



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF AZUSA  
AND  
THE AZUSA CITY EMPLOYEES ASSOCIATION**

**EFFECTIVE JULY 1, 2020 THROUGH JUNE 30, 2024**

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**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF AZUSA AND THE  
AZUSA CITY EMPLOYEES ASSOCIATION  
July 1, 2020 THROUGH June 30, 2024**

This Memorandum of Understanding is entered into with reference to the following facts:

- a. The Azusa City Employees Association (ACEA) (hereinafter referred to as "Association") is the recognized employee organization representing those personnel (hereinafter referred to as "employees") employed by the various departments of the City of Azusa (hereinafter referred to as "City"), and occupying the classifications as listed in Exhibits "A," attached hereto;
- b. In the interest of maintaining harmonious relations between the City and those employees represented by the Association, authorized representatives of the City and the Association have met and conferred in good faith, exchanging various proposals concerning wages, hours and other terms and conditions of employment to affected employees; and
- c. The authorized representatives of the City and the Association have reached an understanding and agreement as to certain changes in wages, hours and other terms and conditions of employment of the affected employees which shall be submitted to the City Council of the City for approval and implementation of these changes by appropriate ordinance, resolution, or other lawful action.

Therefore, the City and the Association agree that, subject to approval and implementation by the City Council of the City, the wages, hours and other terms and conditions of employment for all affected employees shall be altered as follows:

**1. TERM OF MEMORANDUM OF UNDERSTANDING**

The term of this Memorandum of Understanding (MOU) shall commence July 1, 2020, and shall continue in full force and effect until June 30, 2024.

**2. MAINTENANCE OF EXISTING BENEFITS**

Except as provided herein, all wages, hours and economic terms and conditions of employment presently enjoyed by employees shall remain in full force and effect during the entire term of this Memorandum of Understanding unless mutually agreed to the contrary by both parties hereto.

**3. SAVINGS CLAUSE**

Should any State or Federal law mandate the loss of revenue to the City as a result of the implementation of any clause of this Memorandum of Understanding, or should any State or Federal law render a clause(s) of this Memorandum of Understanding invalid, then those changes alone shall not be given effect and the remainder of this

Memorandum of Understanding shall be unaffected and shall remain in full force and effect.

#### **4. TOTAL COMPENSATION**

As a matter of philosophy, the Association and the City recognize that compensation consists of terms and conditions of employment other than those represented solely by salary. Further, the City and the Association recognize that the changes in wages, hours and other terms and conditions of employment as set forth in this Memorandum of Understanding constitute additions to the total compensation received by affected employees.

#### **5. SEPARABILITY**

Should any provisions of this Memorandum of Understanding be found to be inoperative, void, or invalid by a court of competent jurisdiction, all other provisions of this Memorandum of Understanding shall remain in full force and effect for the duration of this Memorandum of Understanding.

#### **6. IMPLEMENTATION**

This Memorandum of Understanding is subject to approval of the City Council of the City of Azusa, and following such approval shall be implemented by appropriate resolution(s) or ordinance(s) of the City Council.

#### **7. NON-DISCRIMINATION**

##### **7.1 Protection of Rights**

The parties mutually recognize and agree to protect the rights of all employees hereby to join and/or participate in protected Association activities or to refrain from joining or participating in protected activities in accordance with Government Code Section 3500, et seq.

##### **7.2 Anti-Discrimination**

The City and the Association agree that they shall not discriminate against any employee because of race, ethnicity, color, sex, sexual orientation, gender identity or expression, age, national origin, disability, veteran status, marital status, or political or religious opinions or affiliations. The City and the Association shall reopen any provisions of this Agreement for the purpose of complying with any final order of the federal or state agency or court of competent jurisdiction requiring a modification or change in any provision or provisions of this Agreement in compliance with state or federal anti-discrimination laws.

## **8. CITY RIGHTS**

### **8.1 Management Rights**

The City reserves, retains and is vested with, solely and exclusively, all rights of Management which have not been expressly abridged by specific provision(s) of this Memorandum of Understanding or by law to manage the City, as such rights existed prior to the execution of this Memorandum of Understanding. The sole and exclusive rights of Management, as they are not abridged by this Memorandum of Understanding or by law, shall include, but not be limited to, the following:

- 8.1.1 To manage the City generally and to determine the issues of policy.
- 8.1.2 To determine the existence or nonexistence of facts which are the basis of the Management decision.
- 8.1.3 To determine the necessity and organization of any service or activity conducted by the City and expand or diminish services.
- 8.1.4 To determine the nature, manner, means and technology, and extent of services to be provided to the public.
- 8.1.5 To determine methods of financing.
- 8.1.6 To determine types of equipment or technology to be used.
- 8.1.7 To determine and/or change the facilities, methods, technology, means, and size of the work force by which the City operations are to be conducted.
- 8.1.8 To determine and change the number of locations, relocations, and types of operations, processes and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or subcontract any work or operations of the City.
- 8.1.9 To assign work to and schedule employees in accordance with requirements as determined by the City and to establish and change work schedules and assignments.
- 8.1.10 To relieve employees from duties for lack of funds or lack of work or similar non-disciplinary reasons.
- 8.1.11 To establish and modify productivity and performance programs and standards.

