negotiations which resulted in this MOU, each had the unlimited right and opportunity to make demands with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this MOU.
- B. This MOU supersedes all previous MOUs, understandings, agreements, and prior practices related to matters included within this MOU.
- C. The adoption of this MOU shall not affect rights established under Labor Code Sections 1960 – 1963, and Government Code Sections 3500 – 3510 (MMBA).

## **Article II. Definitions**

- A. Bargaining Unit - The bargaining unit of the employees defined in Article 1, Section 1.02 - Recognition.

- B. Calendar Year - The period of 12 consecutive months commencing on January 1<sup>st</sup> and ending on December 31<sup>st</sup>.
- C. Day - A calendar day, unless otherwise stated in this MOU.
- D. Emergency – A circumstance requiring immediate action; a sudden, unexpected happening; an unforeseen occurrence or condition.
- E. Employee – A full- time:
  - 1. Regular Status Employee – An employee in a full-time regular position who has completed the probationary period.
  - 2. Probationary Employee – An employee in a full-time regular position who has not completed his/her probationary period.
  - 3. At-Will Employee – An employee who is appointed in an At-Will status and serves at the will and pleasure of the City Manager.
- F. Week – Seven consecutive days beginning on Sunday and going through the following Saturday.
- G. Working Day - A daily work period an employee is regularly scheduled to work each day. For example, an employee on a 4/10 work schedule would have a ten-hour working day.
- H. Regular Rate of Pay - The regular rate used to calculate the Fair Labor Standards Act ("FLSA") premiums pay reported to CalPERS, inclusive of an employee's base hourly rate, eligible items of special compensation that an employee receives at the time FLSA is calculated (Longevity Pay, Educational Incentive, and all compensation items under Section 10.02 and 10.03), and all other items of compensation that are included in the FLSA calculation.

**Article III. Management Rights**

- A. There are no provisions in the MOU that shall be deemed to limit or curtail the City in any way in the exercise of the rights, powers, and authority which the City had prior to entering into this MOU, as defined in the Employer-Employee Relations rules, unless and only to the extent that the provisions of this MOU specifically curtail or limit such rights, powers, and authority.
- B. Where required by law, the City agrees, prior to implementation, to meet and confer with the Group over the impact of the exercise of a City right upon wages, hours, and other terms and conditions of employment of its members unless the impact consequences of the exercise of a management right upon the Group members is provided for in this MOU, Personnel Rules and Regulations, or Departmental Rules and Regulations.

**Article IV. Employee Rights**

- A. The City shall afford regular employees the procedural due process safeguards as set out in the published decisions of the California courts.

- B. An employee shall have the right of representation by a designated Group representative when the employee reasonably anticipates that such a meeting is for the purpose of disciplining the employee, or is to obtain facts to support disciplinary action that is probable, or that is being seriously considered.

## **Article V. Employment Status**

### **Section 5.01 Probationary Period**

A. Objective:

The probationary period is to be regarded as an integral part of the testing process and shall be utilized for closely observing the employee's work and the employee's adjustment within the organization.

B. Length:

1. All original and promotional appointments shall be subject to a probationary period of actual service for not less than 12 months.
2. If a probationary employee is on leave for more than 30 consecutive calendar days during the probationary period, that employee's probationary period shall be extended by the duration of the employee's consecutive leave.
3. The Fire Chief may extend an employee's probation by up to six months upon written notice delivered to the employee prior to the completion of his/her original probationary period.

C. Rejection:

1. An employee may be terminated by the Fire Chief without cause and without right of appeal during the employee's initial probationary period. Notification of probationary rejection shall be in writing to the employee and may be given without advance notice with two-weeks' severance pay.
2. An employee who is rejected while serving a probationary period after promotion shall be returned to his/her previous classification provided the employee had regular status in that classification.

### **Section 5.02 At-Will Status**

- A. Employees appointed to the classification of Deputy Fire Chief or Senior Deputy Fire Chief shall be in an "At-Will" employment status.
- B. Employees appointed to the classification of Deputy Fire Chief or Senior Deputy Fire Chief from a prior classification within the City, without a break in service, will have the right, at their option, to revert to that classification should they be removed from the Deputy Fire Chief or Senior Deputy Fire Chief classifications for any reason other than "for cause." Such reversion will follow the procedures established in Article 14, Layoff Procedures. Employees who are appointed to these classifications from outside City employment do not have reversionary rights.

- C. "At-Will" employees serve at the will and pleasure of the City Manager.

### **Section 5.03      *Transfer Request***

A. Purpose:

To provide a fair and equitable means for employees to voluntarily change their work locations, and to establish the policy within which administrative transfers shall be accomplished.

B. Policy:

1. Transfers will be considered with the employee's and the Department's best interests in mind.
2. The Fire Chief maintains the authority to assign personnel in the best interest of the Fire Department.
3. Chief Officer seniority will be the major criteria considered.
4. All transfer requests shall be maintained by the Department's Fire Administration Office in the Master File Book, unless no qualified personnel have submitted a transfer for the vacancy.
5. Regular, full-time employees who are temporarily transferred in order to facilitate probationary or administrative transfers shall have the opportunity to return to their previous assignment when the affected employee is transferred again, or within one year.

C. Procedure:

1. Employees who wish to request a transfer shall complete an Employee Transfer Form. The employee will retain a copy and submit one copy of the form to the Department's Fire Administration Office.
2. Upon receipt and filing of the transfer request in the Master File Book, the Department's Fire Administration Office shall return a copy of the request to the employee, indicating that the request is on file.
3. Employees wishing to cancel a previous transfer request shall do so by memorandum, through channels, to the Department's Fire Administration Office.
4. The memorandum shall be applied to the appropriate Transfer Request Form in the Master File Book.
5. When a vacancy occurs, a notice shall be sent to all management personnel, announcing the opening and declaring the vacancy either open for bid or closed, including cause if closed. Such notice shall be for a period of 30 days, after which time the bidding will close and the most senior qualified member, subject to the stated administrative requirements, will be selected for transfer.
6. The notice of transfer of this member shall be sent to all management personnel within no less than 15 days nor more than 30 days, and the transfer of the member shall take

- place during this period. This notice of transfer of a member may include a position for bid or announce the closing of the position and the cause of the closing.
7. If notice of an opening has been sent to all management personnel for 30 days and no member has filed a request for transfer to the position, the first request received, thereafter, may be honored. Or, the position may be filled administratively without further notice other than the routing of the transfer notice.
  8. In the event it becomes necessary to bypass the most senior person requesting any vacancy, that person shall be provided a written explanation for the decision.
  9. Employees may submit a transfer request for any authorized position.
  10. If more than one request is filed by an employee, it shall be the responsibility of that employee to prioritize his/her choices in the space provided on the transfer request form for each request filed.
  11. Transfer requests will be honored only after the employee has served at least one year since his/her last bid award or transfer. This requirement shall not apply to those who have been transferred by administrative direction rather than as a result of a transfer request.
  12. All transfer requests for non-currently posted positions will expire December 31st of each year and will be purged from the Master File book the first working day in January. Transfer requests on file for currently posted positions will remain in the Master File Book into the New Year and will not be purged until the posting(s) have closed and the positions have been awarded.

## **Article VI. Personnel Files**

- A. The official personnel files shall be located in the Human Resources Department. Personnel actions (e.g. discipline, promotions) will be based on documentation within such file.
- B. Employees have the right to have access to and copies of any document in their official personnel file. Employees may be charged for cost of duplication of any materials in the personnel file for which they request copies.
- C. An employee will be provided with an initial copy of any document which will be placed in the official personnel file. An employee shall have the right to respond in writing or personal interview to any information contained in his/her personnel file. Such a reply will remain in the personnel file so long as the referenced document is in the file.

