

**MEMORANDUM OF UNDERSTANDING**

**between**

**CITY OF PETALUMA**

**and**

**PETALUMA PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION  
Unit 10**

**July 1, 2023 THROUGH June 30, 2026**

<b>TABLE OF CONTENTS</b>
--------------------------

<u>Section</u>	<u>Provision</u>	<u>Page</u>
<b>PREAMBLE</b>		1
<b>SECTION 1 – TERM OF AGREEMENT</b>		1
1.1	Effective Date	1
1.2	Notice of Successor Memorandum	1
<b>SECTION 2 – RECOGNITION</b>		1
<b>SECTION 3 – ASSOCIATION RIGHTS</b>		1
3.1	Association – Fair Representation	2
3.2	Association – Reasonable Time Off	2
3.3	Association – Access to Workplace	2
3.4	Association – Use of City Facilities	2
3.5	Association – Advance Notice	2
<b>SECTION 4 – ASSOCIATION SECURITY</b>		2
4.1	Payroll Deductions and Written Authorization	2
4.2	Certification of Association Membership	3
4.3	Indemnification	3
4.4	Association – Dues Transmittal	3
4.5	Association – Sufficient Earnings	3
<b>SECTION 5 – MANAGEMENT RIGHTS</b>		3
<b>SECTION 6 – SALARIES</b>		3
6.1	Salaries	3
<b>SECTION 7 – SPECIAL COMPENSATION</b>		4
7.1	Management Compensation Pay	4
7.2	Longevity Pay	5
7.3	Longevity Pay – Prior Service	6
7.4	Education Incentive Pay	6
7.5	Chief Officer Certificate Pay – Fire	7
7.6	Special Circumstances Pay	7
7.7	Bilingual Pay – Spanish	7
7.8	Work During a Local Emergency	7
7.9	Strike Team Compensation – Fire	7
7.10	Battalion Chief Fill-In Assignment	7
7.11	Temporary Assignment Pay	8
7.12	Fire Standby Pay	8
<b>SECTION 8 – REQUIRED MANAGEMENT DEVELOPMENT</b>		8
<b>SECTION 9 – UNIFORM ALLOWANCE</b>		9
9.1	Uniform Allowance – Fire	9
9.2	Uniforms Required – Police	9
9.3	Uniform Allowance – Deputy Police Chief and Police Lieutenants	9
9.4	Initial Uniform Allowance – Police Records/Evidence Supervisor and Police Technical Services Manager	9
9.5	Uniform Allowance – Police Records/Evidence Supervisor and Police Technical Services Manager	9
9.6	Loss or Damage to Clothing	9

<b>TABLE OF CONTENTS</b>
--------------------------

<u>Section</u>	<u>Provision</u>	<u>Page</u>
<b>SECTION 10 – HOLIDAYS</b>		10
10.1	Scheduled Holidays – Police	10
10.2	Day Observed	10
10.3	Floating Holiday – Police	10
10.4	Floating Holiday – Time Off – Police	10
10.5	Floating Holiday Payment – Police	10
10.6	Holiday Pay – Police	10
10.7	Holiday Pay – Scheduled Holidays - 40-Hour Work Week – Fire	10
10.8	Holiday Pay – Holiday Schedule - 56-Hour Work Week – Fire	11
10.9	Holiday Pay – 56-Hour Work Week – Fire	11
<b>SECTION 11 – VACATION</b>		11
11.1	Vacation – Accrual	11
11.2	Vacation Accrual for 56-Hour Work Week	12
11.3	Vacation Accrual Limits	12
11.4	Request Subject to Operational Needs	12
11.5	Scheduled Holidays and Vacations	12
11.6	Vacation - Payment at Separation	12
11.7	Vacation - Vacation Payment at Retirement	12
11.8	Vacation Payout	12
11.9	Vacation – Annual Vacation Transfer to Retiree Medical Trust - Fire	13
11.10	Vacation – Labor Code 4850 Leave	13
<b>SECTION 12 – ADMINISTRATIVE LEAVE</b>		13
12.1	Administrative Leave – Annual Credit of Leave	13
12.2	Administrative Leave - Pro-Ration of Leave Hours	13
12.3	Administrative Leave – Annual Payment for Unused Leave	13
12.4	Administrative Leave - Payment at Separation	14
<b>SECTION 13 – LEAVES – SICK LEAVE</b>		14
13.1	Sick Leave – Accrual	14
13.2	Sick Leave Usage	14
13.3	Sick Leave Usage – Family Purposes	14
13.4	Sick Leave Usage – 56-Hour Work Week	14
13.5	Sick Leave Notification	14
13.6	Absences More Than Three Days or Shifts	14
13.7	Sick Leave and Workers’ Compensation	15
13.8	Sick Leave Payment - Retirement or Disability	15
13.9	Sick Leave Payment – 56-Hour Work Week	15
<b>SECTION 14 – LEAVES – WORKERS’ COMPENSATION</b>		16
14.1	Medical Appointments	16
<b>SECTION 15 – LEAVES – BEREAVEMENT LEAVE</b>		16
15.1	Bereavement Leave – 40-Hour Work Week	16
15.2	Bereavement Leave – 56-Hour Work Week	16
15.3	Bereavement Leave – Definition of Family	16
15.4	Bereavement Leave – Travel	16

<b>TABLE OF CONTENTS</b>
--------------------------

<u>Section</u>	<u>Provision</u>	<u>Page</u>
<b>SECTION 16</b>	<b>– LEAVES – FOR VICTIMS OF DOMESTIC VIOLENCE &amp; SEXUAL ASSAULT</b>	16
<b>SECTION 17</b>	<b>– LEAVES – MILITARY LEAVE</b>	17
<b>SECTION 18</b>	<b>– LEAVES – ELECTION OFFICER LEAVE &amp; VOTING LEAVE</b>	17
<b>SECTION 19</b>	<b>– LEAVES – SCHOOL VISITATION LEAVE</b>	17
<b>SECTION 20</b>	<b>– LEAVES – LEAVE OF ABSENCE WITHOUT PAY</b>	17
<b>SECTION 21</b>	<b>– LEAVES – JURY DUTY LEAVE</b>	17
<b>SECTION 22</b>	<b>– LEAVES – FAMILY CARE &amp; MEDICAL LEAVE (FMLA &amp; CFRA)</b>	17
22.1	FMLA and or CFRA Leave	17
22.2	FMLA and or CFRA – Second Opinion	18
<b>SECTION 23</b>	<b>– DISCRIMINATION, HARASSMENT, &amp; RETALIATION PROHIBITED</b>	18
<b>SECTION 24</b>	<b>– REASONABLE ACCOMODATION</b>	18
<b>SECTION 25</b>	<b>– CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM</b>	18
<b>SECTION 26</b>	<b>– HEALTH BENEFITS – ACTIVE EMPLOYEES</b>	20
26.1	Active Employees – PEMHCA Contribution	20
26.2	Active Employees – Additional Benefit	21
26.3	Employee Contribution	21
<b>SECTION 27</b>	<b>– HEALTH BENEFITS – RETIRED EMPLOYEES</b>	22
27.1	Retired Employees – CalPERS and PEMHCA	22
27.2	PEMCHA Minimum	22
27.3	CalPERS Annuitant – PEMHCA Health Benefits	22
27.4	Less Than 20 Years Service – Not Receiving PEMHCA Health Benefits	22
27.5	Less Than 20 Years Service – Receiving PEMHCA Health Benefits	22
27.6	20 Years or More of Service – Not Receiving PEMHCA Health Benefits	22
27.7	20 Years or More of Service – Receiving PEMHCA Health Benefits	23
<b>SECTION 28</b>	<b>– CASH IN LIEU OF HEALTH AND DENTAL BENEFITS</b>	23
<b>SECTION 29</b>	<b>– SECTION 125 PLAN</b>	23
<b>SECTION 30</b>	<b>– DENTAL PROGRAM</b>	24
<b>SECTION 31</b>	<b>– VISION PROGRAM</b>	24
<b>SECTION 32</b>	<b>– LIFE INSURANCE</b>	24
<b>SECTION 33</b>	<b>– LONG TERM DISABILITY INSURANCE</b>	24
<b>SECTION 34</b>	<b>– EMPLOYEE ASSISTANCE PROGRAM</b>	24
<b>SECTION 35</b>	<b>– DEFERRED COMPENSATION</b>	25
<b>SECTION 36</b>	<b>– CATASTROPHIC MEDICAL EMERGENCY LEAVE SHARING PLAN</b>	25
<b>SECTION 37</b>	<b>– GRIEVANCE PROCEDURE</b>	25
37.1	Grievance – Purpose of Rule	25
37.2	Grievance – Matters Subject to Grievance Procedure	25
37.3	Grievance – Informal	25
37.4	Grievance – Formal	25
37.5	Grievance – Conduct	26
<b>SECTION 38</b>	<b>– PURCHASE OF FIREARM</b>	27
<b>SECTION 39</b>	<b>– MUTUAL ACCEPTANCE AND RECOMMENDATION</b>	27
<b>EXHIBIT A</b>	<b>– SALARY TABLES</b>	29
<b>EXHIBIT B</b>	<b>- RETIREE MEDICAL TRUST SIDE LETTER AGREEMENT (FIRE)</b>	31

**Memorandum of Understanding  
Between**

**THE CITY OF PETALUMA and  
THE PETALUMA PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION (PPSMMA)  
Unit 10**

**PREAMBLE**

This agreement between the duly appointed representatives of the Petaluma Public Safety Mid-Management Association, hereinafter referred to as the "Association", and the City of Petaluma, hereinafter referred to as the "City," contains the agreement of each concerning wages, hours and other terms and conditions of employment for the term of this Memorandum of Understanding (MOU).

The parties jointly agree to recommend to the City Council of the City of Petaluma the adoption of this Memorandum effective July 1, 2023.

**SECTION 1 – TERM OF AGREEMENT**

1.1 Effective Date

This Memorandum of Understanding shall be for the period commencing on July 1, 2023 with adoption by the City Council and continuing through June 30, 2026.