- 8.1.12 To discharge, suspend, demote or otherwise discipline employees for proper cause.
- 8.1.13 To determine job classification and to reclassify employees.
- 8.1.14 To hire, transfer, promote or demote employees for non-disciplinary reasons in accordance with this Memorandum of Understanding and applicable Resolutions and Codes of the City.
- 8.1.15 To determine policies, procedures and standards for selection, training and promotion of employees.
- 8.1.16 To establish employee performance standards including, but not limited to, quality and quantity standards and to require compliance therewith.
- 8.1.17 To maintain order and efficiency in its facilities and operation.
- 8.1.18 To establish and promulgate and/or modify rules and regulations to maintain order and safety in the City which are not in contravention with this Agreement.
- 8.1.19 To take any and all necessary action to carry out the mission of the City in emergencies.

## **8.2 Conformance with Rules**

The City shall have the right to exercise the rights provided in sections 8.1.1 through 8.1.19 of the Management rights clause, in accordance with the Personnel Rules and Regulations as they exist as of May 16, 1988, and shall exercise these rights in conformance with the Personnel Rules and Regulations.

## **8.3 Meet and Confer**

Except in emergencies, or where the City is required to make changes in its operations because of the requirements of law, whenever the exercise of Management's rights shall impact on employees of the bargaining unit, the City agrees to meet and confer with representatives of the Association regarding the impact of the exercise of such rights, unless that matter of the exercise of such rights is provided for in this Memorandum of Understanding, or in Personnel Rules and Salary Resolutions and Administrative Code(s) which are incorporated in this Agreement. By agreeing to meet and confer with the Association as to the impact and the exercise of any of the foregoing City Rights, Management's discretion in the exercise of these rights shall not be diminished.



## **9. UNION RIGHTS**

### **9.1 New Employee Orientation**

In accordance with AB 119, the City shall notify the Board when a new employee is hired into the bargaining unit, including during new employee onboarding and when a new employee orientation occurs. A Board Representative will notify the City when a new employee has signed a membership card authorizing membership dues deduction and when such deductions shall begin. The City shall also provide the Association Board with periodic lists of employees in the bargaining unit. The City shall also provide reasonable paid release time of an hour for the Board to meet with new employees for the purposes of discussing membership in the Association.

### **9.2 Dues Deductions**

The City shall deduct dues on a regular payroll basis from the pay of all Association members. Such deductions shall be authorized in writing on a form approved and provided by the Association for this purpose. The membership cards shall be retained by the Association. The City shall rely on a certification from the Association for the authorization, modification, or cancellation of any/all dues deductions. The City shall remit such funds to the Association within thirty (30) days following their deduction.

### **9.3 Indemnification**

In accordance with SB 866, the Association shall indemnify, defend, and hold the City harmless against any liability arising from any claims, demands, or other action relating to the City's compliance with the terms of this Article.

## **10. WORKWEEK AND TIMEKEEPING INTERVAL**

### **10.1 Workweek**

The regular workweek for all employees covered by this document shall be forty (40) hours for a seven (7) day period beginning at 12:01 a.m. each Sunday and shall consist of four (4) consecutive days a week and ten (10) hours per day. Within certain departments there exists a compelling need for certain employees to work a five (5) day forty (40) hour week. Upon a clear showing of need and with the affected employees consent, the department head may schedule employees accordingly. Daily hours of work or shifts for employees within departments shall be assigned by the department head, as required to meet the needs of the department

10.1.1 Notwithstanding 8.1.9, the City may maintain a five, eight-hour days per week schedule for employees currently assigned to such a schedule. Further, the City may assign a

five, eight-hour per week schedule to employees preferring to work such a schedule.

- 10.1.2 Employees required to work a 5/8 schedule due to City operational needs, may be eligible for an additional 8 hours of floating holiday time if the department Director with City Manager approval chooses to close the department the day after a designated holiday and it is one of the employees scheduled work days.

For example, the library is traditionally closed on Thanksgiving Day, a City designated holiday. The Director may choose with City Manager approval to close the library on the following Friday. If an employee's regularly scheduled shift would require them to work the Friday, the employee will receive 8 hours of floating holiday pay for that day.

Employees choosing to work a M-F schedule are not eligible for the extra floating holiday.

## **10.2 Workday**

Except as provided in 8.1.1, the workday will consist of ten and one half (10½) hours with one-half (½) hour for lunch and 40 minutes of breaks to be scheduled in light of the departmental policy. Employees who consent to work a five (5) day forty (40) hour workweek (see Section 10.1) will work eight and one-half (8 ½) hours with one-half (½) hour for lunch and 40 minutes of breaks to be scheduled in light of the departmental policy.

The City reserves the right to determine the beginning and ending times of the workday.

## **10.3 Timekeeping Interval**

In compliance with FLSA, the minimum timekeeping interval shall be fifteen (15) minutes. Periods of time of seven (7) minutes or less shall be rounded down and periods of time of eight (8) minutes or more shall be rounded up.

## 11. SALARY

Effective July 1, 2020 all unit members covered by this MOU active on payroll on pay date August 13, 2020, will receive a \$500.00 one-time stipend. This one-time lump sum stipend will cover July 1, 2020 through June 30, 2021 of this contract.