## **Article VII. Disciplinary Procedure**

- A. The following disciplinary procedure must be used for all serious disciplinary actions involving regular full-time employees **BEFORE** the actions go into effect. The disciplinary procedure provides that:
  1. The employee shall receive advance notice of the proposed disciplinary action. Normally, one (1) week for a one (1) to three (3) day suspension, and two (2) weeks

- for all other disciplinary actions will be considered the minimum time necessary to give notice.
2. The notice must contain the reasons and the charges upon which the proposed action is based.
  3. The notice must also contain a statement of the events or circumstances upon which the action is based.
  4. The employee must be given the materials, if any, upon which the action is based.
  5. The employee must be given the right, either orally or in writing, to respond to the department head or the City Manager (in the case of discharge) proposing the action. This procedure will be consistent with Sections 13.04 through 13.07 of the grievance procedures.
  6. This disciplinary procedure shall be used for all serious disciplinary actions which are normally considered (1) demotions, (2) discharges, (3) reductions in pay, and (4) suspensions.
- B. The above procedure may be deviated from in circumstances where there is a need for immediate disciplinary action. In such cases, an employee may be ordered off the job without pay if his/her conduct imperils the safety or welfare of the public, other employees, or said employee (e.g., drunkenness, violence, gross insubordination).
- C. Article 13, Section 13.07(L), describes the appeals procedure available for all serious disciplinary actions.

## **Article VIII. Classifications**

### **Section 8.01 New Classifications**

The City agrees to meet and confer with the Group representatives on any new classifications approved, which appropriately should be added to the unit covered by this MOU.

### **Section 8.02 Fire Chief/Fire Management Group Cooperative Team**

The Fire Chief and the Human Resources Department agree to consult with the Group to develop and review the testing procedures for the position of Battalion Chief prior to the recruitment process.

The Fire Chief will inform the Group of the recruitment process for Deputy Chief and Senior Deputy Chief classifications.

## **Article IX. Hours of Work**

### **Section 9.01 Work Schedules**

Both parties agree that work will be scheduled as required in a manner most advantageous to the City and consistent with the public interest and the requirements of municipal government. It is

understood that as members of management, employees within the unit may be called upon to provide services beyond prescribed hours and compensation.

### **Section 9.02 24-Hour Shift Personnel**

- A. The compensation formula used to calculate rate of pay for Battalion Chiefs assigned to a 24-hour work shift schedule shall be that which is used for the majority of Fire Department 24-hour shift safety employees. This shall apply to regular scheduled hours and hours worked in excess of the regular scheduled hours. This provision will apply only to those employees who are assigned and work a 24-hour shift schedule.
- B. The average work period for shift employees is 56 hours per week for the purpose of calculating compensation (without loss of current compensation). Unit employees assigned to work the 24-hour work shift schedule shall begin at 0700 hours and terminate work at 0700 hours the following day. The City shall maintain the 56-hour shift schedule as it relates to days on/days off.

### **Section 9.03 Management Incentive Pay**

Group employees assigned to non-shift administrative positions shall receive Management Incentive Pay at the rate of 7.42 hours per pay period, for a total of 193 hours each calendar year. Such time shall be paid at the employee's regular rate of pay. Upon implementation, eligible unit employees shall receive a prorated amount of Management Incentive pay for the period of January 1, 2023, up to the effective date of implementation.

## **Article X. Compensation**

### **Section 10.01 Salary**

- A. Effective July 2, 2023, employees within the unit in the Battalion Chief classification will receive a 9% increase in base salary.
- B. Effective July 2, 2023, employees within the unit in the Deputy Chief and Senior Deputy Chief classifications will receive a 5% increase in base salary.
- C. Effective July 14, 2024, employees within the unit will receive a 3% increase in base salary.
- D. Effective July 13, 2025, employees within the unit will receive the lesser of a 3% increase in base salary or the percentage increase in base salary required to maintain the leading total compensation position amongst comparable agencies.
- E. Effective July 12, 2026, employees within the unit will receive the greater of a 5% increase in base salary or the percentage increase in base salary required to maintain the leading total compensation position amongst comparable agencies. Salaries for the classifications covered in this MOU shall be set forth in Appendix A.
- F. The City agrees to continue to maintain the relationship between the Fire Battalion Chief and Fire Captain at top step receiving paramedic skill compensation, plus any additional skill compensations or incentives, for the purpose of maintaining current base pay relationship between positions. The salary differential between classifications within the unit

shall be maintained within the structure as of July 2023. In 2025, a review will be conducted to determine the relationship. The review will not obligate the City to any adjustment.

**Section 10.02 Professional Development Incentive**

- A. Emergency Medical Technician Pay – Battalion Chiefs may qualify for additional compensation to recognize their professional development under subsection 10.02A(1) below.
  - 1. Battalion Chiefs who have in their possession, or who obtain in the future, an EMT-1 Certification, will receive \$450 per month in addition to their base pay.
  
- B. Educational Incentive – All Group employees may qualify for additional compensation to recognize their professional development under one of the subsections 10.02B(1) or 10.02B(2) below.
  - 1. Group employees who continue their professional development and successfully complete an acceptable number of courses from the National Fire Academy, the California Fire Service Academy, the California Specialized Training Institute, and/or the California State Fire Marshal, shall receive \$425 per month in addition to their base pay, or;
  - 2. Group employees who have in their possession or who later obtain the following degrees (from an accredited college or university), shall receive monthly compensation in addition to their base pay as follows:

Degree	Incentive Amount
Bachelor of Arts or Bachelor of Science (BA/BS)	\$500/month
Master of Arts or Master of Science (MA/MS)	\$750/month

Employees will be eligible for the incentive amount consistent with the highest degree obtained (i.e., no “stacking” degree incentives). The allowance will be effective the later of the first full pay period in July 2023, or the first full pay period following the date on which the required documentation has been submitted. Application for the educational incentive for employees newly eligible, or those who become eligible, must be accompanied by an official transcript issued by a college or university accredited by the Council for Higher Education Accreditation, International Association of Universities, or National Association of Credential Evaluation Services.

- C. Professional Development Incentive – Group employees may also qualify for additional compensation to recognize their professional development under subsections 10.02C(1) and/or 10.02C(2) below:
  - 1. A Deputy Fire Chief or Senior Deputy Fire Chief who has obtained the California State Fire Marshal Chief Officer/Chief Fire Officer certification shall receive \$250 per month in addition to their base pay. Battalion Chiefs shall be eligible for this Professional Development Incentive effective July 14, 2024.
  - 2. A Deputy Fire Chief or Senior Deputy Fire Chief who has obtained a California State Fire Marshal Executive Chief Fire Officer certification shall receive \$250 per month in addition to their base pay.

- D. No Employee shall be eligible for education incentive compensation in excess of \$1,250 per month.
- E. Educational Incentive reported to CalPERS is calculated using an employee's base pay plus holiday worked compensation as defined in Sections 15.02 and Management Incentive Pay as defined in Section 9.03.

**Section 10.03 Longevity Pay**

- A. Employees who begin the designated year of service as a professional firefighter shall receive the corresponding longevity pay percentage calculated on their base pay:

Effective Date	Years of Service	Longevity Pay Percentage
January 2006	20	7.5%
	25	15%

Both parties agree that this benefit is not considered a vested right by current or future employees.

**Section 10.04 Promotion to Deputy Fire Chief**

Base salary compensation for employees promoting to Deputy Fire Chief shall be established at the applicable salary step that will result in a one-step increase of approximately 5% or the first step of the salary range, whichever is greater. The step placement will consider the employee’s previous base rate of pay, including the FPI of six (6) hours per pay period (3 hours per week) and the FLSA Premium (valued at 6.25 hours per month) and excluding any and all other additional salary compensations prior to the promotional appointment.

**Section 10.05 Employer of Choice**

The City of Ontario desires to identify, attract, develop, and retain the most talented individuals to field an expert and resourceful workforce, capable of delivering Exceptional Customer Service to the Premier Community of the Inland Empire. The City’s commitment as an Employer of Choice is to provide:

- High-quality facilities and equipment;
- comprehensive training and professional development opportunities; and
- a total compensation package that is #1 in our survey market.

Committing to being the top-compensated agency, in addition to demanding the highest level of service and professionalism from employees, requires both financial sustainability and defensibility of the unique policy choice. Thus, although Ontario will strive to be #1 in the market, it is essential that we adhere to that market. The #1 total compensation package shall be determined each contract term and the rank differentials from Battalion Chief to Fire Chief will also a consideration in creating an appropriate differential between the ranks.