1.2 Notice of Successor Memorandum

The parties will commence meeting and conferring for a subsequent Memorandum of Understanding no later than the end of April 2026. The Association shall provide the City Manager with a written request to commence negotiations as well as its written initial proposals for any successor Memorandum of Understanding.

**SECTION 2 – RECOGNITION**

The City recognizes the Association as the exclusive bargaining representatives for the Petaluma Public Safety Mid-Management Association bargaining unit. The bargaining unit consists of all full-time employees in allocated positions in the classifications listed below:

Deputy Police Chief  
Assistant Fire Chief  
Fire Battalion Chief  
Fire Marshal  
Police Lieutenant  
Police Records/Evidence Supervisor  
Police Technical Services Manager

**SECTION 3 – ASSOCIATION RIGHTS**

The City will not interfere with or discriminate in any way against any employee of his or her membership in the Association, or based upon any activity required or permitted by this

Agreement, nor will the City discourage membership in the Association nor encourage membership in any other Association.

3.1 Association – Fair Representation

The Association, in turn, recognizes its responsibility as the employee representative and agrees to provide fair representation to employees on issues arising under this agreement without discrimination, interference, restraints or coercion.

3.2 Association – Reasonable Time Off

City employees who are official representatives of the Association shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings wherein matters within the scope of representation are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by City management. The Association may select up to but not more than three (3) on-duty employee members of such organization to attend such scheduled meetings with the City for the above listed purposes. However, in order that any given department not be unduly burdened by the released time requirements, in no case shall more than one representative from any particular classification in the same department be allowed released time pursuant to this section at any given time.

3.3 Association – Access to Workplace

Reasonable access to employee work locations shall be granted to officers of the Association and their officially designated representatives for the purpose of processing grievances or contacting members of the Association concerning business within the scope of representation.

3.4 Association – Use of City Facilities

The Association or their representatives may, with the prior approval of the City, be granted the use of City facilities for meetings of the Association provided space is available and subject to City operational requirements.

3.5 Association – Advance Notice

Except in cases of declared emergencies, reasonable advance written notice shall be given the Association of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the City Council. The Association shall be given the opportunity to meet and confer prior to adoption. In cases of emergency, when the City Council determines that an ordinance, rule, resolution or regulation must be adopted immediately, the City agrees to meet and confer within a reasonable and practical time after the termination of the emergency situation.

## **SECTION 4 – ASSOCIATION SECURITY**

4.1 Payroll Deductions and Written Authorization

The City shall deduct Association membership dues assessments, fees, and insurances authorized by the Association. This will be accomplished by payroll deduction from the bi-weekly pay of member employees. The dues deduction must be authorized in writing by the employee on an Association authorization card.

The Association will be the custodian of records for individual employee membership and dues deduction forms. The Association will maintain authorizations for dues deduction, signed by the individual from whose salary or wages the deduction or reduction is to be made. The City will direct employee requests to cancel or change deductions to the Association.

The City shall remit the deducted dues to the Association as soon as possible after deduction.

4.2 Certification of Association Membership

The Association agrees to provide the City with an initial certified list of the members January 1, 2020. From that point forward, the Association will update the list whenever there are changes. The Association has and will maintain written authorizations signed by the individuals from whose wages the Association dues deductions are to be made.

4.3 Indemnification

The Association shall comply with all statutory and legal requirements with respect to this article, including but not limited to the duty to indemnify the City for claims made by an employee for deductions made in reliance on Association certification of the same as set forth in Government Code Section 1157.12.

4.4 Association – Dues Transmittal

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds at the address specified.

4.5 Association – Sufficient Earnings

The employee's earnings must be sufficient; after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during that period. In the case of any employee who is in a non-pay status during 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 required deductions have priority over the Association dues deduction.

## **SECTION 5 – MANAGEMENT RIGHTS**

All managerial functions and rights which are not modified, restricted, or limited by the MOU, State, or Federal Law and City Ordinances, Resolutions, Rules and Regulations are retained by the City as its legal authority to direct, manage and control the work force, determine the kinds and levels of services to be provided, and maintain the efficiency of City operations.

## **SECTION 6 – SALARIES**

6.1 Salaries

Salary ranges shall be as specified in Exhibit A for each classification.

(A) General Salary Increases (GSI)

Effective the first full pay period in July 2023, all Unit 10 members shall receive a four percent (4.0%) base wage increase.

Effective the first full pay period following July 1, 2024, all Unit 10 members shall receive a three percent (3.0%) base wage increase.

Effective the first full pay period following July 1, 2025, all Unit 10 members shall receive a three percent (3.0%) base wage increase.

(B) Assistant Fire Chief Specialty Pay

Prior to 2021, the Assistant Fire Chief received a five-point-five percent (5.5%) Specialty Pay premium. In 2021, the base pay for the Assistant Fire Chief was increased by five-point-five percent (5.5%) and the Assistant Fire Chief ceased receiving the five-point-five percent (5.5%) Specialty Pay.

(C) Market-Based Equity Adjustments

1. Effective the first full pay period following July 1, 2023, the City shall increase the base pay for all Unit 10 Fire classifications by one-and-one-half percent (1.5%). Market based equity adjustments are independent of the GSI but will be implemented in an additive (non-compounded) fashion (i.e., the total increase will be 5.5%).
2. Effective the first full pay period following July 1, 2023, the City shall increase the base pay for the Assistant Fire Chief by an additional two-point-six percent (2.6%) to address compaction with the Battalion Chief (i.e., the total equity adjustment for the Assistant Chief will be 4.1%, which equals an 8.1% increase inclusive of equity adjustments and the General Salary Increase).
3. Effective the first full pay period in January 2024, the City shall increase the base pay for all Unit 10 Sworn Police classifications by four percent (4.0%).
4. Effective the first full pay period in July 2024, the City shall increase the base pay for all Unit 10 Sworn Police classifications by zero-point-five percent (0.5%). Market based equity adjustments are independent of the GSI but will be implemented in an additive (non-compounded) fashion (i.e., the total increase will be 3.5%).

**SECTION 7 – SPECIAL COMPENSATION**

7.1 Management Compensation Pay

The City shall pay four percent (4%) as management compensation pay in lieu of any special pay. Management compensation is payment to employees for special skills, knowledge, and work assignments performed during the normal workday, and other work conditions. Management compensation is not for overtime, nor in lieu of other benefits



and is reported to CalPERS as special compensation as determined and directed by CalPERS.

7.2 Longevity Pay

(A) Non-Sworn Fire and Police Classifications

Unit 10 employees in Non-Sworn Fire and Police Classifications with fifteen (15) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of five percent (5.0%) above their base hourly pay.

(B) Sworn Fire Classifications

Effective the first full pay period following July 1, 2023, for Unit 10 employees in Sworn Fire classifications, the following longevity premiums shall apply:

1. Unit 10 employees in Sworn Fire Classifications with five (5) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of two-point five percent (2.5%) above his or her hourly rate of pay.
2. Unit 10 employees in Sworn Fire Classifications with eight (8) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of five percent (5.0%) above his or her hourly rate of pay.
3. Unit 10 employees in Sworn Fire Classifications with eleven (11) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of seven-point five percent (7.5%) above his or her hourly rate of pay.
4. Unit 10 employees in Sworn Fire Classifications with fifteen (15) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of ten percent (10.0%) above his or her hourly rate of pay.

(C) Sworn Police Classifications

1. For Unit 10 employees in Sworn Police classifications, the following longevity premiums shall apply:
  - A. Employees with ten (10) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of two-point five percent (2.5%) above his or her hourly rate of pay.
  - B. Employees with fifteen (15) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of five percent (5.0%) above his or her hourly rate of pay.

- C. Employees with twenty (20) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of seven-point five percent (7.5%) above his or her hourly rate of pay.
2. Effective the first full pay period following January 1, 2024, for Unit 10 employees in Sworn Police Classifications the following longevity premiums shall apply:
- A. Employees in Sworn Police Classifications with five (5) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of two-point five percent (2.5%) above his or her hourly rate of pay.
  - B. Employees in Sworn Police Classifications with eight (8) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of five percent (5.0%) above his or her hourly rate of pay.
  - C. Employees in Sworn Police Classifications with eleven (11) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of seven-point five percent (7.5%) above his or her hourly rate of pay.
  - D. Employees in Sworn Police Classifications with fifteen (15) years of paid service with the City of Petaluma as a member of a City bargaining unit shall receive longevity pay in the amount of ten percent (10.0%) above his or her hourly rate of pay.

7.3 Longevity Pay – Prior Service

Unit 10 employees shall receive up to five (5) years' service credit towards the required years of paid service for prior service with another employer.

Credit for prior service shall only be for service:

- A. In the same classification or higher classification in the same series; and
- B. Full-time paid service; and
- C. For employees in applicable Police classifications (e.g., Sworn Police classifications and the Police Records/Evidence Supervisor), service in a public safety entity subject to the provisions of the Peace Officers and Standard Training (POST).

7.4 Education Incentive Pay

Employees possessing a Bachelor's Degree shall receive five percent (5%) education incentive pay.

Employees possessing a Master's Degree shall receive seven percent (7%) education incentive pay.

7.5 Chief Officer Certificate Pay – Fire

Fire employees possessing a Chief Officer Certification shall receive two percent (2%) of their base hourly rate as certificate pay.

7.6 Special Circumstances Pay

Safety employees required to work extended hours under special circumstances may be paid his or her regular hourly rate for those extended hours worked.

The amount of hours to be paid and the determination of special circumstances shall be at the discretion of the Fire Chief for fire employees and the Police Chief for police employees.

7.7 Bilingual Pay – Spanish

Eligible employees who are certified for bilingual proficiency in Spanish in accordance with the City's Bilingual Proficiency Testing and Certification Policy shall receive two hundred dollars (\$200) per month for certification at a high-level proficiency or verbally fluent or one hundred dollars (\$100) per month for certification at an acceptable level proficiency or conversational. Additional languages may be certified for compensation for Police classifications pursuant to this section by the City Manager, at the recommendation of the Chief of Police.

7.8 Work During a Local Emergency

Employees, who are required to work when called to an activated Emergency Operation Center (EOC) Local Emergency, shall be paid at their regular hourly rate for all hours beyond their normal workday.