### 11.1 COST OF LIVING ADJUSTMENT (COLA)

- 11.1.1 Effective July 1, 2021, the base salary range of each classification in the bargaining unit shall be increased by four percent (4%).
- 11.1.2 Effective July 1, 2022, the base salary range of each classification in the bargaining unit shall be increased by three percent (3%).
- 11.1.3 Effective July 1, 2023, the base salary range of each classification in the bargaining unit shall be increased by three percent (3%).

### 11.2 Automatic Payroll Deposit

The City will continue to offer Automatic Payroll Deposit in cooperation with any bank that utilizes the Automated Clearing House service.

## 12. ADDITIONAL COMPENSATION/ PREMIUM PAY

### 12.1 Acting Pay

An employee, assigned the **full** responsibility and decision making authority of a higher classification shall be paid (from the first day of the assignment), at the lowest step of the pay range for the higher classification that provides at least a 5% increase but does not exceed the top step of the range for the higher classification.

An employee assigned the **majority** of the work for a higher classification for a period in excess of 80 consecutive work hours shall be paid, following the 80<sup>th</sup> hour of the assignment, at the lowest step of the pay range for the higher classification that provides at least a 5% increase but does not exceed the top step of the range for the higher classification.

An employee may decline the assignment to a higher classification.

An employee shall not continue acting in a temporary assignment for more than 90 working days in any fiscal year.

An employee otherwise eligible for acting pay shall not be eligible during scheduled periods of vacation or when on sick leave.

## **12.2 Bilingual Pay**

The City shall pay an additional \$100 per month to personnel demonstrating a proficiency in the foreign language if they are assigned and required to speak and translate the foreign language in the performance of their duties.

An additional payment of \$100 per month shall be paid to those who are proficient in written translation as well. Such payment is conditional upon demonstration of foreign language proficiency by a qualified third-party examiner mutually agreed upon by both the City and the Association.

Effective July 1, 2020 the City shall pay \$125 per month to personnel demonstrating a proficiency in the foreign language should they be assigned to speak and translate the language in the performance of their duties.

Effective July 1, 2020 an additional payment of \$125 per month shall be paid to those who are proficient in written translation as well, should it be required in the performance of their duties.

Employees may apply for bilingual pay at any time; however, examinations shall be conducted semi-annually or at time of hire

## **12.3 Callback**

If an employee is required to be called back to work after completing his or her normal shift or after having left City premises or the employee's work location, the employee shall be compensated at the appropriate rate for each hour worked on *Callback* with a minimum of three (3) hours *Callback* compensation at the appropriate rate, regardless of whether the employee actually works less than three (3) hours. This provision shall be applicable to an employee even though the employee's regular work week is not complete but shall not apply to an employee who is continuing on duty for his/her normal work shift. For the purposes of this section only, the time starts when the *Callback* call is received by the employee.

### **12.3.1 Appropriate Rate of Pay for Callback**

The rate of pay for the first *Callback* during a twenty-four (24) hour period (defined for this section only as 4:00 p.m. to 4:00 p.m. the next calendar day) shall be at one and one-half (1½) times the normal rate of pay, except between 12 midnight and 5 a.m., when the first call shall be compensated at double-time (2) rate. All other Call backs

during the same twenty-four (24) hour period as defined above shall be compensated at the double-time (2) rate. Call backs may be entered as overtime or as compensatory time off within applicable limits.

In the event that an employee is summoned to work before four o'clock (4 a.m.) in the morning he or she shall be compensated at two (2) times the normal rate of pay until either he or she has a six hour rest period.

In the event that an employee is summoned to work between 4 a.m. and 5 a.m. and is required to continue to work, he or she shall be compensated one and one-half (1 1/2) times the regular rate of pay for all work performed after 5 a.m. until he or she has a six (6) hour rest period.

All hours worked in excess of twelve (12) consecutive hours shall be compensated at two (2) times the normal rate until the employee has a six (6)-hour break.

#### **12.4 Deferred Compensation (Employer Paid)**

Effective July 1, 2020 the City shall provide \$100 per month in deferred compensation to each employee.

Effective January 1, 2021 and each year during the open enrollment period employees whose premiums exceed their FBP contribution amount have the option to redirect the City paid deferred compensation contribution of \$100.00 and have that amount added to their FBP.

#### **12.5 Equipment Allowance**

The City shall provide a personal Equipment Allowance of three hundred dollars (\$300) per authorized employee in the classifications listed below for up to two (2) pairs of safety shoes/boots or garment per year as required by the department head. Those members of the association who are employed less than the fiscal year shall have their *Equipment Allowance* prorated:

Associate Planner  
Assistant Planner  
Building Inspector I/II  
Building Technician  
Community Improvement Inspector  
Senior Community Improvement Inspector  
Community Improvement Supervisor  
Engineering Associate  
Engineering Assistant

Engineering Assistant II  
Engineering Technician  
IT Analyst  
Planning Technician  
Public Works Project Manager  
Senior IT Analyst  
Senior Planner  
Senior Plans Examiner

Effective July 1, 2020, Associate Planner, Assistant Planner, Planning Technician Public Works Project Manager and Senior Planner shall be added to the classification list.