On or before November 2024, the City and the Group agree to meet and discuss the details of an updated survey to include, but not limited to, comparable survey agencies to be included in the survey, elements to be included in the survey, considerations for the survey, and timelines for compiling and reviewing the results.

**Article XI. Benefits**

**Section 11.01 Active Employee Health Benefits**

- A. For active employees, the City agrees to continue its Cafeteria Plan for medical, dental and vision insurance. The contribution rates are as follows:
  - 1. Up to a maximum of 100% of the CalPERS medical average premium (for the region that includes the City of Ontario) toward medical insurance premiums.
  - 2. Up to a maximum of 100% of the employee and eligible dependent coverage for basic dental insurance premiums.
  - 3. Up to a maximum of 100% of the employee and eligible dependent coverage for basic vision insurance premiums.
- B. The contribution rate is contingent upon the category of employee/dependent coverage. The rates will be adjusted the first paycheck in January of each year.
- C. The City agrees that at no time will the contribution toward the medical premium rates in Section 11.01(A)(1) (“Employee Medical Benefit”) drop below the contribution that was in effect January 1, 2012. That contribution was \$544.69 for employee, \$1,079.24 for two-party, and \$1,398.68 for family coverage.
- D. The City shall increase or decrease the maximum monthly Employee Medical Benefit amounts for active employees to the average of the monthly premium amounts for the CalPERS Health Plans for the region that includes the City of Ontario. The current Employee Medical Benefit is as follows:

<b>Medical Coverage</b>	<b>2023</b>
Employee	\$766.14
Two-party	\$1528.94
Family	\$1989.29

The above amounts are the maximum monthly Employee Medical Benefit amounts toward medical insurance premiums for active employees for each coverage level. Active employees that select medical insurance plans for which the actual premium amounts are less than the maximum contributions shall not receive any remaining contribution amounts. Active employees who select medical insurance plans for which the actual monthly premium amount exceeds the maximum monthly employee medical benefit shall be required to contribute, through payroll deductions, the remaining premium amount due.

- E. The Public Employees’ Medical & Hospital Care Act (PEMHCA) minimum employer contribution is designated toward the medical premium portion of the Cafeteria Plan and

shall be equal for active and retired employees. The maximum monthly Employee Medical Benefit Contribution includes the PEMHCA minimum employer contribution.

- F. Employees must enroll in a City medical plan unless they provide proof of other group insurance coverage and meet any other requirements established by the insurance plan. Effective the first paycheck in January 2014, employees who waive medical coverage shall receive \$390 per month contributed to the Cafeteria Plan. The \$390 per month may be taken in cash and/or used to purchase other benefits in the Cafeteria Plan, including the “buy-up” plans for dental or vision insurance.

### **Section 11.02 Eligibility**

To be eligible in any particular pay period to receive the benefits of Section 11.01, employees must code at least 15 hours of paid time in the pay period. Paid time includes regular time and all types of paid leave, including 4850 time, sick, annual leave, compensatory time, holiday, bereavement, jury duty, parental, personal, military, catastrophic and administrative leave. Paid time excludes disability payments (including Total Temporary Disability, Short-Term and Long-Term Disability) and periodic special pays such as uniform allowance. If employees are not eligible to receive the contributions pursuant to Section 11.01, they may still maintain benefit coverages at their own expense.

### **Section 11.03 Retiree Medical Benefit for Employees Appointed to a Regular Sworn Position prior to July 1, 2012 (Tier 1)**

- A. **Definition of Retiree** - All unit employees who retire from the City and qualify as an “annuitant” under Government Code Section 22760 shall be eligible for retiree medical benefits under the terms and conditions set forth herein. The terms retiree and annuitant shall mean the same thing pursuant to this section.
- B. **Definition of Tier 1** - Tier 1 is the Retiree Medical Benefit for active and retired employees appointed to a regular sworn position prior to July 1, 2012. Employees originally hired prior to July 1, 2012 who then leave City employment and are subsequently re-hired, are eligible for Tier 1 benefits provided their re-hire date is within 12 months of the date they separated from the City. Employees re-hired after the 12-month period will receive Tier 2 retiree medical benefits even if they are eligible to retain the CalPERS 3% at 50 retirement formula.
- C. **Vested Benefits for Tier 1** - The City agrees that Tier 1 employees and retirees have a vested benefit to retiree medical contributions. These Retiree Medical Benefits herein set forth are permanently and irrevocably vested for Tier 1 employees. Specifically, the vested benefit is the value of the actual premium cost for the plan and coverage level selected, up to a maximum of 100% of the medical average premium rates for the CalPERS Health Plans for the region that includes the City of Ontario. The current Retiree Medical Benefit for Tier 1 employees is listed in Section 11.01.
- D. **Tier 1 Retiree Medical Benefits**
1. Tier 1 retirees who enroll in the CalPERS Health Plans shall be eligible to receive the PEMHCA minimum employer contribution toward their medical plan. Retirees who opt out of enrollment will not receive the PEMHCA minimum employer contribution.
  2. For Tier 1 retirees who enroll in the CalPERS Health Plans, the City will also contribute directly to the retiree the balance of the cost of the Retiree Medical Benefit consistent

with the value of the vested benefit for Tier 1 employees. The vested benefit is the value of the actual premium cost for the plan and coverage level selected, up to a maximum of 100% of the medical average premium rates for the CalPERS Health Plans for the region that includes the City of Ontario. The maximum monthly Retiree Medical Benefit Contribution includes the PEMHCA minimum employer contribution. To the extent permitted by the IRS, this contribution shall be made on a pre-tax basis.

#### E. **Medicare Reimbursement**

1. A retiree who is eligible for Medicare coverage must enroll in Medicare Parts A and B and select a supplemental health benefits program to receive the Tier 1 Retiree Medical Benefits.
2. The Tier 1 Retiree Medical Benefit shall equal the actual cost of the selected supplemental benefits program (for the retiree plus dependents) up to the maximum of the Tier 1 Retiree Medical Benefit in Section 11.03. For retirees who select a supplemental benefits program that costs less than the maximum monthly Tier 1 Retiree Medical Benefit, the City will pay to the retiree the monthly cost of enrolling in Medicare Parts A and B, not to exceed the maximum monthly Tier 1 Retiree Medical Benefit.
3. The Medicare Reimbursement shall be paid to all retirees who are enrolled in Medicare effective January of that year. To the extent permitted by the IRS, the contribution shall be made on a pre-tax basis.
4. Examples of how the Medicare Reimbursement is calculated are as follows:

***Example A: Reimbursement amount is less than retiree Medicare premiums for a Tier 1 retiree.***

Description	Monthly Amount
PEMHCA minimum employer contribution	\$112
Balance of the Tier 1 Retiree Medical Benefit	\$1,286
<b>Total Tier 1 Retiree Medical Benefit</b>	<b>\$1,398</b>
(Subtract) Supplemental Plan	- \$1,323
<b>Difference</b>	<b>\$75</b>
Medicare Premiums	\$99.99
City's Medicare Reimbursement to Retiree	\$75

The City will pay the full cost of the supplemental plan, plus reimburse to the retiree an annual payment of \$900 (\$75/mon x 12) to be applied to the Medicare premiums.

***Example B: Reimbursement amount is same as retiree Medicare premiums for a Tier 1 retiree.***

Description	Monthly Amount
PEMHCA minimum employer contribution	\$112
Balance of the Tier 1 Retiree Medical Benefit	\$1,286
<b>Total Tier 1 Retiree Medical Benefit</b>	<b>\$1,398</b>
(Subtract) Supplemental Plan	- \$1,210
Difference	\$188

Medicare Premiums	\$99.99
City's Medicare Reimbursement to Retiree	\$99.99

The City will pay the full cost of the supplemental plan, plus reimburse to the retiree an annual payment of \$1,199.88 (\$99.99/mon x 12) to be applied to the Medicare Premiums.