7.9 Strike Team Compensation – Fire

Fire employees may be compensated at the discretion of the Fire Chief at the rate of one and one-half times the base hourly rate (no additional pays such as management pay, longevity, etc.) of the Battalion Chief's current step of the 56-hour Battalion Chief salary range for non-regular hours worked on a Strike Team outside of the Petaluma fire service area, where a written agreement exists that provides for cost reimbursement.

Effective the first full pay period following City Council adoption of the MOU in the 2023-24 fiscal year, Fire employees may be compensated at the discretion of the Fire Chief at the rate of one and one-half times (1.5x) their current 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.) for non-regular hours worked on a Strike Team outside of the Petaluma fire service area, where a written agreement exists that provides for cost reimbursement at the specified rate (if the agreement provides for a lower rate, pay will be based on the contract rate). Fire employees who normally work a 40-hour schedule will have their current 40-hour base hourly rate converted to the equivalent 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.).

7.10 Battalion Chief Fill-In Assignment

If a Battalion Chief shift needs to be filled temporarily due to the absence of the assigned Battalion Chief, the fill-in assignment shall be offered according to Fire Department policy.

When assigned to fill in or cover a Battalion Chief shift, Battalion Chiefs will be compensated at the rate of one and one-half times (1.5x) their current 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.).

If a Fire bargaining unit employee above the rank of Battalion Chief works an extra shift as Battalion Chief, they should be compensated at one and one-half times (1.5) the top step of the Battalion Chief 56-hour hourly rate (no additional pays such as management pay, longevity, etc.)(i.e., 40-hour base rate divided by 1.4).

7.11 Temporary Assignment Pay

Temporary Assignment Pay shall be provided in accordance with the City's Temporary Assignment Pay Policy.

The City's revised Administrative Policy on temporary assignment pay will include Unit 10.

7.12 Fire Standby Pay

All Unit 10 personnel are emergency responders and are expected to respond to callout when required by Management (consistent with Departmental policy).

In addition, the Fire Chief or designee may assign Unit 10 Fire employees to standby duty during their off-duty periods, when necessary to ensure an employee is immediately available to respond to local high hazard conditions such as severe winter storms and red flag days, or to provide standby coverage for fire investigations.

Unit 10 Fire employees assigned to standby duty are required to:

- A. Remain within a reasonable response time area (not greater than an approximate forty-five (45) minute travel time).
- B. Refrain from activities that might impair his or her performance of assigned duties upon call.
- C. Be available at all hours by telephone or other communication devices (pager).
- D. Respond promptly upon receiving a call-out assignment.

Unit 10 Fire employees assigned to standby duty shall be compensated at a rate of eighteen percent (18%) per hour of their 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.) for all hours on standby.

Time actually worked while on standby will be compensated at one and one-half times (1.5x) the employee's 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.) Fire employees who normally work a 40-hour schedule will have their current 40-hour base hourly rate converted to the equivalent 56-hour base hourly rate (no additional pays such as management pay, longevity, etc.) (i.e., 40-hour base rate divided by 1.4).

## **SECTION 8 – REQUIRED MANAGEMENT DEVELOPMENT**

Employees shall attend two (2) management classes or training seminars per fiscal year that develop management skills.

## SECTION 9 – UNIFORM ALLOWANCE

### 9.1 Uniform Allowance – Fire

Assistant Fire Chief, Fire Battalion Chiefs, and the Fire Marshal shall be provided with a uniform allowance in the amount of one and one-half percent (1.5%) of Step five (5) of the Firefighter's annual salary.

Effective the first full pay period following City Council adoption of the MOU in 2023, the uniform allowance in this section will be eliminated and the City will increase the annual base pay for the classifications of Assistant Fire Chief, Fire Battalion Chief, and Fire Marshal by an amount equal to one and one-half percent (1.5%) of Step five (5) of the Firefighter's annual salary.

### 9.2 Uniforms Required – Police

Police employees are required to wear the uniform that conforms to the specification in the written uniform policy established by the Police Chief.

### 9.3 Uniform Allowance – Deputy Police Chief and Police Lieutenants

Deputy Police Chief and Police Lieutenants shall be provided with a uniform allowance in the amount of one and one-half percent (1.5%) of Step five (5) of the Police Officer annual salary.

Effective the first full pay period following City Council adoption of the MOU in 2023, the uniform allowance in this section will be eliminated and the City will increase the annual base pay for the classifications of Deputy Police Chief and Police Lieutenants by an amount equal to one and one-half percent (1.5%) of Step five (5) of the Police Officer annual salary.

### 9.4 Initial Uniform Allowance – Police Records/Evidence Supervisor and Police Technical Services Manager

Upon initial hire, the City shall provide new employees in the Police Records/Evidence Supervisor and Police Technical Services Manager classifications with a lump sum payment in the amount of four hundred dollars (\$400) to purchase uniforms.

### 9.5 Uniform Allowance – Police Records/Evidence Supervisor and Police Technical Services Manager

The Police Records/Evidence Supervisor and Police Technical Services Manager shall be provided with a uniform allowance in the annual amount of two hundred and sixty dollars (\$260). Uniform Allowance shall be paid as ten dollars (\$10) a pay period.

### 9.6 Loss or Damage to Clothing

The Department Director may reimburse an employee for the loss or damage to his or her clothing that occurs during the course of carrying out an official duty. The amount of reimbursement shall be at the discretion of the Department Director.

## SECTION 10 – HOLIDAYS

- 10.1 Scheduled Holidays – Police  
Scheduled holidays for police department employees shall be the observed twelve (12) holidays established by City Council Resolution.
- 10.2 Day Observed  
If the scheduled holiday falls on a Saturday, the proceeding Friday shall be the observed holiday. If a scheduled holiday falls on a Sunday, the following Monday shall be the observed holiday.
- 10.3 Floating Holiday – Police  
On a fiscal-year basis, police department employees shall receive one eight-hour floating holiday.
- 10.4 Floating Holiday – Time Off – Police  
The floating holiday may be taken as time off on a day mutually agreeable to the employee and the Police Chief.
- 10.5 Floating Holiday Payment – Police  
Employees not taking the floating holiday by June 30 shall receive payment for the floating holiday.
- 10.6 Holiday Pay – Police  
Employees in Sworn classifications will be compensated at eight (8) hours for each holiday identified by City Council Resolution per Section 10.1. Sworn employees regularly required to work holidays shall be compensated with holiday pay in lieu of the holiday in the amount of eight (8) hours for each observed holiday as the holiday occurs.

For Non-sworn classifications, holidays identified by City Council Resolution per Section 10.1 will be based on the employee's regular work shift. For example, if an employee works a 4/10 schedule, s/he shall receive 10 hours of holiday pay for the holiday. If an employee works a 9/80 schedule, s/he shall receive 9 hours of holiday pay for the holiday, or eight (8) hours holiday pay if the holiday falls on their regularly scheduled eight (8) hour workday as part of their 9/80 schedule. If an employee works a 5/8 (five days per week, 8 hours per day) schedule, s/he shall receive eight (8) hours of holiday pay for the holiday. The same shall be true for any employee whose regular work week is fewer than 40 hours per week, except that no such employee shall receive more than eight (8) hours of holiday pay for the holiday.

Holiday pay shall be calculated based on the employee's regular hourly rate in effect at the time of payment.

- 10.7 Holiday Pay – Scheduled Holidays - 40-hour Work Week – Fire  
Scheduled holidays for fire department employees assigned a 40-hour work week shall be the observed twelve (12) holidays established by City Council Resolution and one (1) Floating Holiday, for a total of thirteen (13) holidays. The floating holiday may be taken as time off on a day mutually agreeable to the employee and the Fire Chief. Holiday pay shall be paid for each of the twelve (12) observed holidays and one (1) Floating Holiday

as they occur at the employee's hourly rate times eight (8) hours. However, if an employee is required not to work a scheduled holiday, payment will be based on the employee's regular work shift (e.g., 10-hours for an employee on a 4-10 schedule).

#### 10.8 Holiday Pay – Holiday Schedule - 56-hour Work Week – Fire

The thirteen (13) scheduled holidays are observed on a fiscal year basis and are as follows:

Holiday	Date
New Year's Day	January 1 <sup>st</sup>
Martin Luther King Jr. Birthday	Third (3 <sup>rd</sup> ) Monday in January
Lincoln's Birthday	February 12 <sup>th</sup>
President's Day	Third (3 <sup>rd</sup> ) Monday in February
Cesar Chavez Day	March 31 <sup>st</sup>
Memorial Day	Last Monday of May
Independence Day	July 4 <sup>th</sup>
Labor Day	First (1 <sup>st</sup> ) Monday of September
Veterans Day	November 11 <sup>th</sup>
Thanksgiving Day	Fourth (4 <sup>th</sup> ) Thursday of November
Day after Thanksgiving	Day after Thanksgiving
Christmas Eve	December 24 <sup>th</sup>
Christmas Day	December 25 <sup>th</sup>

#### 10.9 Holiday Pay – 56-hour Work Week – Fire

Employees regularly required to work holidays shall be compensated with holiday pay in lieu of the holidays. Holiday pay shall be paid for each of the thirteen (13) observed holidays as they occur at the employee's hourly rate times twelve (12) hours.

### SECTION 11 – VACATION

#### 11.1 Vacation – Accrual

Employees, except those assigned to a 56-hour work week shall accrue vacation hours as follows:

Years of Service	Vacation Accrual (hrs)	Accrual Limit (hrs)
0-5	80	240
6-9	120	360
10	128	384
11	136	408
12	144	432
13	152	456
14	160	480
15	168	504
16	176	528
17	184	552
18	192	576
19 or greater	200	600

### 11.2 Vacation Accrual for 56-hour Work Week

Employees scheduled to work a 56-hour work week shall accrue vacation hours as follows:

Years of Service	Vacation Accrual (hrs)	Accrual Limit (hrs)
0-4	120	360
5-9	192	576
10-14	240	720
15-19	264	792
20 or greater	288	864

### 11.3 Vacation Accrual Limits

Vacation accruals shall not exceed three (3) times the amount of vacation accrual as indicated above.