Effective July 1, 2020 the City shall pay for up to three (3) City logo shirts for Development Services Assistant/Business License public counter staff.

## **12.6 Longevity Premium**

Effective July 1, 2020, the monthly *Longevity Pay* for employees shall be in accordance with the following schedule.

10 yrs = \$100

15 yrs = \$200

20 yrs = \$300

Notwithstanding the foregoing, employees currently receiving a higher dollar amount of longevity pay than the amount provided for above shall continue to receive the higher dollar amount until eligible for an increase based on the schedule set forth above.

## **12.7 Overtime/Compensatory Time**

Employees shall be entitled to *Overtime Pay* or *Compensatory Time* off for all hours worked in excess of ten (10) hours in one work day or forty (40) hours within the employee's regular work week. Employees who work a 5/8 schedule shall be entitled to *Overtime Pay* or *Compensatory Time* off for all hours worked in excess of eight (8) hours in one work day or forty (40) hours within the employee's regular work week. For the purposes of this agreement, *Holiday Pay*, *Sick Leave*, and other compensated time off shall count for the hours. *Compensatory Time* may be accumulated at the appropriate rate for each hour of overtime worked to the maximum accrual rate set by Federal law.

*Overtime Pay* or *Compensatory Time* off for *Overtime Pay* shall be accumulated in no less than fifteen minutes per day increments. When an

employee works less than fifteen minutes per day of overtime, the employee shall not receive compensatory time for such overtime.

In order to be entitled to any compensation for overtime hours worked, such overtime work must have been authorized by the department head or the City Manager. Effective July 1, 2020, accumulated *Compensatory Time* not taken off in the pay period in which it was earned, may be carried over to a maximum of two hundred forty (240) hours.

#### 12.7.1 Overtime Meal Policy

##### 12.7.1.1 Beyond Regular Shift

When an employee is required to work continuous, unplanned overtime beyond his or her regular shift, he or she shall be provided with a meal and time to eat the meal no more than two hours after the commencement of such work and no less frequently than every four hours actually worked thereafter or he or she shall receive a meal reimbursement of sixteen dollars (\$16) for each such period.

##### 12.7.1.2 Outside of Regular Shift

When an employee is required to perform scheduled or unscheduled work outside of his or her regular work hours, as a result of an emergency situation, he or she shall be provided with a meal and the time to eat the meal no less frequently than every four (4) hours or a meal reimbursement of sixteen dollars (\$16) for each such four (4) hour period.

##### 12.7.1.3 Before 5 a.m.

In the event that an employee is summoned to work before five o'clock in the morning (5 a.m.) and is required to continue to work into his or her regular shift on the same task that he or she was summoned for, he or she shall be provided with a meal and time to eat the meal no less frequently than every four (4) hours or a meal reimbursement of sixteen dollars (\$16) for each such four (4) hour period.

#### 12.7.2 Cash-In Policy

An employee may convert into pay any accumulated compensatory time twice a year in June and November.

## **12.8 Standby Pay**

### **12.8.1 Definition**

An employee shall receive *Standby Pay* when he or she is required to be available for work for twenty-four (24) hours a day on seven (7) consecutive days.

### **12.8.2 Standby Pay**

The City agrees to pay time and one-half (1½) for *Standby* time with a minimum of two (2) hours per day, which will result in three (3) hours of regular pay. The hours shall be entered on time sheets as *Premium Standby*.

### **12.8.3 Qualifications**

The Department Head shall determine which employees are qualified for Standby assignment. If an Employee cannot serve on *Standby* due to insufficient practical knowledge, the Department Head shall make an alternate assignment.

*Standby* assignment shall apply to those employees whose domicile is close enough to Azusa to permit them to respond to a call out in one-half (½) hour or less. Employees shall serve on a rotating basis.

### **12.8.4 Vehicle Assignment**

The City agrees to provide an equipped vehicle to one employee for each department that has employees on *Standby*. If more than one employee is on *Standby* at the same time, the vehicle shall be assigned to the employee whose domicile is geographically closest to the City's Corporation Yard. The assigned standby vehicle shall not be used for personal business.

## **12.9 Uniform Allowance**

Association employees that are regularly assigned to work in departments wherein employees typically receive a *Uniform Allowance* shall receive a *Uniform Allowance* commensurate with that of their respective work groups.

## **12.10 Weekend Assignment**

Within certain departments there may exist a need for certain employees to work a scheduled four (4) consecutive day forty (40) hour workweek



which includes Saturday and/or Sunday. There also may exist a need for certain employees to work a scheduled five (5) consecutive day forty (40) hour workweek which includes Saturday and/or Sunday for employees who have consented to work a five (5) day, forty (40) hour schedule. Any employees so assigned shall receive an additional One Dollar (\$1.00) per hour for those hours worked on Saturday or Sunday or both if included within their forty (40) hour work week. This additional pay constitutes premium pay, and is not to be considered as part of the employee's base salary.