#### **Section 11.04 Retiree Medical Employee Benefit for Employees Appointed to a Regular Sworn Position On or After July 1, 2012 (Tier 2)**

- A. **Definition of Retiree** - All unit employees who retire from the City and qualify as an "annuitant" under Government Code Section 22760 shall be eligible for retiree health insurance under the terms and conditions set forth herein. The terms retiree and annuitant shall mean the same thing pursuant to this section.
- B. **Definition of Tier 2** - Tier 2 is the Retiree Medical Benefit provision for employees appointed to a regular sworn position on or after July 1, 2012.
- C. **Tier 2 Retiree Medical Benefits** - Tier 2 retirees who enroll in the CalPERS Health Plans shall be eligible to receive the PEMHCA minimum employer contribution toward their medical premium. Retirees who opt out of enrollment in the CalPERS Health Plans will not receive the PEMHCA minimum employer contribution.
- D. **Tier 2 Retiree Medical Savings Plan**
- For Tier 2 employees, the City shall contribute \$750 per month (pre-tax) to a Retiree Medical Savings Plan (specifics to be determined at a later date) for the purpose of providing a savings plan for each employee to purchase medical insurance upon retirement. The City agrees that at no time will the contribution toward the Retiree Medical Savings Plan for Tier 2 employees drop below the contribution that was in effect July 1, 2012.
  - The \$750 monthly payment shall be made while the employee is in active status and will be paid over 24 pay periods (excluding "free" pay periods) per year. To be eligible to receive the payment in any particular pay period, the employee must code at least 15 hours of paid time in the pay period. Paid time includes regular time and all types of paid leave, including 4850 time, sick, annual leave, compensatory time, holiday, bereavement, jury duty, parental, personal, military, catastrophic and administrative leave. Paid time excludes disability payments (including Total Temporary Disability, Short-Term and Long-Term Disability) and periodic special pays such as uniform allowance.

3. The administration of the Retiree Medical Savings Plan will be decided upon and agreed to in a separate agreement. If the Association administers the Retiree Medical Savings Plan, the Association and its employees shall enter into an agreement with the City that releases the City from liability and indemnifies the City from any claims resulting from the administration of the Retiree Medical Savings Plan.

#### **E. Medicare**

1. A retiree who is eligible for Medicare coverage must enroll in Medicare Parts A and B and select a supplemental health benefits program to receive the PEMHCA minimum employer contribution.
2. The City shall contribute the actual cost of the selected supplemental benefits program for the level of coverage selected up to the maximum of the PEMHCA minimum employer contribution.

#### **F. Transition**

1. The parties acknowledge that it will take some administrative actions to implement the retiree medical provisions agreed to in this Article.
2. If the Retiree Medical Savings Plan is not established by the date a Tier 2 employee is hired, the contributions owed to the employee will be held for the employee. When the Retiree Medical Savings Plan is established, all contributions owed will be deposited into the account on a pre-tax basis to the extent permitted by the IRS. If the employee separates employment prior to the Retiree Medical Savings Plan being established, any accumulated contributions shall be paid to the employee in taxable cash.
3. If for some reason all necessary actions have not been completed prior to the date a Tier 2 employee retires, which could result in the employee receiving the Tier 1 retiree medical amount instead of the PEMHCA minimum employer contribution, the necessary actions will be completed as soon as possible and the employee will then begin receiving the PEMHCA minimum employer contribution.

### **Section 11.05 Insurance Committee**

The City agrees to continue the Insurance Committee which will have a representative designated by the Group as one of its members. This Committee shall have the responsibility to review the Dental and Vision insurance programs and to represent an employee who has a question to the company. The Committee shall be composed of one representative from each of the recognized employee units and one representative appointed by the City Manager. The Assistant and/or Deputy City Manager shall be an ex-officio member of this committee and entitled to attend all meetings. The Committee or any of its members may invite other individuals to participate as resource people whenever the need arises and prior notification is provided to the committee chair.

### **Section 11.06 Life Insurance**

The City will provide life and accidental death and dismemberment insurance providing \$135,000 for Fire Battalion Chiefs and \$140,000 for Deputy Fire Chiefs and Senior Deputy Fire Chiefs. Employees currently certified as a Bomb Technician and assigned to the Bomb Squad shall be

provided an additional \$50,000 in accidental death and dismemberment insurance benefits. The cost of the additional insurance benefits shall be paid by the City.

### **Section 11.07    *Deferred Compensation***

- A. The City has established a Section 401(a) money purchase plan for employer deferred compensation contributions. The City shall contribute the following amounts to each employee's Section 401(a) plan account: \$350 per month for employees in Senior Deputy Fire Chief & Deputy Fire Chief classifications, and \$325 per month for employees in the Fire Battalion Chief classification. The contribution will be paid in equal bi-weekly installments during the first and second pay periods of the month.

Employees are eligible to participate in a 457(b) deferred compensation plan as provided for in State and Federal Tax codes. Employees may voluntarily contribute to the plan in accordance with plan provisions and subject to plan maximums.

### **Section 11.08    *Uniform Allowance***

- A. The annual uniform allowance amount for employees assigned to the 24-hour shift schedule shall be \$1,200 payable at a rate of \$46.16 per pay period for 26 pay periods.
- B. The annual uniform allowance amount for employees assigned to non-shift assignments shall be \$2,600 payable at a rate of \$100.00 per pay period for 26 pay periods.

### **Section 11.09    *Vehicles***

It is mutually agreed that upon the approval of the Fire Chief, vehicles assigned to non-shift employees may be garaged at their residence.

### **Section 11.10    *Retirement***

- A. Classic Member
1. A classic member is defined as an employee who meets the definition of a "classic" member for purposes of retirement pension benefits in accordance with the Public Employees Pension Reform Act of 2013. Generally, this includes employees that were hired before January 1, 2013 in the California Public Employees Retirement System (CalPERS) or a reciprocal retirement system with no break in service longer than six months. CalPERS ultimately determines who is a classic member in compliance with the law.
  2. Classic members entering membership for the first time in a Fire safety classification with the City of Ontario before July 1, 2012 shall be eligible for the 3% at 50 retirement formula for Local Safety members. Classic members entering membership for the first time in a Fire safety classification with the City of Ontario on or after July 1, 2012 shall be eligible for the 3% at 55 retirement formula for Local Safety members.
  3. Classic members are eligible for the optional benefit of Government Code Section 20042, Highest Single Year.

4. Effective January 2020, classic members of the unit will contribute no more than 9% of the employee's share of the pension cost. To the extent permitted by the IRS, pension contributions shall be made on a pre-tax basis.

#### B. New Member

1. A new member is defined as an employee who meets the definition of a "new" member for purposes of retirement pension benefits pursuant to the Public Employees' Pension Reform Act of 2013. Generally, this includes employees that were hired into a regular position on or after January 1, 2013 or former members who have more than a six-month break in service. CalPERS ultimately determines who is a new member in compliance with the law.
2. New members entering membership for the first time in a Fire safety classification shall be eligible for the 2.7% at 57 retirement formula for Local Safety members.
3. The employee contribution for new members shall be one-half the normal cost, as determined by CalPERS. As of July 2013, the required employee contribution for new members is 11.25%. This amount will be adjusted periodically by CalPERS.
4. To the extent permitted by the IRS, pension contributions shall be made on a pre-tax basis.

#### C. Optional Benefits for Classic and New Members

The City's contract with CalPERS includes the following optional benefits for both classic and new Local Safety members:

1. 50% Post Retirement Survivor Allowance – Government Code Sections 21624 and 21626
2. Sick Leave Credit – Government Code Section 20965
3. Military Service Credit (Stats 74) – Government Code Section 21024
4. Retiree Death Benefit \$500 – Government Code Section 21620
5. 2% Cost of Living Adjustment – Government Code Section 21329
6. 2 Years Additional Service Credit (only within specified window period) – Government Code Section 20903
7. Cancellation of Election upon Industrial Disability Retirement/Special Death – Government Code Section 21037
8. Post Retirement Survivor Allowance Continuance – Government Code Section 21635
9. 1959 Survivor Benefits Level 4 – Government Code Section 21574
10. Pre-Retirement Option 2w – Government Code Section 21548
11. Death Benefit Continuance – Government Code Section 21551

**Section 11.11 Employee Assistance Program**

- A. The City agrees to continue the employee assistance program (EAP) for all employees within this bargaining unit.
- B. The parties agree that the EAP cannot be successful without absolute confidentiality regarding employee/family utilization of the program. Confidentiality will be maintained in full compliance with State and Federal Regulations.