### 11.4 Request Subject to Operational Needs

An employee's request for vacation is subject to the approval of the Department Director taking into consideration the request of employee and operational needs. If operational needs require deferment of a vacation request, vacation shall be taken the following calendar year.

### 11.5 Scheduled Holidays and Vacations

Employees who are granted time off for scheduled holidays shall not have holidays charged as vacation leave when the vacation leave and holiday(s) coincide.

Employees who are paid for scheduled holidays in lieu of time off shall not be eligible for this adjustment in their vacation.

### 11.6 Vacation - Payment at Separation

Employees who separate from City employment, excluding retirement as provided below, shall be paid for all accrued but unused vacation leave. Payment shall be made at the base pay rate and shall include longevity pay.

### 11.7 Vacation – Vacation Payment at Retirement

Employees who retire from City employment shall be paid for all accrued but unused vacation leave. Payment shall be made at the base pay rate and shall include longevity pay.

Effective upon establishment of the Retiree Medical Trust, Fire employees shall no longer be eligible to be paid for accrued but unused vacation leave. In compliance with the Side Letter of Agreement establishing a Retiree Medical Trust, accrued but unused vacation leave shall be irrevocably contributed to the Fire employee's trust. The contribution shall be made at the base pay rate and shall include longevity pay.

### 11.8 Vacation Payout

During the month of December of each year, each bargaining unit member who has at least one hundred and twenty (120) hours of accrued but unused vacation may make an irrevocable election to cash out up to forty (40) hours of vacation in the following calendar year. Vacation payouts under this section will be made in October of the tax year following



the election. The employee must have a minimum balance of forty (40) hours after the cash out of vacation. If the employee's requested amount does not leave a minimum forty (40) hours of vacation remaining at the time of cash out, the employee's requested vacation cash out will be reduced to allow the remaining minimum balance to be maintained.

11.9 Vacation – Annual Vacation Transfer to Retiree Medical Trust - Fire

This section shall become effective upon establishment of the Retiree Medical Trust.

Effective the first pay date in August of each year, or such other date as is established by the City, each Fire bargaining unit member will have his or her vacation balance reduced to 400 hours and the City will irrevocably contribute to the Fire employee's trust all accrued but unused vacation hours in excess of 400 hours into the member's Retiree Medical Trust account. The contribution shall be made at the base pay rate and shall include longevity pay. The City will provide notice of any change in the annual vacation transfer date no less than 6 months prior to the new transfer date.

11.10 Vacation – Labor Code 4850 Leave

Effective the first full pay period following adoption of the MOU, vacation accrued by an employee while on leave pursuant to Labor Code 4850 ("4850 Leave") for a period of two or more consecutive full pay periods (minimum threshold) will be maintained in a bank separate from the employee's regular vacation accrual bank. In the event that the employee reaches their vacation accrual cap during the minimum threshold defined above, the vacation earned over the accrual cap will be placed in the separate bank. This separate bank is not subject to Section 11.9, Annual Vacation Transfer to Retiree Medical Trust. Upon an employee's return to duty from a 4850 Leave, the City will pay out the separate bank of vacation leave accrued during the employee's 4850 Leave paid at the base rate at the time of pay out. This payout is not at the option of the employee. The vacation accrual hourly limit, as identified in Sections 11.1, 11.2, and 11.3, remains in effect and is not affected by this section. In the event the employee exhausts their 4850 time and moves to Temporary Disability, prior to returning to work, the employee may use vacation in this separate bank to supplement their regular pay up to 100% of their regular pay after they have reduced their regular vacation accrual balance to 40 hours.

## **SECTION 12 – ADMINISTRATIVE LEAVE**

12.1 Administrative Leave – Annual Credit of Leave

Employees shall be credited with eighty (80) hours of administrative leave each fiscal year. Employees assigned to a fifty-six (56) hour work week shall be credited with ninety-six (96) hours of administrative leave each fiscal year.

12.2 Administrative Leave - Pro-Ration of Leave Hours

Employees hired or appointed after July 1 shall be credited with a pro-rated amount of administrative leave based upon hire or appointment date through June 30.

12.3 Administrative Leave – Annual Payment for Unused Leave

Employees shall receive payment for up to forty (40) hours of unused administrative leave at the end of the fiscal year and may carry forward up to twenty (20) hours of unused administrative leave into the next fiscal year. Employees assigned a fifty-six (56) hour work week shall receive payment for up to forty-eight (48) hours of unused administrative

leave at the end of the fiscal year and may carry forward up to twenty-four (24) hours of unused administrative leave into the next fiscal year. Payment shall be at the base pay rate as of June 30. Payment shall be made on the last pay period of the fiscal year. Carry forward administrative leave may only be taken in paid time-off and has no cash value.

12.4 Administrative Leave - Payment at Separation

Employees who separate employment shall receive payment for up to forty (40) hours of unused administrative leave. Employees assigned a fifty-six (56) hour work week shall receive payment for up to forty-eight (48) hours of unused administrative leave. Payment shall be at the base pay rate at the time of separation.

**SECTION 13 – LEAVES – SICK LEAVE**

13.1 Sick Leave – Accrual

Employees, except for employees assigned to a 56-hour work week, shall accrue eight (8) hours of sick leave each month. Employees assigned to a 56-hour work week shall accrue twelve (12) hours per month.

13.2 Sick Leave Usage

Employees shall be granted sick leave. Sick leave shall not be considered a right, which an employee may use at his or her discretion but shall be allowed only in the case of necessity and actual personal non-service-connected sickness or off-the job injury, disability or the serious illness or injury.

13.3 Sick Leave Usage – Family Purposes

Sick leave for family purposes may be used only in the case of illness, disability or the serious illness, or injury of an employee's family member, which requires the employee's attention. The term "family member" shall include: spouse, domestic partner, children (including step-children, adopted children, and foster children), parents (including step-parents, foster parents, guardians) and spouse's parents, brothers, sisters, or other individuals whose relationship to the employee is that of a dependent, near dependent, or as determined by law.

13.4 Sick Leave Usage – 56-hour Work Week

Employees assigned to a 56-hour work week shall be charged twelve (12) hours of sick leave per shift for a sick leave absence.

13.5 Sick Leave Notification

To receive sick leave benefits employees are required to notify his or her immediate supervisor within four (4) hours after the time set for beginning his or her work day or as directed by his or her supervisor.

13.6 Absences More Than Three Days or Shifts

For absences more than three (3) days or shifts, employees may be required to provide physician verification of injury or illness to his or her immediate supervisor.

13.7 Sick Leave and Workers' Compensation

- (A) The City shall provide employees with workers' compensation benefits in accordance with workers' compensation law. Employees shall be allowed to use sick leave to supplement workers' compensation temporary disability benefits for a period not to exceed six (6) months or until sick leave is exhausted or the disability is abrogated, or the employee is determined to be "permanent and stationary" by a competent medical authority.

The City may retire an employee prior to the exhaustion of sick leave benefits.

Employees receiving benefits pursuant to Labor Code section 4850 or sick leave benefits shall continue to accrue sick leave hours.

- (B) Miscellaneous Employees

Miscellaneous employees (non-sworn) shall receive during the first one hundred and sixty (160) hours of absence for industrial disability paid workers' compensation leave at his or her regular salary rate. For an absence beyond the 160 hours, an employee shall be allowed to use sick leave, vacation or compensatory time to supplement workers' compensation temporary disability benefits for a period up to six (6) consecutive months unless sick leave is exhausted or the employee is determined to be permanent and stationary. Employees may opt not to use accrued leave to supplement temporary disability benefits.

13.8 Sick Leave Payment – Retirement or Disability

In the event of service retirement, disability retirement, or death, an employee who has completed ten (10) or more years of continuous service with the City of Petaluma, shall be paid fifty percent (50%) of his or her accumulated but unused sick leave, not to exceed seven hundred (700) hours. Payment shall be made at the base pay rate and shall include longevity pay.

Effective upon establishment of the Retiree Medical Trust, Fire employees shall no longer be eligible to be paid for accumulated but unused sick leave. In compliance with the Side Letter of Agreement establishing a Retiree Medical Trust, accumulated but unused sick leave, up to the limits stated above, shall be irrevocably contributed to the Fire employee's trust account on a pre-tax basis (to the extent permitted by law). The contribution shall be made at the base pay rate and shall include longevity pay. This contribution shall be made into the Retiree Medical Trust and Fire employees shall not be eligible to receive the payment. Any remaining accumulated but unused sick leave shall be converted to service credit in accordance with MOU Section 25 and the City's contract with CalPERS.

13.9 Sick Leave Payment – 56-Hour Work Week

In the event of service retirement, disability retirement or death, an employee who has completed ten (10) or more years of continuous service with the City of Petaluma who are assigned to a fifty-six (56) hour work week shall receive fifty percent (50%) of the accumulated but unused sick leave to a maximum of one thousand (1,000) hours. Payment shall be made at the base pay rate and shall include longevity pay.

Effective upon establishment of the Retiree Medical Trust, Fire employees shall no longer be eligible to be paid for accumulated but unused sick leave. In compliance with the Side

Letter of Agreement establishing a Retiree Medical Trust, accumulated but unused sick leave, up to the limits stated above, shall be irrevocably contributed to the Fire employee's trust account on a pre-tax basis (to the extent permitted by law). The contribution shall be made at the base pay rate and shall include longevity pay. This contribution shall be made into the Retiree Medical Trust and Fire employees shall not be eligible to receive the payment. Any remaining accumulated but unused sick leave shall be converted to service credit in accordance with MOU Section 25 and the City's contract with CalPERS.

## **SECTION 14 – LEAVES – WORKERS' COMPENSATION**

### **14.1 Medical Appointments**

Employees may use temporary disability or Labor Code Section 4850 benefits, as applicable, for attending medical appointments while working modified duty and not yet permanent and stationary. This use of benefit is not meant to increase the level of benefit only to permit its use in such circumstances.

## **SECTION 15 – LEAVES – BEREAVEMENT LEAVE**

### **15.1 Bereavement Leave – 40-Hour Work Week**

Employees assigned to a 40-hour work week shall be granted up to forty (40) hours of paid bereavement leave in the event of death in the employee's family. Paid bereavement leave is granted per qualifying event. Up to an additional twenty (20) hours of accrued leave, including sick leave, will be granted to supplement bereavement leave.