#### **12.11 Confined Space Pay**

The City shall pay a certification incentive pay, at a flat rate of \$150 per month to each employee who maintains a valid certification in Confined Space Entry. The employee shall receive the incentive pay beginning the first full pay period after submission of the documentation showing completion to his/her supervisor or designee. It is the employee's responsibility to ensure the certification is kept current and submit the required documents in a timely manner to continue to receive the incentive. Employees whose certifications expire will not be paid the incentive until a copy of the renewed certificate is submitted.

### **13. DAMAGE TO PERSONAL EFFECTS**

If, in the course of business, an office employee's personal clothing or effects is accidentally damaged or destroyed, the employee may submit a claim for reimbursement up to one hundred dollars (\$100) to the department head or his or her designee, who shall have the authority to investigate the claim and recommend to the City Manager, or his or her designee, to pay the full amount of the claim, deny the claim, or apportion the claim based on normal wear and tear of the item and/or the extent of the employee's negligence in following proper safety procedures. It is expressly understood that stockings and socks are exempt from this procedure. It is further expressly understood that prescription eyeglasses or contact lenses and hearing aid devices are exempt from the one hundred dollar (\$100) limit.

### **14. EMPLOYEE ASSISTANCE PLAN**

The City will continue to maintain the Employee Assistance Plan.

### **15. FLEXIBLE BENEFIT PLAN**

#### **15.1 Definition**

Effective August 1, 1993, the City's existing Cafeteria Benefit Plan (CBP) was converted to an IRS Section 125 Flexible Benefit Plan (FBP) administered by either the City or its designee. Effective March 21, 2016, the City added a voluntary vision plan applicability to the FBP with no city contribution.

## **15.2 Amount of Monthly Benefit**

Effective July 1, 2020, the Flexible Benefit Plan will increase to one thousand five hundred dollars (\$1,500) per month for each employee. This plan is voluntary and can be used by the employee to pay, to the extent available, for qualified benefits as determined by the IRS. The employee understands that, in the event the total premiums and/or expenses for qualified benefits selected by him/her exceed the amount of the FBP, the excess shall be deducted from pre-tax wages.

Effective January 1, 2021 and each year during the open enrollment period employees whose premiums exceed their FBP contribution amount have the option to redirect the City paid deferred compensation contribution of \$100.00 and have that amount added to their FBP (see 12.4).

The City agrees that should any other non-sworn bargaining unit be provided with a higher FBP contribution after June 30, 2020 than the \$1,500 per month that is provided for ACEA in this MOU, the City will provide that increased amount to ACEA.

The City - agrees to a limited reopener to discuss a potential increase to the FBP in the final year 2024 of this MOU. Any increase negotiated would be effective January 1, 2024. The bargaining group must approach the Human Resources Department Division to request a reopener if it is desired at that time. The mutual agreement of the parties is required for any change.

## **15.3 Opt Out or Opt for Less Coverage**

### **Employees hired on or before March 21, 2016:**

Employees who opt out of coverage or use a portion of the City Flex Benefit Plan, are eligible to cash out up to one thousand- three hundred forty-six dollars (\$1,346/mo.) until December 31, 2019. Effective January 1, 2020, the cash out option will decrease to one thousand dollars (\$1,000/mo.) including employees using a portion of the FBP. Employees may use the excess of the FBP to purchase vision, dental or other supplemental benefits at the employee's option.

**Employees hired after March 21, 2016:**

New employees hired on or after March 21, 2016 may opt out (medical waiver) of the Flexible Benefit Plan and receive three hundred dollars (\$300) in lieu of participation. New employees may use FBP to purchase vision, dental or other supplement benefits at the employee's option. New employees forfeit any unused FBP as currently stated in MOU.

**15.4 Eligibility**

In order for an employee to be eligible for the FBP in any given month, he/she must be on payroll on the first work day (excluding recognized paid City holidays) of that month.

A new employee, hired after March 21, 2016, will be eligible for the full FBP applicable to his/her bargaining unit if he/she begins work on the first work day (excluding recognized paid City holidays) of the month. An employee whose date of hire is on the second work day (excluding recognized paid City holidays) of the month or thereafter will not be eligible for the FBP for that month.

If an employee does not meet the qualifying work time in any given month, arrangements must be made with the Finance Department to reimburse the City for any benefits that have already been paid out on the employee's behalf for that month. The Finance Department will notify the employee if he/she has not met the qualifying work time for eligibility for the FBP.

**15.5 Termination**

The City will not be responsible for payment of any qualified benefits on behalf of the employee following the month of termination. If an employee represented by the Association wishes to continue his/her qualified benefits, advance payment for such qualified benefits will be deducted from the employee's final pay.

**16. LEAVE TYPES**

**16.1 Bereavement Leave**

An employee may be permitted to take up to forty (40) hours of Bereavement Leave in the event of the death of a member of his or her immediate family. "Immediate family" member is herewith defined as a mother, father, brother, sister, stepparents, stepsiblings, spouse, child, mother-in-law, father-in-law, grandparents, grandparents in-law, grandchildren or relative living within the employee's household. Persons in loco parentis (in the position or place of a parent) may also be considered under certain circumstances. Such leave shall not be charged

against the employee's *Sick Leave* or *Vacation*. In addition to *Bereavement Leave*, an employee may request up to two (2) days of *Sick Leave* in the event of the death of an immediate family member. Such leave shall be charged against the employee's accrued Sick Leave balance and shall be considered in calculating his or her ability to convert the balance.