**Section 11.12 Long-Term Disability**

The City shall reimburse to each unit employee \$24.50 per month for long-term disability insurance obtained from and maintained through the Group. The Group will provide at least annually, and upon request by the City, a list of employees enrolled in the plan.

**Article XII. Group Membership and Activity****Section 12.01 Release Time**

A designated member of the Group may receive reasonable release time to represent another unit member in matters relative to potential discipline or grievances. Such release time shall be accommodated only after operational needs of the releasing department are met.

**Section 12.02 Dues Deduction**

- A. The City agrees to deduct from the pay of each employee who signs an authorized payroll deduction card a monthly sum certified to him by the Secretary of the Group as the regular monthly dues of the Group. The City will not deduct any pay for initiation fee fines or other special assessments. Dues deduction shall be a specified uniform amount for each employee in the Group. The dues deduction may be terminated at any time by the employee by written notice to the City Manager and the Secretary of the Group. Any change in the amount of the dues deducted shall be by written authorization of each member of the Group. The request for a change shall be submitted at least 30 days prior to the effective date of the change.
- B. The employee's earnings must be regularly sufficient, after other legal and required deductions are made, to cover the amount of the dues check off authorized. When a member in good standing of the Group is in a non-pay status for an entire pay period, no dues withholding will be made to cover that period from future earnings, nor will the member deposit the amount with the City which would have been withheld if the member had been in a pay status during that period. In the case of an employee who is in a non-pay status during only a part of the pay period and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other legal and required deductions have priority over employee organization dues.
- C. Dues withheld by the City shall be transmitted to the officer designated by the Group in writing, at the address specified in the letter of authorization.

- D. The Group shall indemnify, defend, and hold the City of Ontario harmless against any claims made, and against any suit instituted against the City of Ontario on account of check-off of employee dues. In addition, the Group shall refund to the City of Ontario any amounts paid to it in error, upon presentation of supporting evidence.

## **Article XIII. Grievance Procedure**

### **Section 13.01 Definitions**

- A. Complaint – A concern of an employee, which arises from the application of this MOU, existing City Rule(s), Regulation(s) or written policy (policies).
- B. Grievance – A written allegation by an employee that there has been a violation, misapplication, or misinterpretation of a specific term(s) of this MOU, existing City Rule, Regulation or written policy.

- C. Grievant –

A(n):

1. Regular employee(s); or
2. Probationary employee(s); or
3. At-Will employee(s);

who allege(s) in a grievance that he/she has been directly wronged by a violation of a specific term(s) of this MOU, existing City Rule, Regulation or written policy. The term “grievant” as used in this Article may refer to the Group when alleging a violation of Article 12, as provided for in this MOU.

- D. Immediate Supervisor – The appropriate non-bargaining unit supervisory or management person to whom the employee is accountable.
- E. Representative – An employee or representative of the Group who at the grievant’s request may be present at Levels I through IV. Representation of the employee at Level V shall be by a Group-designated representative.
- F. Respond and File – Personal delivery or deposit in the U.S. mail, postage prepaid. If mail delivery is used, it shall be by certified, return receipt requested mail and the certified receipt date shall establish the date of response or filing. If personal delivery is used, the calendar date of delivery shall establish the date of response or filing.

### **Section 13.02 Level I – Informal Review**

- A. An employee shall have the right to present a complaint and to have the complaint considered with the immediate supervisor no later than seven (7) working days after the event giving rise to the complaint, or no later than seven (7) working days after the employee knew or reasonably should have known of the event giving rise to the complaint.
- B. The employee, whenever possible, shall attempt to resolve the complaint informally with the immediate supervisor.

- C. The immediate supervisor shall provide an answer to the employee no later than seven working days after the Level I meeting.
- D. A resolution of the complaint at the informal level shall not be precedent setting.

### **Section 13.03    Level II – Formal**

- A. If the complaint is not resolved through Level I informal discussions, the employee may file a Level II grievance with a Deputy Fire Chief no later than seven (7) working days after the response of the immediate supervisor at Level I. The grievant shall state clearly and concisely on a grievance form provided by the City:
  - 1. The specific term(s) of the MOU, City Rule, Regulation or written policy which have been violated;
  - 2. the action grieved, including names, dates, places and times and how it violated a specific term(s) of this MOU, City Rule, Regulation or written policy;
  - 3. the remedy sought;
  - 4. the name and classification of the grievant and his/her signature;
  - 5. the name of the representative, if any; and
  - 6. the date of submission.
- B. A Deputy Fire Chief shall hold a meeting with the grievant at a mutually acceptable time and location no later than seven (7) working days after the receipt of the grievance. The Deputy Fire Chief shall then respond in writing to the grievant within seven (7) working days of the Level II meeting.

### **Section 13.04    Level III**

- A. In the event the grievance is not settled at Level II, the grievant may file the Level III grievance with the Fire Chief no later than five (5) working days after the Level II response. The grievant shall include in the grievance a written statement indicating the reason that the proposed settlement at Level II was unsatisfactory. The Fire Chief may hold a meeting with the grievant at a mutually acceptable time and location. The Fire Chief shall respond to the grievant no later than five working days after the receipt of the Level III grievance. Should additional time be required for investigation purposes, the response time may be extended to meet this need.
- B. The grievant shall present at Level III all issues and written evidence known or which could have been reasonably known.
- C. Amendments and/or modifications to the grievance shall not be made by the grievant after the Level III filing date, except by mutual agreement.

**Section 13.05 Level IV**

- A. In the event the grievance is not settled at Level III, the grievant may file a level IV grievance with the City Manager or designee no later than 10 working days after the receipt of the Level III response.
- B. The grievant or the City Manager or designee may request to meet with the other party at a mutually acceptable time and location within 10 working days of receipt of the written grievance. The City Manager or designee shall respond to the grievant no later than ten working days after the meeting or 20 working days after receipt of the grievance at Level IV.
- C. If the grievance has not been settled at Level IV, then within 21 days after receipt of the Level IV written decision or the expiration of the time limits for making such decision, upon the request of the grievant, the Group may request arbitration by giving notice to that effect, by giving notice to that effect, by certified mail, return receipt requested, directed to the Executive Director Human Resources / Risk Management. If the Group wishes to proceed to binding arbitration, it shall so state in this request. Such request will be submitted to the City Council for determination. The City Council may, if it so desires, order the grievance submitted to binding arbitration.

**Section 13.06 Level V – Arbitration**

- A. Unless the specific language of the MOU is in conflict, the arbitration procedure shall be conducted in accordance with the rules of the American Arbitration Group.
- B. The arbitrator shall be selected by mutual agreement in both parties.
- C. The cost of any arbitration proceeding shall be divided equally between the City and the employee or the employee organization to which the employee may belong.
- D. Failure on the part of the City representative or grievant to appear in any case before the arbitrator, without good cause, shall result in the forfeiture of the case and responsibility for payment of all costs of arbitration.
- E. A final decision of award of the arbitrator shall be made within 30 calendar days after the close of the hearing. Such decision or award shall be subject to the approval of the City Council.
- F. The cost of the arbitration, including advocate, court reporter, unilateral withdrawal, postponement, or cancellation fees, shall be borne equally by the parties. Expenses for witnesses, other than City employees, however, shall be borne by the party who calls them.
- G. If an arbitrability question exists, the arbitrator shall determine the arbitrability question prior to hearing the formal presentations of the parties on the merits of the grievance.

**Section 13.07 General Provisions**

- A. Failure of the grievant to comply with the time limitations of this Article shall render the grievance null and void. Failure by the City Representative to timely respond under this Article shall permit the grievance to be filed at the next level.