### **15.2 Bereavement Leave – 56-Hour Work Week**

Employees assigned to a 56-hour work week shall be granted up to three (3) shifts of paid bereavement leave in the event of death in the employee's family. Paid bereavement leave is granted per qualifying event. Employees may take off two (2) additional shifts using the employee's eligible leave banks (including vacation and sick leave).

### **15.3 Bereavement Leave – Definition of Family**

For the purpose of bereavement leave, family shall mean spouse, qualified domestic partner, father, father-in-law, mother, mother-in-law, brother, stepbrother, sister, brother-in-law or sister-in-law, stepsister, child (including stepchildren), stepparents, grandparents and grandchildren or person with whom the employee has a relationship in loco parentis.

### **15.4 Bereavement Leave – Travel**

In the event an employee must travel more than 300 miles to attend a funeral or memorial service, an employee may use up to sixteen (16) hours of accrued leave, including sick leave, if assigned a 40-hour work week and twenty-four (24) hours if assigned a 56-hour work week.

## **SECTION 16 – LEAVES – FOR VICTIMS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT**

The City of Petaluma provides appropriate leave, in accordance with California Labor Code Section 230.

## **SECTION 17 – LEAVES – MILITARY LEAVE**

The City of Petaluma shall grant military leave benefits to eligible employees in accordance with California's Military Leave Laws found in Military & Veteran's Code 389 *et seq.*, the Federal Uniformed Services Employment and Re-employment Rights Act (USERRA), found at 389 U.S.C. 4301 *et seq.*, and the City of Petaluma Resolution No. 2004-200 N.C.S. Employees in the Ready Reserves of the Armed Forces who are ordered to active military duty or training under Executive Order 13223, shall have continued benefits in effect throughout their active duty training for a period of three hundred sixty-five (365) calendar days or until the date of discharge from military service, whichever occurs first, unless this policy is changed by action of the City Council.

## **SECTION 18 – LEAVES – ELECTION OFFICER LEAVE AND VOTING LEAVE**

When an employee's actual work schedule otherwise would prevent the employee from voting in any State, County, or General election, the employee may be granted up to two (2) hours of paid time to vote, in accordance with Election Code 14000. The employee must provide the City with at least two (2) working days' notice that he or she will be taking time off to vote.

## **SECTION 19 – LEAVES – SCHOOL VISITATION LEAVE**

Employees may take up to forty (40) hours in a year to participate in the child's school activities, in accordance with Labor Code section 230.8.

## **SECTION 20 – LEAVES – LEAVE OF ABSENCE WITHOUT PAY**

The City Manager may grant an employee with a leave of absence without pay for up to six (6) months for good cause. A leave request shall be in writing and state the reason(s) for the request. The response to the request shall be in writing. Upon expiration of the approved leave or upon return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee to report to work following his or her leave shall be cause for discharge.

## **SECTION 21 – LEAVES – JURY DUTY LEAVE**

Any employee summoned for jury duty shall be entitled to a leave of absence with full pay for such period of time as may be required to attend the court in response to such summons. Any employee may retain payment for travel but shall make payable to the City any and all fees which the employee may receive in payment for service as a juror.

## **SECTION 22 – LEAVES – FAMILY CARE AND MEDICAL LEAVE (FMLA & CFRA)**

### **22.1 FMLA and or CFRA Leave**

The City shall provide family and medical care leave for eligible employees as required by City policy, state and federal law and as specifically provided in the Federal Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA). If possible, employees must provide thirty (30) days advance notice of leave.

## 22.2 FMLA and or CFRA – Second Opinion

The employee shall provide the City with a health care provider certification. The City, at City expense, may require a second opinion on the validity of the certification. Should a conflict arise between health providers, a third and binding opinion, at City expense shall be sought.

## **SECTION 23 – DISCRIMINATION, HARASSMENT, & RETALIATION PROHIBITED**

Discrimination, harassment and retaliation against any employee for employment because of an employee's race, religion, creed, political affiliation, color, national origin, ancestry, sex, sexual orientation, gender (or gender identity), age, familial status, veteran's status, physical or mental disability or medical condition is prohibited. A City employee who feels he or she has been discriminated against, harassed, or retaliated against needs to report the conduct immediately to his or her supervisor or to Human Resources.

## **SECTION 24 – REASONABLE ACCOMMODATION**

In accordance with the California Fair Employment and House Act (FEHA) and the Americans with Disability Act (ADA), the City will reasonably accommodate any known protected disability of an employee.

## **SECTION 25 – CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

### Tier 1

Safety – Fire and Safety – Police employees hired prior to November 15, 2012, the effective date of the contract amendment with California Public Employees' Retirement System (CalPERS), shall receive the 3% at 50 formula retirement plan.

The City's contract with CalPERS for Safety – Fire includes the following optional benefits:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21574 (May 4, 1998).
- Military Service Credit as provided in Section 21024 (January 4, 1996).
- One-Year Final Compensation as provided Section 20042 (November 1, 1980).
- Credit for Unused Sick Leave as provided in Section 20965 (November 1, 1980).
- Post Retirement Survivors Allowance –fifty percent (50%) as provided by Sections: 21624, 21626, and 21628 (January 1, 1987).
- Cost of Living Allowance two percent (2%) as provided by Section 21329 (April 1, 1971).
- Retired Death Benefit of \$500 as provided in Section 21620 (December 1, 1969).
- Post Retirement Survivor Allowance Continues as provided in Section 21635 (January 1, 2000).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (January 1, 1950).

The City's contract with CalPERS for Safety - Police includes the following optional benefits:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21574 (June 30, 1996).
- Military Service Credit as provided in Section 21024 (January 4, 1996).
- One-Year Final Compensation as provided in Section 20042 (November 1, 1980).

- Credit for Unused Sick Leave as provided in Section 20965 (November 1, 1980).
- Cost of Living Allowance two percent (2%) as provided by Section 21329 (April 1, 1971).
- Retired Death Benefit of \$500 as provided in Section 21620 (December 1, 1969).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (January 1, 1950).

Miscellaneous employees hired prior to December 28, 2012, the effective date of the CalPERS contract amendment, shall receive the 2% at 55 formula retirement plan.

The City's contract with CalPERS for Miscellaneous includes the following optional benefits:

- Third Level - 1959 Survivor's Benefit as provided in Section 21573 (April 5, 1999).
- Military Service Credit as provided in Section 21024 (January 1, 1992).
- One-Year Final Compensation as provided Section 20042 (November 1, 1980).
- Credit for Unused Sick Leave as provided in Section 20965 (November 1, 1980).
- Cost of Living Allowance two percent (2%) as provided by Section 21329 (April 1, 1971).
- Retired Death Benefit of \$500 as provided in Section 21620 (December 1, 1969).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (January 1, 1950).

## Tier 2

Safety– Fire and Safety – Police employees who are considered by CalPERS to be “classic” members hired after November 15, 2012, the effective date of the amended contract with CalPERS, shall receive the 3% at 55 formula retirement plan and the three-year final average compensation.

The following optional benefits will remain in effect for Safety - Fire employees in the second retirement tier:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21574.
- Military Service Credit as provided in Section 21024.
- Credit for Unused Sick Leave as provided in Section 20965.
- Post Retirement Survivors Allowance –fifty percent (50%) as provided by Sections: 21624, 21626, and 21628.
- Cost of Living Allowance two percent (2%) as provided by Section 21329.
- Retired Death Benefit of \$500 as provided in Section 21620.
- Post Retirement Survivor Allowance Continues as provided in Section 21635.
- Death Benefit Continues as provided in Section 21551.
- Prior Service Credit as provided in Section 20055.

The following optional benefits will remain in effect for Safety - Police employees in the second retirement tier:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21574.
- Military Service Credit as provide in Section 21024.
- Credit for Unused Sick Leave as provided in Section 20965.
- Cost of Living Allowance two percent (2%) as provided by Section 21329.

- Retired Death Benefit of \$500 as provided in Section 21620.
- Survivor Allowance Continues as provided in Section 21635.
- Death Benefit Continues as provided in Section 21551.
- Prior Service Credit as provided in Section 20055.

Miscellaneous employees who are considered by CalPERS to be “classic” members hired after December 28, 2012, the effective date of the amended contract with CalPERS, shall receive the 2% at 60 formula retirement plan and the three-year final average compensation.

The following optional benefits will remain in effect for Miscellaneous employees in the second retirement tier:

- Third Level - 1959 Survivor's Benefit as provided in Section 21573.
- 1957 Survivor Allowance as provided in Section 21546.
- Military Service Credit as provided in Section 21024.
- Credit for Unused Sick Leave as provided in Section 20965.
- Cost of Living Allowance two percent (2%) as provided by Section 21329.
- Retired Death Benefit of \$500 as provided in Section 21620.
- Death Benefit Continues as provided in Section 21551.
- Prior Service Credit as provided in Section 20055.

### Tier 3

New Safety - Fire and Safety - Police employees hired on or after January 1, 2013 who meet the definition of a new CalPERS member under the Public Employees' Pension Reform Act (PEPRA) shall receive the 2.7% at 57 retirement formula with three-year final average compensation and applicable optional benefits.

New Miscellaneous employees hired on or after January 1, 2013 who meet the definition of a new CalPERS member under the Public Employees' Pension Reform Act (PEPRA) shall receive the 2% at 62 retirement formula with three-year final average compensation and applicable optional benefits.

The City shall continue to defer that portion of the employee's contribution paid to CalPERS through section 414(h)(2) of the Internal Revenue Code pursuant to City of Petaluma Resolution 90-363 N.C.S.

All employees shall pay an additional three percent (3%) towards PERS retirement. For Classic Safety - Fire and Safety - Police employees, this three percent (3%) is added to the nine percent (9%) employee contribution, for a total contribution of twelve percent (12%). For Classic Miscellaneous employees, this three percent (3%) is added to the seven percent (7%) employee contribution, for a total contribution of ten percent (10%). Employees subject to the PEPRA formula shall also pay an additional three percent (3%) on top of their required employee contribution, as established annually by PERS.