Bereavement Leave for close personal relationships other than listed relationships may be approved by Department Head and Director of Human Resources.

## **16.2 Holidays**

### **16.2.1 Designated Holidays**

The employee shall receive time off with pay for the following holidays but only if the employee is paid for the scheduled workday that precedes and follows the holiday. If a holiday falls on an employee's scheduled day off, the employee shall receive the holiday on the next scheduled business day.

The dates upon which these holidays shall be observed are listed below:

Holiday Schedule	Month	FY 2020/2021	FY 2021/2022	FY 2022/2023	FY 2023/2024
Independence Day July 4 <sup>th</sup>	July	6	5*	4*	4*
Labor Day 1 <sup>st</sup> Monday in September	Sept	7*	6*	5*	4*
Columbus Day 2 <sup>nd</sup> Monday in October	Oct	12*	11*	10*	9*
Veteran's Day November 11 <sup>th</sup>	Nov	11	11	14*	13
Thanksgiving Day 4 <sup>th</sup> Thursday in November	Nov	26	25	24	23
Christmas Day December 25 <sup>th</sup>	Dec	28*	27	26	25
New Year's Day January 1 <sup>st</sup>	Jan	4*	3	2*	1*
Martin Luther King Day 3 <sup>rd</sup> Monday in January	Jan	18*	17*	16*	15*
President's Day 3 <sup>rd</sup> Monday in February	Feb	15*	21*	20*	19*
Memorial Day Last Monday in May	May	31*	30*	29*	27*

\* = Monday

### 16.2.2 Floating Holidays

The City and the Association agree to two floating holidays of ten (10) hours each. All floating holidays shall be requested in advance from the appropriate department head. Enough employees shall remain at work during floating holidays so that the City's business may be conducted. Floating holidays shall accrue on July 1 and must be taken by the following June 30, or the hours will be forfeited.

### 16.3 Industrial Leave

A regular employee who is temporarily or permanently incapacitated as a result of injury or illness determined to be compensable under the Workers' Compensation Act shall be granted *Industrial Leave* under the following terms and conditions:

- 16.3.1 An employee granted Industrial Leave shall continue to be compensated at his regular rate of pay in lieu of temporary disability payments.
- 16.3.2 Should it be determined that an employee's illness or injury did not arise in the course of the employee's employment with the City or that the employee is not temporarily or permanently incapacitated or disabled as a result of the injury or illness, then the employee's accrued or, if insufficient, future Sick Leave shall be charged to reimburse the City for any payments made to the employee pursuant to 16.3.1 above.
- 16.3.3 An Industrial Leave of up to ninety (90) calendar days shall be authorized for each injury or illness determined to be compensable under the Workers' Compensation Act. Paid leave may be continued subject to review by the City Council at the end of such ninety (90) calendar day period to a maximum of six (6) months. Supporting medical documentation must accompany such requests for leave and be submitted thirty (30) days prior to expiration date.
- 16.3.4 After 90 calendar days Employees who are disabled because of a work related illness or injury receive Industrial Leave pay in lieu of Total Temporary Disability payments and may supplement these payments with sick leave, vacation leave or compensatory time off they have earned. If deemed temporarily totally disabled or permanently disabled and unable to return to work, employees may apply for Long Term Disability.
- 16.3.5 Prior to the end of the six (6) months of paid leave pursuant to this section, the employee may apply for benefits under the City's long-term disability plan. If the employee is qualified to receive benefits under the disability plan, vacation and sick leave shall accrue, and the city shall continue to pay benefits under the City's Flexible Benefit Plan and CalPERS so far as required by law for such employee for an additional six (6) month period. An employee receiving long-term disability may be eligible to return to work on or before six (6) months from the time employee began receiving long-term disability benefits. The employee shall notify the department head as soon as practicable as to whether he or she will be returning to work prior to the expiration of the six-month period in which the employee has been on long term disability.

- 16.3.6 Except as provided in 16.3.2, no employee shall have accrued sick leave deducted while on industrial leave. Vacation and Sick Leave shall accrue for an employee on Industrial Leave.
- 16.3.7 Industrial Leave shall expire when one of the following conditions occurs:
- 16.3.7.1 Employee is able to return to work to his/her regular position.
  - 16.3.7.2 The day before the employee is retired or separated for disability. The employee's "retirement date" shall be the first of the month after all of the following occur and are determined by the Public Employees' Retirement System:
  - 16.3.7.3 The employee's condition is determined to be permanent or of an extended duration.
  - 16.3.7.4 The degree of disability precludes continued employment by the employee in his/her present position.
  - 16.3.7.5 After twenty-six (26) weeks of Industrial Leave payments.
- 16.3.8 Physicians may be assigned in compliance with the Health and Safety Code and the Workers' Compensation Laws of the State of California (Ref.: Section 4600 - Labor Code.)