- B. Time limits set forth in this Article may be extended by mutual agreement.
- C. The processing of grievances filed and unresolved prior to the effective date of this Agreement may continue under the grievance procedure in effect at the time of the initial filing.
- D. No punitive action will be assessed against an employee for utilizing the grievance procedure.
- E. The preparation of grievances shall not interfere with the operation of the department.
- F. The City may consolidate at any level grievances on similar issues.
- G. Grievance records shall be filed separately from an employee's personnel file and shall be considered confidential.
- H. A grievant may withdraw a grievance at any time. The grievant shall not file any subsequent grievance on the same alleged incident.
- I. No individual City Council member may be approached regarding the grievance at any time the grievance is being processed.
- J. In the event a grievant elects to represent themselves or is represented by someone other than who may be provided by the Group, the Group shall be notified of the nature and resolution of the grievance; provided, however, that the names of employees and confidential information shall not be disclosed. Notification of the employee's Group shall be made within a reasonable time following the resolution of the grievance.
- K. Organizational channels shall be utilized at all times and participation in the grievance and the discussion of information related thereto shall be limited to the parties to the grievance except when such other persons are identified and/or called as witnesses.
- L. In the event of a disciplinary action involving a suspension, reduction in pay, demotion, or termination where a pre-disciplinary hearing has already been held, Levels I through III of the grievance procedure will be eliminated and Levels IV and above will be utilized.
- M. The City agrees to permit an employee and the immediate Group Representative to consult during work hours concerning a potential grievance subject to obtaining approval from his/her first line supervisor. The Group agrees that this privilege shall not be utilized to prepare formal grievances during working hours, but to simply consult with an employee and/or supervisor in order to avoid the necessity of processing a formal grievance; or to set an appointment between the Group Representative and the employee after working hours for the preparation of a legitimate grievance. The City agrees to encourage cooperation with the Group Representative and employees in this regard, provided that the City will not permit the effective and/or efficient operation of the City to be interfered with. The City retains the right to revoke this privilege at any time, provided that prior to taking any such action, the City agrees to meet and confer with the Group in order to avoid the necessity of exercising this right.
- N. A group of employees may file one (1) grievance rather than individual grievances as long as the following conditions are met:
  - 1. Each employee in the "group" grievance is individually named.

2. The grievable matter is exactly the same for each employee cited in the grievance.
3. The City is not obligated to conduct grievance hearings or provide grievance responses to each individual, but only to one of the employees involved who represents the group filing the grievance.

## **Article XIV. Layoff Procedure**

- A. The City Manager may layoff regular and probationary workers at any time for lack of work or other changes that have taken place. The City will provide the employees' Group with a 14-day notice to begin employee impact discussion. The employee will be given two (2) weeks' notice before such a layoff is to take place. The City shall meet and consult with the concerned employee organization on such matters as the timing of the layoff and the number and identity of the employees affected by the layoff during the two-week period prior to the layoff action.
- B. A demotion or transfer to another department with the City Manager's approval may be made to prevent a layoff provided the employee is qualified by education and/or experience and is capable of performing the duties of the classification.
- C. In the event of a layoff, those employees with the least service in the classification affected shall be laid off first and be placed on a "Recall List" and shall be eligible for recall for one year from the date of placement on the list; if a recall begins, the most senior employees laid off in the classifications required shall be recalled first. Strict application of seniority shall prevail unless exceptional circumstances occur of which the concerned employee organization shall be fully apprised in advance. The order of layoff shall be:
  1. Temporary employees in the affected classification shall be removed first.
  2. Probationary employees in the affected classification shall be removed next.
  3. Exceptional circumstances may include the desirability of maintaining a balanced department or work unit and maintaining employees in the classification, department, or section who have the ability to perform the work available.
- D. The employee scheduled to be laid off shall be entitled to displace to a position in a classification occupied by an incumbent with less overall City seniority (displacement seniority) provided it is in a position in which the employee formerly held a regular appointment, and is qualified by education and experience, and is capable of performing the duties of the classification. The employee with the least displacement seniority shall be displaced by the person scheduled for layoff. The employee displaced shall be considered as laid off for the same reason as the person who displaced them, and shall in the same manner, be eligible to displace to a position in a classification in which they formerly held a regular appointment and is qualified by education and experience, and is capable of performing the duties of the classification.
- E. Failure to return to work from layoff within 14 calendar days after notice to return by certified or registered mail to the employee at their last known address on file with the City Human Resources Department, or by personal delivery, shall constitute the employee's waiver to return to work and eliminates any future re-employment responsibilities placed on the City. The employee must notify the City regarding their intent to return within seven (7) calendar days from notice to return.

## Article XV. Holidays

### Section 15.01 Paid Holidays

The following paid holidays, except as provided in Section 15.02 below, shall be observed on the day specified.

New Year's Day	January 1 <sup>st</sup>
Martin Luther King's Birthday	3 <sup>rd</sup> Monday in January
Lincoln's Birthday	February 12 <sup>th</sup>
Washington's Birthday	3 <sup>rd</sup> Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 <sup>th</sup>
Labor Day	1 <sup>st</sup> Monday in September
Admission Day	September 9 <sup>th</sup>
Columbus Day	2 <sup>nd</sup> Monday in October
All Statewide Election Days	
Veteran's Day	November 11 <sup>th</sup>
Thanksgiving Day	4 <sup>th</sup> Thursday in November
Day After Thanksgiving	The day after the 4 <sup>th</sup> Thursday in November
Christmas Eve	December 24 <sup>th</sup>
Christmas Day	December 25 <sup>th</sup>
New Year's Eve	December 31 <sup>st</sup>

Every day designated by the President of the United States or by the Governor of the State of California. Any special holiday called by the President or Governor of the State of California. Any special holiday or Designated day called by the President or Governor shall be paid on a one-time only basis.

### Section 15.02 Holiday Work Compensation (Holiday Pay) – Shift Employees

- A. **Accrual of Holiday Hours Credit** - Group employees assigned to shifts will receive 12 hours credit for each of the above holidays regardless of whether the employee is on or off duty when the holiday occurs.
- B. **Adjustments to Holiday Hours Credit Based on Actual Shifts** - Holiday hours credit shall be adjusted according to each employee's actual shifts during the year.

- C. The City agrees to pay for holiday credit in the first “full” pay period in November for that calendar year. This check will be subject to the regular deductions. Any employee whose employment terminates between when the holiday credit payment is issued and December 31 of that year shall have any overpayments deducted from the employee’s final paycheck.

**Section 15.03 For Non-Shift Employees**

Employees in the classification of Deputy Fire Chief or Sr. Deputy Fire Chief shall be paid as salary compensation for working holidays in accordance with the holiday schedule regardless of whether the employee is on or off duty when the holiday occurs. Regardless of work schedule, an employee shall receive credit for each holiday at a rate of 10-hours per holiday, at their regular rate of pay for a maximum of 150 hours of holiday credit each calendar year. Employees shall be compensated for this holiday credit at the rate of 5.77 hours per pay period, for a total of 150 hours holiday pay per annum (5.77 is calculated at 26 pay periods).

For non-shift employees, all Statewide Election Days, every day designated by the President of the United States or by the Governor of the State of California, any special holiday called by the President or Governor of the State of California, any special holiday or Designated day called by the President or Governor shall receive 10 hours credit for each designated holiday regardless of whether the employee is on or off duty when the holiday occurs. The City agrees to pay special holiday in the pay period in which the holiday falls.

**Article XVI. Annual Leave**

**Section 16.01 Annual Leave Program**

- A. Group employees shall accrue Annual Leave at the following rates:

<b>Shift Employees</b>	
<b>Year of Service</b>	<b>Annual Leave Hours Earned</b>
1-4	312
5-9	360
10-14	408
15-19	432
20-24	456
25-29	480
30+	504

<b>Non-Shift Employees</b>	
<b>Year of Service</b>	<b>Annual Leave Hours Earned</b>
1-3	250
4	258
5-9	266
10-14	306
15-19	314

20-24	322
25-29	330
30+	338

- B. Shift Group employees may convert up to 120 hours of annual leave each year. Employees must designate the number of hours to be converted by the second Friday in November for payment by the first paycheck in December. Additional notification of this conversion opportunity will be provided in October.
- C. Non-shift Group employees may convert up to 240 hours of Annual Leave to salary compensation each calendar year as follows:

Request Due Date	Payment Date
2 <sup>nd</sup> Friday in May	1 <sup>st</sup> Payday in June
2 <sup>nd</sup> Friday in November	1 <sup>st</sup> Payday in December

Non-shift employees may convert up to 240 hours at each opportunity, but the total number of hours converted per calendar year shall not exceed 240 total hours.