## **SECTION 26 – HEALTH BENEFITS – ACTIVE EMPLOYEES**

### **26.1 Active Employees – PEMHCA Contribution**

The City currently provides health benefits through the CalPERS Health Benefits Program under the Public Employees' Medical and Hospital Care Act (PEMHCA). The City's employer



contribution for each employee's health benefits shall be the minimum required by PEMHCA. The City pays this contribution directly to CalPERS.

## 26.2 Active Employees – Additional Benefit

Effective January 1, 2023, the City shall pay an additional benefit that depends upon the actual percentage increase in the Kaiser – Region 1 premium. The City's additional benefit contribution for 2023 shall be up to a 9% increase of the 2022 Health Plan Rate less the City's PEMHCA contribution, multiplied by 95%, or an amount equal to the actual 2023 CalPERS Health Premium for Kaiser- Region 1, less the City's PEMHCA contribution, multiplied by ninety-five percent (95%) for current employees and their covered family members, whichever is less. If the percentage increase is greater than 9%, the City and the employee shall share the amount above 9%, with the City paying 50% of the amount above 9% and the employee paying 50% of the amount above 9%.

For example, effective January 1, 2023, the monthly premium at the Kaiser rate for single health benefit coverage was \$913.74 and the PEMHCA rate was \$151.00. The additional benefit was calculated at \$913.74 less \$151.00 multiplied by 95% = \$724.60. The employee contribution is \$38.14 ( $\$913.74 - \$151.00 - \$724.60 = \$38.14$ ).

The 2024 monthly premium at the Kaiser rate for single health benefit coverage is \$1,021.41 and the PEMHCA rate is \$157.00. Because the Kaiser premium increased by more than 9%, the additional benefit is \$809.75, which takes into account the shared cost of the amount above the 9% rate cap. The employee contribution is \$54.66.

The 2025 CalPERS premium for Kaiser – Region 1 and required 2025 PEMHCA contribution are unknown. Effective January 1, 2025, the City shall pay the additional benefit that depends upon the actual percentage increase in the Kaiser – Region 1 premium. The City's benefit contribution for 2025 shall be equal to the actual 2025 CalPERS Health premium for Kaiser – Region 1, less the City's PEMHCA contribution, multiplied by ninety-five percent (95%) for current employees and their covered family members. If the percentage increase is greater than 9%, the City and the employee shall share the amount above 9%, with the City paying 50% of the amount above 9% and the employee paying 50% of the amount above 9%.

The 2026 CalPERS premium for Kaiser – Region 1 and required 2026 PEMHCA contribution are unknown. Effective January 1, 2026, the City shall pay the additional benefit that depends upon the actual percentage increase in the Kaiser – Region 1 premium. The City's benefit contribution for 2026 shall be equal to the actual 2026 CalPERS Health premium for Kaiser – Region 1, less the City's PEMHCA contribution, multiplied by ninety-five percent (95%) for current employees and their covered family members. If the percentage increase is greater than 9%, the City and the employee shall share the amount above 9%, with the City paying 50% of the amount above 9% and the employee paying 50% of the amount above 9%.

## 26.3 Employee Contribution

Employees shall contribute to his/her CalPERS health premium in the amounts less the City's PEMHCA contribution and less the additional benefit paid by the City.

## **SECTION 27 – HEALTH BENEFITS – RETIRED EMPLOYEES**

### **27.1 Retired Employees – CalPERS and PEMHCA**

The City currently provides health benefits through CalPERS Health Benefits Program under PEMHCA. In order for a retired employee to be eligible to receive health benefits through CalPERS after retirement, a retiree must meet the following definition of “annuitant” under CalPERS law:

- (A) Employee must be a member of CalPERS; and
- (B) Employee must retire within 120 days of separation from employment with the City of Petaluma and receive a monthly retirement allowance from CalPERS.

### **27.2 PEMHCA Minimum**

The monthly employer contribution for annuitants is the required minimum PEMHCA contribution.

The City pays this contribution directly to CalPERS. The retiree is required to contribute to the cost of the health benefit coverage. The retiree’s monthly contribution shall be the cost of the monthly health benefit premium less the amount of the City’s contribution.

### **27.3 CalPERS Annuitant – PEMHCA Health Benefits**

In accordance with the PEMHCA provisions, if an employee is a CalPERS annuitant and receives health benefits under the PEMHCA, the employee is eligible to receive the City’s PEMHCA contribution amount specified in Section 27.5 below, regardless of the number of years of service with the City of Petaluma.

### **27.4 Less Than 20 Years of Service – Not Receiving PEMHCA Health Benefits**

A retired employee with less than twenty (20) years of service with the City of Petaluma who does not meet the definition of a CalPERS annuitant or who is not enrolled in the CalPERS health benefit program does not receive any retiree health benefit from the City.

### **27.5 Less Than 20 years of Service – Receiving PEMHCA Health Benefits**

A retired employee with less than twenty (20) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 27.1 and enrolled in the CalPERS health benefit program is eligible to receive the minimum PEMHCA contribution as set by CalPERS.

The City’s PEMHCA contribution amount is deducted from the retiree’s monthly health premium and paid to CalPERS directly by the City.

### **27.6 20 Years or More of Service – Not Receiving PEMHCA Health Benefits**

A retired employee with twenty (20) or more years of service with the City of Petaluma who is a CalPERS annuitant and who is not enrolled in the CalPERS health benefits program shall receive direct payments in the amount of one hundred fifty-six dollars and eighty-three cents (\$156.83) each month, effective the first month following the expiration of health benefit coverage.

**27.7 20 Years or More of Service – Receiving PEMHCA Health Benefits**

A retired employee with twenty (20) years or more of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 27.1 and enrolled in the CalPERS health benefit program shall receive a benefit payment of one hundred and fifty-six dollars and eighty-three cents (\$156.83) per month as specified in this section.

The City's PEMHCA contribution amount is deducted from the retiree's monthly health premium and paid to CalPERS directly by the City. Should the minimum PEMHCA amount remain below \$156.83, the difference between \$156.83 and the minimum PEMHCA will be sent directly to the retiree.

The following chart indicates the amount of the City's PEMHCA contribution and the amount of the cash payment to the retiree in the coming years.

Calendar Year	City Monthly PEMHCA contribution	City Monthly Cash Retiree Benefit	Total Benefit Amount
2023	\$151.00	\$5.83	\$156.83
2024	\$157.00	\$0	\$157.00
2025	Minimum PEMHCA contribution as set by CalPERS		
2026	Minimum PEMHCA contribution as set by CalPERS		

It is the responsibility of the retiree to notify the City in writing if he or she is no longer participating in the CalPERS health benefit program. Following receipt of the written notice, the City will commence direct payment of the one hundred fifty-six dollars and eight-three cents (\$156.83) at the beginning of the following month.

**SECTION 28 – CASH IN LIEU OF HEALTH AND DENTAL BENEFITS**

Employees with health and or dental benefit insurance coverage from a source other than the City, or employees with health and dental benefit insurance coverage from a City employee, may request cash in lieu of health and dental benefits. To be eligible for the cash in lieu benefit program, employees must waive his or her coverage under the City's health and or dental benefits; agree to the terms and conditions of the cash in lieu benefit program and have written verification of health and or dental benefits insurance.

The cash in lieu amount for health coverage shall be in the amount of fifty percent (50%) of the health insurance premium amount of the CalPERS Kaiser – Region 1 that the City would otherwise pay for the employee and his or her family members. The cash in lieu amount for dental insurance benefits shall be in the amount of fifty percent (50%) of the established dental program composite rate.

**SECTION 29 – SECTION 125 PLAN**

The City of Petaluma has established and shall offer to eligible employees an Internal Revenue Code (IRC) Section 125 plan. The Section 125 plan is subject to federal law and plan provisions.

The Section 125 Plan offered by the City provides employees with a tax savings through the following programs:

- (A) Pre-Tax Health Insurance Premiums  
This program allows employees to pay his or her share of health insurance premiums with pre-tax dollars.
  
- (B) Flex Spending Accounts
  - (1) Medical Reimbursement  
This program permits employees to pay for common out-of-pocket medical expenses (not covered by insurance) such as deductibles, co-pays, and vision and dental care with pre-tax dollars.
  
  - (2) Dependent Care Reimbursement  
This program permits employees to pay for most child and or dependent care expenses with pre-tax dollars.

### **SECTION 30 – DENTAL PROGRAM**

The City shall provide a dental plan and pay the total premium costs for the employee and eligible dependents for the term of the Memorandum of Understanding. The annual maximum benefit amount is two thousand dollars (\$2,000) per person. Orthodontic coverage shall be provided for dependent children under the age of twenty-six (26) years and is 50% of the dentist's allowed fee (subject to a \$1,000 lifetime maximum per dependent child). Effective January 1, 2024, the lifetime maximum for orthodontic coverage per dependent child will increase to \$2,000. The City shall bear the cost of any premium increases during the period covered by this MOU.

### **SECTION 31 – VISION PROGRAM**

The City shall provide a vision plan for employees and dependents. The City shall pay the premium. The plan coverage shall be as indicated on provider contract documents on file in Human Resources.

### **SECTION 32 – LIFE INSURANCE**

The City shall provide employees with life insurance in the amount of one and one-half (1.5) times the employee's annual salary rounded to the nearest even dollar, not to exceed one hundred seventy-five thousand dollars (\$175,000).

### **SECTION 33 – LONG TERM DISABILITY INSURANCE**

The City shall provide a long-term disability plan. Plan coverage is indicated on provider contract documents on file in Human Resources. The City shall pay the premium.

### **SECTION 34 – EMPLOYEE ASSISTANCE PROGRAM**

The City will provide an Employee Assistance Program to employees and dependents.

## **SECTION 35 – DEFERRED COMPENSATION**

The City of Petaluma shall make available a Deferred Compensation Plan to employees.

## **SECTION 36 – CATASTROPHIC MEDICAL EMERGENCY LEAVE SHARING PLAN**

A Catastrophic Medical Emergency Leave Sharing Plan shall be provided in accordance with the City's Catastrophic Leave Policy and shall apply to all members of the Unit.