#### **16.4 Sick Leave**

*Sick Leave* shall not be construed as a right except where as required by law, but shall be allowed only in case of necessity or actual sickness, disability, or other reason for which sick leave may be used under state or federal law. *Sick Leave* must be exhausted before compensatory time off or *Vacation Leave* may be used for *Sick Leave* reasons.

A yearly evaluation period for the use of sick leave was established beginning on the first payday on or after January. At the end of the time period, the Finance Department will analyze and report to the various employees the amount of sick leave earned, less the amount used, and the net accrued during the calendar year.

##### **16.4.1 Reasons for Use of Sick Leave**

Sick leave shall be granted for the following reasons:

- 16.4.1.1 Personal illness or physical incapacity.
- 16.4.1.2 The illness of a member of the employee's immediate family (as defined pursuant to the Healthy Workplaces, Healthy Families Act) that require the employee's personal care and attention.
- 16.4.1.3 Enforced quarantine of the employee in accordance with Health Department regulations.
- 16.4.1.4 Medical, dental, and optical appointments.
- 16.4.1.5 Personal Business not to exceed a maximum of thirty (30) hours during any one (1) year. Personal Business means those items of personal business that can only be taken care of during regular working hours of the employee. Employees must provide advance notice for *Personal Business Leave* whenever possible. *Personal Business Leave* shall be approved or disapproved by the department head in accordance with this section.  
  
Departments are to use the earning code PB for this purpose. *Personal Business Leave* shall be debited against the employee's sick leave balance but sick leave taken as *Personal Business Leave* shall not be taken into consideration for the purposes of the sick leave cash-In program or with regard to employee performance evaluations.
- 16.4.1.6 Any other lawful reason for which paid sick leave must be allowed pursuant to law, including but not limited to those reasons articulated in the California Healthy Workplaces, Healthy Families Act.

16.4.2 **Restrictions on Sick Leave**

Sick leave use under Section 16.4.1.2 shall be limited to twelve days per year; except that up to twelve weeks per year (running concurrently with family medical leave) may be approved by the department head when a relative covered under Section 16.4.1.2 has an illness, injury, or condition, which may be expected to be of long duration, has no reasonable date of termination and requires continuous or intermittent care by the employee.



16.4.3 **Accrual and Use**

As to existing employees, sick leave with pay shall accrue to employees at the rate of ten hours per month for each calendar month of paid employment, with unlimited accumulation.

As to new members, hired after March 21, 2016, no more than 960 hours of sick leave may be accrued. Once an accrual bank reaches 960 hours, the employee will no longer be eligible to accrue sick leave until such time as usage reduces the accrual bank below 960 hours. Unused, but accrued, sick leave to be converted into a retirement medical trust at the time of retirement once a retirement medical trust has been established.

Sick leave shall not be taken in units of less than one-half hour.

16.4.4 **Probationary Employee Sick Leave Usage**

If the employee does not become permanent, all paid sick leave must be reimbursed to the City or deducted from the employee's final paycheck. Sick leave usage reimbursement is limited to sick leave taken in excess of 12 hours during the employees 6 month probationary period.

16.4.5 **Sick Leave During Vacation**

If an employee becomes ill or injured while on vacation, he or she may, by completing an *Employee Leave Request Form*, use accrued sick leave time in lieu of vacation time for the period of disability.

16.4.6 **One-Fourth Conversion**

If the employee has used more than three, but not more than six days of sick leave, not including time spent on *Personal Business* or *Bereavement*, he or she would have the following options:

16.4.6.1 Carry over the accrual and add it to his or her sick leave balance.

16.4.6.2 Convert, only to the extent that his/her balance is more than zero at the beginning of the new year, one-fourth of the accrual to vacation or convert one-fourth to cash (but no combination of these two); unused,

unconverted leave would then be added to the employee's sick leave balance.

**16.4.7 One-Third Conversion**

If the employee has used no more than three days of sick leave, not including time spent on *Personal Business* or *Bereavement*, he or she would have the following options:

16.4.7.1 Carry over the accrual and add it to his or her sick leave balance.

16.4.7.2 Convert, only to the extent that his/her balance is more than zero at the beginning of the new year, one-third of the accrual to vacation or convert one-third of it to cash (but no combination of these two); unused or unconverted leave would then be added to the employee's sick leave balance.

**16.4.8 Conversion to Cash upon Death**

Fifty percent (50%) of the employees accrued Sick Leave balance can be converted to cash upon death (if he or she has attained permanent status).

**16.4.9 Conversion to Cash upon Disability Retirement, Voluntary Retirement or Separation for Other Reasons**

Effective July 1, 2020, fifty percent (50%) of the employees accrued Sick Leave balance can be converted to cash upon disability retirement or voluntary retirement (if he or she has attained permanent status).

Effective July 1, 2020, fifty percent (50%) of the employees accrued Sick Leave balance in excess of 320 hours to a maximum of 240 hours can be converted to cash upon separation for other reasons (if he or she has attained permanent status).

**16.4.10 Conversion to Service Credit Upon Retirement**

Pursuant to the terms of the City's contract, as amended, with the Public Employees' Retirement System, upon voluntary retirement the employee may convert 100% of his or her accrued Sick Leave balance, less any amount converted to cash under the provisions of Section 26.4.8, to retirement service credit.