- D. Employees' retained Sick Leave balances shall be converted to salary at the rate of 300 hours per year until all of an employee's retained Sick Leave balances are exhausted. Converted Sick Leave shall be paid by the first paycheck in December, along with any optional Annual Leave conversions.
- E. Subject to the limitations of the City's Deferred Compensation Plan and tax laws, Annual Leave or Sick Leave balances converted to salary compensation may be directed to the Deferred Compensation Plan.
- F. Employees promoted into the Group shall accrue Annual Leave as described in Section 16.01(A), and will not earn Vacation, Sick, or Administrative Leave. Upon promotion, all Vacation Leave accruals shall be converted to Annual Leave. In addition, employees will have the option of converting up to 500 hours of Sick Leave to Annual Leave. Employees cannot exceed the maximum Annual Leave accrual limits specified in Section 16.01(H) as a result of the optional Sick Leave conversion. Any remaining Sick Leave balances will be retained. Retained Sick Leave is subject to the same conversion and use restrictions as specified in Sections 16.01(D), 16.01(G), and 17.01.
- G. Any unused Annual Leave balances and any retained Sick Leave balances shall be converted to salary compensation at separation. Employees may not use Annual Leave or retained Sick Leave to extend their retirement or separation dates.
- H. The maximum amount of Annual Leave that can be "carried over" from year to year shall be 800 hours for Deputy Chief and Senior Deputy Chief and 1,500 hours for Battalion Chiefs. This maximum limit can be extended for a specified period upon recommendation of the Fire Chief and/or the approval of the City Manager if an employee is unable to take Annual Leave due to operational needs.
- I. Employee's annual leave accumulated in excess of 800 hours for non-shift employees and 1,500 hours for shift employees shall be converted to compensation on the first pay period following each accumulation.

- J. In accordance with 26 CFR 1.451-2 effective January 1, 2025, and continuing thereafter, unit employees must submit an irrevocable election form by no later than December 15th of the preceding calendar year to convert the following hours to cash:
1. Annual Leave - An amount which may not exceed the number of annual leave hours the individual employee may accrue in the following calendar year.
  2. Compensatory Time – An amount which may not exceed the projected number of compensatory time hours the individual employee may receive in the following calendar year.
- K. The cash-out election is for hours to be accrued or received in the calendar year following submission of the irrevocable election form.
- L. The total combined number of annual leave and compensatory time hours converted per calendar year shall not exceed 240 hours.
- M. The payment shall be made via payroll and employees may elect to receive the cash out in the first payday in June and/or the first payday in December, but the request must be submitted by December 15th of the year prior.
- N. Employees who do not submit an irrevocable election form by December 15th will be deemed as foregoing participation in the optional vacation and/or compensatory time conversion salary program for the following calendar year.
- O. In the event an employee has less hours in their vacation and compensatory time bank at the time the cash-out is to be paid than they had previously elected to cash-out, the employee shall only be paid for up to the amount remaining in their vacation leave and compensatory time bank at the time of the actual cash-out.
- P. If an employee makes an irrevocable election to cash-out annual leave and/or compensatory time in the following calendar year and uses such in that subsequent calendar year, the vacation and compensatory time used will come from the annual leave or compensatory time the employee had earned (if any) prior to January 1st of the calendar year the employee has elected to cash-out. The employee's use of earned, but unused annual leave and/or compensatory time accumulated from previous calendar years shall not result in a reduction in the amount of annual leave and/or compensatory time hours the employee is eligible to cash-out.
- Q. Any conversion of annual leave hours to cash shall not cause the employee's total amount of accrued annual leave in their annual leave bank to fall below a 40 hour minimum balance. Cash-out of accumulated time shall be at the employee's option. Requests for cash-out are to be submitted in a manner prescribed by the City.
- R. An employee who experiences an unforeseen emergency may be permitted to make a new irrevocable election and/or to increase the amount of a previous election, subject to the same value that was permitted at the time the annual irrevocable election forms were due.
- S. For these purposes, an "unforeseen emergency" means a financial hardship to the employee resulting from any of the following:
1. Accident, illness, injury or death of the employee or an immediate family member. For this purpose, an "immediate family member" is restricted to a spouse, registered

- domestic partner, child/legal dependent, or parent; or
2. loss or extensive damage to the employee's property due to casualty; or
  3. other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the employee.
- T. Whether an occurrence is an unforeseeable emergency shall be solely determined by the Executive Director Human Resources / Risk Management or designee.

## **Article XVII. Other Leaves of Absence With Pay**

### **Section 17.01 Retained Sick Leave**

- A. Retained Sick Leave balances shall only be used as follows: paid leave during prolonged illnesses or disabilities due to injury; conversion to CalPERS Service Credit, absences from work to resolve issues related to the employee being a victim of domestic violence, sexual assault, or stalking; or for Family Medical Care Leave as outlined in Section 17.04.
- B. The City reserves the right to make any investigation of such prolonged illness or disability it deems necessary.

### **Section 17.02 Bereavement Leave**

- A. Immediate family for purposes of Section 17.02 is defined as spouse, domestic partner, children, parents, brother, sister, grandfather, grandmother, grandchild, and the employee's mother-in-law, father-in-law, stepfather, stepmother and stepchildren or any person who the employee has been assigned legal custody, or others required by Family Code Section 297 or successor legislation.
- B. In the event of a death in the employee's immediate family, non-shift employees shall be granted three (3) working days paid bereavement leave. Shift employees will be granted two (2) shifts paid bereavement leave. Such bereavement leave shall not be charged against the employee's Annual Leave. Shift and non-shift employees shall be granted additional working days of unpaid bereavement leave in the event of a death in the employee's immediate family member, not to exceed a total of five (5) working days of paid or unpaid bereavement leave. The employee may elect to use accrued annual leave time or retained sick leave to cover all or a portion of the unpaid portion of their bereavement leave.
- C. A maximum of five (5) working days paid bereavement leave shall be granted to non-shift employees if there is a death in the immediate family outside the State boundaries. Shift employees will be granted two (2) shifts paid bereavement leave with a maximum of three (3) shifts if the death in the immediate family is outside the State boundaries. Such leave will not be charged against Annual Leave. Shift employees shall be granted additional working days of unpaid bereavement leave in the event of a death in the employee's immediate family member, not to exceed a total of five (5) working days of paid or unpaid bereavement leave. The employee may elect to use accrued annual leave time or retained sick leave to cover all or a portion of the unpaid portion of their bereavement leave.
- D. Bereavement leave shall be completed within three (3) months of the date of death of the immediate family member. The days of bereavement leave need not be consecutive.

- E. Employees may be excused by the Department Head to attend the funeral of deceased City employees without loss of pay.
- F. Employees may be required to furnish evidence satisfactory to the City of the family member's death and the employee's relationship to the deceased family member.

### **Section 17.03    *Paid Parental Leave***

- A. Each employee shall be granted a paid parental leave of absence upon the birth or adoption of the employee's child or children. Any such leave may be taken within six (6) weeks before or after the estimated birth or adoption date at the employee's discretion. Employees assigned to a 40-hour shift will be entitled to 40 hours of paid parental leave. Employees assigned to a 24-hour shift will be entitled to three (3) 24-hour shifts. Such paid parental leave shall not be charged against the employee's annual leave.
- B. Notice of such leave must be provided by the employee in advance so that the operational needs of the department are met.
- C. The employee may be required to furnish evidence satisfactory to the City of the birth or adoption of the employee's child or children and/or the employee's relationship to the child or children.
- D. Paid Parental Leave will be considered as qualifying leave under the California Family Rights Act (CFRA) and the Family Medical Leave Act (FMLA) and shall run concurrently with an entitled unpaid Family Leave (provided that the employee is deemed eligible for CFRA and/or FMLA). Unpaid Family Leave shall be granted in accordance with CFRA and FMLA and the interpreted regulations for those respective statutes.