## **SECTION 37 – GRIEVANCE PROCEDURE**

### **37.1 Grievance – Purpose of Rule**

- (A) To promote improved employer-employee relations by establishing grievance procedures on matters for which appeal or hearing is not provided by other regulations.
- (B) To afford employees individually or through qualified employee organization a systematic means of obtaining further consideration of problems after every reasonable effort has failed to resolve them through discussions.
- (C) To provide that grievances shall be settled as near as possible to the point of origin.
- (D) To provide that appeals shall be conducted as informally as possible.

### **37.2 Grievance – Matters Subject to Grievance Procedure**

Any employee in the competitive service shall have the right to appeal under this rule a decision affecting his or her employment over which his or her appointing power has partial or complete jurisdiction and for which appeal is not provided by other regulations or is not prohibited.

### **37.3 Grievance – Informal**

An employee who has a problem or complaint should first try to get it settled through discussion with his or her immediate supervisor without undue delay. If, after this discussion, he/she does not believe the problem has been satisfactorily resolved, shall have the right to discuss it with his or her supervisor's immediate supervisor, if any, in the administrative service. Every effort should be made to find an acceptable solution by informal means at the lowest possible level of supervision. If the employee does not agree with the decision reached, or if no answer has been received within five (5) calendar days, he may present the appeal in writing to the City Manager. Failure of the employee to take further action within five (5) calendar days after receipt of the decision or within a total of fifteen (15) calendar days if no decision is rendered, will constitute a dropping of the appeal.

### **37.4 Grievance – Formal**

#### **(A) First Level of Review**

The appeal shall be presented in writing to the employee's immediate supervisor who shall render his or her decision and comments in writing and return them to the employee within five (5) calendar days after receiving the appeal. If the employee does not agree with his or her supervisor's decision, or if no answer has been received within five (5) calendar days, the employee may present the appeal in writing to his or her supervisor's immediate superior. Failure of the employee to

take further action within five (5) calendar days after receipt of the written decision of his or her supervisor, or within a total of fifteen (15) calendar days if no decision is rendered, will constitute a dropping of the appeal.

(B) Further Level or Levels of Review as Appropriate

The supervisor receiving the appeal shall review it, render his or her decision and comments in writing, and return them to the employee within five (5) calendar days after receiving the appeal. If the employee does not agree with the decision, or if no answer has been received within five (5) calendar days, he/she may present the appeal in writing to the department head. Failure of the employee to take further action within five (5) calendar days after receipt of the decision or within a total of fifteen (15) calendar days if no decision is rendered, will constitute a dropping of the appeal.

(C) Department Review

The department head receiving the appeal, or his or her designated representative, should discuss the grievance with the employee, his or her representative, if any, and with other appropriate person(s). The department head shall render his or her decision and comments in writing and return them to the employee within five (5) calendar days after receiving the appeal. If the employee does not agree with the decision reached, or if no answer has been received within five (5) calendar days, he/she may present the appeal in writing to the City Manager. Failure of the employee to take further action within five (5) calendar days after receipt of the decision or within a total of fifteen (15) calendar days if no decision is rendered, will constitute a dropping of the appeal.

(D) City Manager

The City Manager receiving the appeal, or his or her designated representative, should discuss the grievance with the employee, his or her representative, if any, and with other appropriate person(s). The City Manager may designate a fact-finding committee, an officer not in the normal line of supervisor, or the Personnel Board to advise him concerning the appeal. The City Manager shall render a decision in writing to the employee within twenty (20) calendar days after receiving the appeal.

37.5 Grievance – Conduct

- (A) The time limits specified above may be extended to a definite date by mutual agreement of the employee and the reviewer concerned.
- (B) The employee may request the assistance of another person of his or her own choosing in preparing and presenting his or her appeal at any level of review.
- (C) The employee and his or her representative may be privileged to use a reasonable amount of work time as determined by the appropriate department head in conferring about and presenting the appeal.
- (D) Employees shall be assured freedom from reprisal for using the grievance procedures.

### SECTION 38 – PURCHASE OF FIREARM

Upon retiring with an Honorable or Medical retirement from the Petaluma Police Department and obtaining a Retirement ID from the Chief of Police that allows the retiree to carry a concealed weapon in accordance with all applicable Federal and State laws, the retired member shall be allowed to purchase at fair market value the firearm that was issued to him or her from the City of Petaluma.

### SECTION 39 – MUTUAL ACCEPTANCE AND RECOMMENDATION

The parties affix their signatures as constituting mutual acceptance and recommendation of the Memorandum of Understanding to become effective upon acceptance and approval of the City Council.

#### PETALUMA PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION

DocuSigned by:  
/s/ Timothy Talbot  
3DC0FFA7DCF44B4...  
Timothy K. Talbot  
Labor Negotiator, PPSMMA

12/6/2023  
Date

DocuSigned by:  
/s/ Chad Costa  
F490FE6807C1491...  
Chad Costa  
President, PPSMMA

12/6/2023  
Date

DocuSigned by:  
/s/ Garret Glaviano  
2482862D87184EA...  
Garrett Glaviano  
Vice-President, PPSMMA

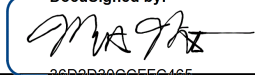
12/6/2023  
Date

DocuSigned by:  
/s/ Nick McGowan  
0DAATC82A7C541C...  
Nick McGowan  
Treasurer, PPSMMA

12/6/2023  
Date

DocuSigned by:  
/s/ Jessica Power  
098491E49CC34AF...  
Jessica Power  
Secretary, PPSMMA

12/7/2023  
Date

DocuSigned by:  
/s/   
36D2B30CGFFC465...

Matt Martin  
Negotiating Team, PPSMMA

12/7/2023

Date

**CITY OF PETALUMA**

DocuSigned by:  
/s/   
E606C182D0DD490...

Charles Sakai  
SSYW Negotiator

12/7/2023

Date

DocuSigned by:  
/s/   
D34908A78C5747F...

Brian Cochran  
Assistant City Manager

12/11/2023

Date

DocuSigned by:  
/s/   
03D99C70B34748C...

Peggy Flynn  
City Manager

12/11/2023

Date



**EXHIBIT A – SALARY TABLES****Petaluma Public Safety Mid-Management Association – Unit 10**

Fire Battalion Chief is at 2919.8 hours per year.

**Salary Ranges Effective the first full pay period in July 2023**

Classification	GSI*	Equity Adj.	Total	Hourly Pay Steps				
				1	2	3	4	5
DEPUTY POLICE CHIEF	4.0%		4.0%	\$81.67	\$85.76	\$90.03	\$94.56	\$99.27
ASSISTANT FIRE CHIEF	4.0%	4.1%	8.1%	\$81.16	\$85.23	\$89.47	\$93.94	\$98.63
FIRE BATTALION CHIEF	4.0%	1.5%	5.5%	\$50.67	\$53.20	\$55.88	\$58.69	\$61.60
FIRE MARSHAL	4.0%	1.5%	5.5%	\$71.17	\$74.70	\$78.45	\$82.32	\$86.50
POLICE LIEUTENANT	4.0%		4.0%	\$68.02	\$71.47	\$75.04	\$78.75	\$82.72
POLICE RECORDS/EVIDENCE SUPERVISOR	4.0%		4.0%	\$37.98	\$39.89	\$41.90	\$43.99	\$46.21
POLICE TECHNICAL SERVICES MANAGER	4.0%		4.0%	\$58.42	\$61.34	\$64.41	\$67.63	\$71.01

\*GSI - General Salary Increase

**NOTE: Salaries are approximate and may vary slightly due to rounding**

**Salary Ranges Effective the first full pay period following City Council adoption of the MOU in 2023**

Classification	Hourly Pay Steps				
	1	2	3	4	5
DEPUTY POLICE CHIEF	\$82.47	\$86.56	\$90.83	\$95.36	\$100.07
ASSISTANT FIRE CHIEF	\$81.94	\$86.01	\$90.25	\$94.72	\$99.41
FIRE BATTALION CHIEF	\$51.23	\$53.76	\$56.44	\$59.25	\$62.16
FIRE MARSHAL	\$71.95	\$75.48	\$79.23	\$83.10	\$87.28
POLICE LIEUTENANT	\$68.82	\$72.27	\$75.84	\$79.55	\$83.52

**NOTE: Salaries are approximate and may vary slightly due to rounding**

**Salary Ranges Effective the first full pay period in January 2024**

Classification	Equity Adj.	Hourly Pay Steps				
		1	2	3	4	5
DEPUTY POLICE CHIEF	4.0%	\$85.77	\$90.02	\$94.46	\$99.17	\$104.07
POLICE LIEUTENANT	4.0%	\$71.57	\$75.16	\$78.87	\$82.73	\$86.86

**NOTE: Salaries are approximate and may vary slightly due to rounding**

**Salary Ranges Effective the first full pay period following July 1, 2024**

Classification	GSI*	Equity Adj.	Total	Hourly Pay Steps				
				1	2	3	4	5
DEPUTY POLICE CHIEF	3.0%	0.5%	3.5%	\$88.77	\$93.17	\$97.77	\$102.64	\$107.71
ASSISTANT FIRE CHIEF	3.0%		3.0%	\$84.40	\$88.59	\$92.96	\$97.56	\$102.39
FIRE BATTALION CHIEF	3.0%		3.0%	\$52.77	\$55.37	\$58.13	\$61.03	\$64.02
FIRE MARSHAL	3.0%		3.0%	\$74.11	\$77.74	\$81.61	\$85.59	\$89.90
POLICE LIEUTENANT	3.0%	0.5%	3.5%	\$74.07	\$77.79	\$81.63	\$85.63	\$89.90
POLICE RECORDS/EVIDENCE SUPERVISOR	3.0%		3.0%	\$39.12	\$41.09	\$43.16	\$45.31	\$47.60
POLICE TECHNICAL SERVICES MANAGER	3.0%		3.0%	\$60.17	\$63.18	\$66.34	\$69.66	\$73.14

\*GSI - General Salary Increase

**NOTE: Salaries are approximate and may vary slightly due to rounding****Salary Ranges Effective the first full pay period following July 1, 2025**

Classification	GSI*	Hourly Pay Steps				
		1	2	3	4	5
DEPUTY POLICE CHIEF	3.0%	\$91.43	\$95.97	\$100.70	\$105.72	\$110.94
ASSISTANT FIRE CHIEF	3.0%	\$86.93	\$91.25	\$95.75	\$100.49	\$105.46
FIRE BATTALION CHIEF	3.0%	\$54.35	\$57.03	\$59.87	\$62.86	\$65.94
FIRE MARSHAL	3.0%	\$76.33	\$80.07	\$84.06	\$88.16	\$92.60
POLICE LIEUTENANT	3.0%	\$76.29	\$80.12	\$84.08	\$88.20	\$92.60
POLICE RECORDS/EVIDENCE SUPERVISOR	3.0%	\$40.29	\$42.32	\$44.45	\$46.67	\$49.03
POLICE TECHNICAL SERVICES MANAGER	3.0%	\$61.98	\$65.08	\$68.33	\$71.75	\$75.33

\*GSI - General Salary Increase

**NOTE: Salaries are approximate and may vary slightly due to rounding**

**EXHIBIT B - RETIREE MEDICAL TRUST SIDE LETTER AGREEMENT (FIRE)**

**SIDE LETTER AGREEMENT BETWEEN THE CITY OF PETALUMA**

**AND**

**THE PETALUMA PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION, UNIT 10**

The representatives of the City of Petaluma (“City”) and the Petaluma Public Safety Mid-Management Association (“Association”), Unit 10, have met and reached agreement on this Side Letter of Agreement (SLA) to acknowledge the Association’s participation in the International Association of Fire Fighters Medical Expense Reimbursement Plan. This Side Letter Agreement (“SLA”) shall be effective following the City Council adoption of the successor Memorandum of Understanding (“MOU”) and subsequent establishment of the Trust. The terms of the Trust are listed as follows:

**1. ACKNOWLEDGEMENTS.**

- (a) In accordance with Internal Revenue Code Section 501(c), the City acknowledges that the Association has entered into an agreement with the International Association of Fire Fighters Medical Expense Reimbursement Plan of the Washington State Council of Fire Fighters Employee Benefit Trust (hereafter, the “Trust”), and
- (b) Association members consist of Police (“POLICE”) and Fire (“FIRE”) employees, and
- (c) The City is not a party to the Trust, and aside from transferring and reporting funds contributed to the Trust, has no obligations to the management, regulatory compliance, or performance of the Trust, and
- (d) The terms of the Trust participation for FIRE employees are set forth below.

**2. DEFINED CLASS OF EMPLOYEES RECEIVING CONTRIBUTIONS.**

The “Defined Class” of employees receiving contributions to the Trust consists of all employees in the bargaining unit represented by the Association who are employed in the City of Petaluma’s Fire Department (“FIRE employees”).

- 3.** The Trust shall provide post-retirement medical benefits in compliance with ERISA and the Internal Revenue Code according to the Medical Expense

Reimbursement Plan ("Plan") of the Trust, only to individuals who have met the eligibility.

4. The Association agrees to provide a copy of the annual audited financial statements of the Trust upon request of the City, and the Association agrees to request authorization from the Board of Trustees for the City to audit the books and records of the Trust at the City's request.

**5. MONTHLY EMPLOYEE CONTRIBUTION AMOUNTS.**

- (a) The City and the Association agree that the City shall withhold a mandatory contribution of \$300.00 per month [or \$138.46 per pay period] on a pre-tax basis from the pay of every employee in the Defined Class who is a member of the bargaining unit represented by the Association and shall transmit such contributions to the Trust pursuant to the requirements in Section 7 below. No employee in the Defined Class shall be permitted to opt-out of the mandatory contributions or receive any portion of the contribution in cash.
- (b) The monthly contribution shall be effective retroactive to the first full pay period in July 2023 for all Unit 10 FIRE employees who are in paid status the first full pay period following City Council adoption of the SLA. In the first full pay period following City Council adoption of the SLA, the City shall withhold and transmit contributions for the entire retro period from the paycheck of each affected employee. This paragraph applies only to the monthly cash contributions and does not apply to any leave payouts.

**6. LEAVE TRANSFERS – FIRE EMPLOYEES ONLY.**

**SICK AND VACATION LEAVE TRANSFER.** Effective upon implementation of the Trust, the City and the Association agree that the City will make the following mandatory transfers, on a pre-tax basis, to the Trust on behalf of every FIRE employee in the Defined Class:

- (a) Mandatory Accrued Vacation Leave Contribution (at Retirement):  
For every FIRE employee who is represented by the Association, the City shall, upon the employee's retirement from the City, irrevocably contribute to the employee's Trust account on a pre-tax basis, 100% of the value of the employee's accumulated but unused vacation leave under the Memorandum of Understanding. Payment shall be made at the employee's base pay rate in effect at the time of separation and shall include longevity pay pursuant to

section 7.2.

(b) Mandatory Accrued Sick Leave Contribution (at Retirement):

In the event of service retirement, disability retirement, or death of an employee who has completed ten (10) or more years of continuous service with the City, the City shall irrevocably contribute to the employee's Trust account on a pre-tax basis an amount equal to fifty percent (50%) of his or her accumulated but unused sick leave, not to exceed seven hundred (700) hours. Payment shall be made at the base pay rate in effect at the time of separation and shall include longevity pay pursuant to section 7.2.

In the event of service retirement, disability retirement, or death of an employee who has completed ten (10) or more years of continuous service with the City, and who is assigned to a 56-hour work week, the City shall irrevocably contribute to the employee's Trust account on a pre-tax basis an amount equal to fifty percent (50%) of his or her accumulated but unused sick leave, not to exceed one thousand (1000) hours. Payment shall be made at the base pay rate in effect at the time of separation and shall include longevity pay pursuant to section 7.2.

Effective upon implementation of the Trust, the City shall contribute these payments into the Trust and employees shall no longer be eligible to receive a payment.

(c) Accrued Leave Contribution (Annually):

For every FIRE employee who is represented by the Association, the City shall reduce the employee's vacation balance to 400 hours effective the first pay date in August of each year, or such other date as is established by the City. The value of the accrued but unused vacation that was in excess of the 400-hour balance will be irrevocably contributed to the employee's Trust account on a pre-tax basis. Payment shall be made at the base pay rate and shall include longevity pay pursuant to section 7.2. The City will provide notice of any change in the annual vacation transfer date no less than 6 months prior to the new transfer date.

There shall be no option for FIRE employees to receive any portion of the sick leave or vacation leave accruals in cash in lieu of making contributions to the Trust.

## **7. REMITTANCE OF CONTRIBUTIONS.**

The City shall remit the above contributions and/or accrued but unused leave payments directly to the Trust for the duration of the current Memorandum of Understanding. Those contributions shall be remitted in one aggregate payment directly to the custodian of the Trust within 30 days of the date the payment would have been payable to the employee.

The Employer hereby acknowledges receipt of the Trust Agreement governing the Trust.

## **8. REPORTING TO TRUST OFFICE.**

- (a) The City shall electronically submit to the Trust Office a monthly contribution report of contributing employees on whose behalf contributions are made to the Trust, in a format agreed to by the City and Trust.
- (b) The City shall also provide an initial report of information with the following data, on file with the City, for all contributing employees: employee name; employee number; social security number; date of birth; date of hire; home address; and phone numbers.
- (c) Separate from the contribution report and initial report, the City will send a monthly employee data report with the following data, on file with the City, on all participating employees: employee name; employee number; date of birth; date of hire; home address; and phone numbers. The employee data report will include information, on file with the City, on new hires (i.e., the above-listed data on each new hire), employee separations (i.e., employees removed from the report), and changes in employee contact information. The City will include social security numbers of only new hires in the monthly report.

The Association and/or Trust will be responsible for reconciling the data provided in these reports to identify changes.

## **9. MODIFICATION OF EMPLOYEE CONTRIBUTION AND LEAVE AMOUNTS.**

The City and the Association agree that the Association has the right, subject to approval of its members according to the Association's internal rules, to prospectively modify the amount of the mandatory employee monthly contribution in any increment of \$25, or the percent of the mandatory employee leave contribution during the course of this Agreement, so long as the modification is mandatory for all employees of the Defined Classes covered by this Agreement.

The City and Association acknowledge that IRS regulations for Highly Compensated Individuals prohibit Unit 10 (Management) FIRE employees from contributing a greater recurring MONTHLY EMPLOYEE CONTRIBUTION AMOUNTS than Unit 7 employees.


The City's obligation to provide pre-tax deposits would remain subject to Internal Revenue Service rules as they may be revised in the future. Should the Internal Revenue Service later determine that these contributions are no longer permissible on a pre-tax basis, the parties shall meet and confer in good faith to pursue alternative approaches for providing comparable benefits.

The Association agrees, to the fullest extent permitted by applicable law, to indemnify and hold harmless the City and each of its agents, officers, and employees against all costs, expenses, liability, and damages resulting from any misrepresentation, negligent action or inaction, or breach of, the Trust, or any rules, policies, or procedures established by the Trust's Board of Trustees.

The City provides no guarantee to Association employees regarding the ultimate length of retiree medical benefit payout. Employees who participate in the Trust assume the entire risk from any investment gains or losses associated with these funds or other decline in value. Nothing contained in this SLA shall constitute a guarantee by the City that assets of the Trust will be sufficient to pay any benefit to any person or to make any other payment during an employee's life expectancy after retirement. All payments, in the form of employee contributions, to the Trust are defined contributions only.

Payments to be paid from the Trust are limited to the remaining assets in the Trust and governed by the Board of Trustees and the current Plan. The parties understand that the above provisions shall in no way obligate the City to incur any additional costs or obligations beyond those already set forth in this SLA.

**PETALUMA PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION**

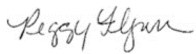
DocuSigned by:  
  
F490FE6897C1491...

12/6/2023

Chad Costa, President, PPSMMA

Date

**CITY OF PETALUMA**

DocuSigned by:  
  
03D99C70B34748C...

12/11/2023

Peggy Flynn, City Manager

Date