### **Section 17.04    *Family Medical Care Leave***

- A. Family Leave shall be granted in accordance with the California Family Rights Act (CFRA) of 1991 and the Family and Medical Leave Act (FMLA) of 1993, and any modified provisions and interpreted regulations for those respective statutes. For information concerning FMLA or CFRA, contact the Human Resources Department.
- B. Maternity, Paternity, and Family Medical Care Leave of up to 12 weeks shall be granted in accordance with FMLA and CFRA statutes.
- C. The employee may utilize up to six weeks of retained sick leave for leaves of absence that fall under the provisions of the FMLA and CFRA. This sick leave shall be used prior to the unpaid leave provisions of FMLA and CFRA.

### **Section 17.05    *Catastrophic Leave***

- A. The City agrees to permit employees to contribute a portion of their accrued leave credit to another employee when such employee is on an approved leave of absence due to a verifiable illness or injury caused by either physical or mental impairment or other unforeseen catastrophic event as determined by the Fire Chief and approved by the City Manager.

- B. The City also agrees to permit employees to contribute a portion of their accrued annual leave to another employee when such employee is on an approved leave of absence due to the verifiable illness or injury of the employee's spouse, domestic partner, parent or child. Sick leave or retained sick leave may not be donated.
- C. For such transfer to take place, the following conditions shall apply:
1. The Human Resources Department shall review all requests from the receiving employee to determine eligibility for catastrophic leave prior to the receiving employee or the employee's Department requesting donations.
  2. Such illness or injury is defined as an unforeseen or sudden, unexpected illness or injury requiring immediate attention. A statement from the employee's or employee family member's treating physician is required.
  3. The receiving employee has been absent from work due to injury or prolonged illness as defined above and has exhausted all accrued leave and is therefore facing financial hardship.
  4. Pregnancy is excluded from this provision. Injuries or illness resulting from a pregnancy may be covered under this provision with a statement from the employee's treating physician as the final authority.
  5. The employee will be on a medical leave of absence for over 40 hours for non-shift personnel and two shifts for shift personnel due to the illness or injury.
  6. Contributing employee must have at least 96 hours annual leave remaining after such contribution and the leave application rate will be based on the contributing employee's dollar value, which will be adjusted proportionally to the receiving employee's rate.
  7. The transfers must be in whole hour increments. The amount or the donation will be made in accordance with the recipient's need by the Human Resources Department.
  8. The transfers are irrevocable and will be indistinguishable from other leave credits belonging to the receiving employee. Transfers will be subject to all taxes required by law.
  9. Transfers shall be made on a form prescribed by the Human Resources Department.
  10. The types of accrual time which may be donated shall be as follows:
    - a. Retained Sick Leave to employees in all bargaining units for verifiable illness or injury caused by either physical or mental impairment.
    - b. Annual Leave to employees in all bargaining units and for instances as defined in Section 17.05 as, "...other unforeseen catastrophic event as determined by the Fire Chief and approved by the City Manager". As well as for an approved leave of absence due to the verifiable illness or injury of the employee's spouse, domestic partner, parent or child.

## **Article XVIII. Separability**

If any article or section of this MOU shall be found to be in conflict with any statute or regulation of the United States or the State of California by a court of competent jurisdiction, such article or section shall be deemed null and void and of no further effect. However, such articles and sections shall be severable from the remainder of this MOU, and all other provisions hereof shall continue in full force and effect.

## **Article XIX. Overpayment, Recovery, Underpayment**

### **A. Overpayments**

In situations involving overpayment to an employee by the City, the employee shall be obliged to repay the amount of overpayment. Either Human Resources or the Payroll Department shall provide written documentation showing the calculations of the overpayment to the employee. A meeting may be requested by the employee with the Payroll Department to review the documentation and to discuss the recovery schedule. The total repayment amount, repayment schedule, biweekly payment amount or other method of repayment will be documented in writing.

### **B. Recovery**

If the amount due is \$100 or less, the City will make notification to the employee. Following notification, the City will deduct the entire amount in the next pay period.

If the amount due is over \$100, the employee will have the right to select one of the three (3) following options for repayment of the funds:

1. Lump sum payment with the date mutually established by the employee and the department, or
2. biweekly installment payments through payroll deduction and repayment must be completed within the same time frame the overpayment was received by the employee or within 26 pay periods (whichever is greater). The minimum bi-weekly deduction will be \$50. Or
3. any other repayment arrangement mutually agreed upon between the City and employee.

If the employee leaves employment prior to repayment of overage, the City may recover the amount owed from the employee's final pay. If the amount owed is greater than the employee's final pay, the City may initiate a collections process against the employee.

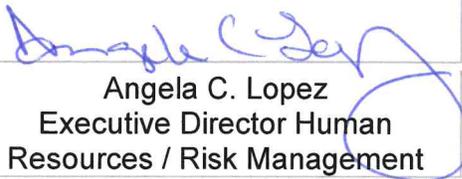
### **C. Underpayments**

In situations involving underpayment to an employee by the City, the employee shall receive the balance due within the next pay period for which the adjustment can be made, following timely submission of appropriate documentation and necessary approval of the compensation change.

**Article XX. Duration and Implementation**

- A. This MOU shall upon ratification by both parties, become effective July 1, 2023 and remain in full force and effect up to and including June 30, 2027.
- B. Each party shall exercise its right to present bargaining proposals for a successor MOU no earlier than 120 days prior to the expiration of this MOU and no later than 90 days prior to the expiration of this MOU.

All terms and conditions set forth in this MOU are hereby ratified by the unit members and approved by the City Council on the 18th day of July 2023.

City of Ontario		Ontario Fire Management Association	
	9/27/23		9/6/23
Scott Ochoa City Manager	Date	Ryan Lewis President	Date
	9/27/23		9/11/23
Darlene Sanchez Assistant City Manager	Date	Michael Wedell Vice President	Date
	10/10/23		9/6/23
Angela C. Lopez Executive Director Human Resources / Risk Management	Date	Paul Ehrman Treasurer	Date

## APPENDIX A

			<i>Approximate Salaries*</i>			
			July 3, 2023		July 14, 2024	
Classification	Hourly Minimum	Step	Hourly Rate	Monthly Rate	Hourly Rate	Monthly Rate
<b>Fire Battalion Chief - 56 hr</b>	FMG	1	\$ 60.72	\$ 13,945.36	\$62.55	\$14,365.65
		2	\$ 63.76	\$ 14,643.55	\$65.68	\$15,084.51
		3	\$ 66.94	\$ 15,373.89	\$68.95	\$15,835.52
		4	\$ 70.29	\$ 16,143.27	\$72.40	\$16,627.87
		5	\$ 73.80	\$ 16,949.40	\$76.02	\$17,459.26
<b>Deputy Fire Chief - 40 hr</b>	FMG	1	\$ 94.18	\$ 16,324.53	\$97.01	\$16,815.07
		2	\$ 98.89	\$ 17,140.93	\$101.86	\$17,655.73
		3	\$ 103.82	\$ 17,995.47	\$106.94	\$18,536.27
		4	\$ 109.01	\$ 18,895.07	\$112.29	\$19,463.60
		5	\$ 114.45	\$ 19,838.00	\$117.89	\$20,434.27
<b>Senior Deputy Fire Chief</b>	FMG	1	\$ 98.98	\$ 17,156.53	\$101.95	\$17,671.33
		2	\$ 103.94	\$ 18,016.27	\$107.06	\$18,557.07
		3	\$ 109.13	\$ 18,915.87	\$112.41	\$19,484.40
		4	\$ 114.58	\$ 19,860.53	\$118.02	\$20,456.80
		5	\$ 120.30	\$ 20,852.00	\$123.91	\$21,477.73