16.4.11 **Conversion Deadline**

A decision to convert sick leave according to the policies stated shall be made by March 31.

**16.5 Vacation**

16.5.1 **Required Usage and Carryover**

An employee shall be required to use one half (½) of his/her annual vacation accrual yearly and shall be able to carry over one half (½) of one year's vacation accrual from one year to the next, cumulatively, up to a maximum of fifty two (52) times the then-current pay period rate of vacation accrual. Vacation accrual in excess of the aforementioned maximum shall be paid off in four equal annual payments during the term of the MOU; and future accrual which exceeds the aforementioned maximum, shall be paid to the employee as it is accrued.

New unit members, hired on or after the effective date of this MOU (March 21, 2016), will accrue up to a maximum of three hundred (300) hours. Future accruals which exceed the aforementioned maximum, shall be paid to the employee as it is accrued.

In special cases where it has not been possible, due to work load and other factors, for the employee to use his/her vacation before reaching the maximum, it shall be within the department head's authority to authorize cash payment in lieu of time off.

16.5.2 **Cash-In Policy**

An employee may convert into pay accrued vacation in excess of 50% of his or her annual accrual with the approval of the Department Head or City Manager. This may be done twice a year in June and November. In cases of an emergency, an employee may submit a request to cash-in annual accrual to the City Manager for approval.

16.5.3 **Accrual**

Effective July 1, 2008, vacation leave shall accrue as follows:

Through the 4th year of employment	90 hours per year
Through the 5th year of employment	120 hours per year

Through the 6th year of employment	128 hours per year
Through the 7th year of employment	136 hours per year
Through the 8th year of employment	144 hours per year
Through the 9th year of employment	152 hours per year
Through the 10th year of employment	160 hours per year
Through the 11th year of employment	168 hours per year
Through the 12th year of employment	176 hours per year
Through the 13th year of employment	184 hours per year
Through the 14th year of employment	192 hours per year
Through the 15th year of employment	200 hours per year
Through the 16th year of employment	210 hours per year
Through the 17 <sup>th</sup> year of employment	218 hours per year
Through the 18 <sup>th</sup> year of employment	226 hours per year
Through the 19 <sup>th</sup> year of employment	234 hours per year
Through the 20 <sup>th</sup> year of employment	240 hours per year

**17. LICENSE RENEWAL**

The City agrees to pay the cost of maintaining certification and licenses that are within the minimum requirements for the licensee's job.

**18. LIFE INSURANCE**

The City shall provide term life insurance for each employee which is equal to one-and a-half (1.5X) times their annual salary, rounded up to the nearest one thousand dollars (\$1,000), but not to exceed a maximum of two hundred thousand dollars (\$200,000). The calculation of annual salary excludes overtime, standby, callback and other forms of supplemental compensation.

**19. LONG TERM DISABILITY INSURANCE**

**19.1** The City shall maintain in effect for the term of this agreement a long-term disability plan covering employees set forth herein. Said plan shall provide an employee with a maximum of two-thirds of his/her base salary. An employee may utilize his/her accrued Sick Leave, Vacation, and/or Compensatory Time to supplement the LTD payment so as to receive 100% of his/her base salary. The LTD plan includes the following:

- 19.1.1 For the first 30 days of non-job related illness or injury, the employee will use accrued Sick Leave, Compensatory Time or Vacation Leave;
- 19.1.2 Provides 66.67% of the employee's monthly salary;
- 19.1.3 Commences after a 30 calendar day waiting period and provides a benefit to age 65;

- 19.1.4 The employee will be allowed to use accrued Sick Leave in conjunction with the long term disability plan to provide for a full pay check;
- 19.1.5 At no time will an employee receive more than 100% of their base pay;
- 19.1.6 The premium will be added to the employee's gross pay and deducted from the net pay so as to make the benefits exempt from further taxation.

## **20. RETIREMENT**

The City shall continue its contract with the California Public Employee Retirement System CalPERS, for current members at the “2% @ 55 full formula” plan. The City shall also maintain the increased level of the 1959 Survivor Benefit. The City shall continue to pay its portion of the cost except as provided for in this section.

In light of the California Public Employees’ Pension Reform Act of 2013 (PEPRA), all unit members, other than “new members” as defined by PEPRA and/or California Government Code section 7522.04(f), shall individually pay a total of 7%, of “compensation earnable” as defined in Government Code section 20636, representing the member employee’s contribution to the CalPERS.

These contributions shall, at the time of termination, belong to the employee. All other required contributions for unit members other than “new members” as defined by the PEPRA and/or California Government Code section 7522.04(f) shall be made by the City. The member’s contribution shall be made on a “cost sharing” basis and shall be considered a contribution toward the employer’s contribution share.

Unit members who are “new members” as defined by PEPRA and/or California Government Code section 7522.04(f), shall be required to pay a PERS contribution in an amount equal to 50% of the normal cost rate, up to a maximum of 8%, for the Defined Benefit Plan provided for by PEPRA, in which the new member is enrolled, rounded to the nearest quarter of 1% or the current contribution rate of similarly situated employees, whichever is greater, pursuant to Government Code section 7522.30.

Those “new members” shall be enrolled in the 2.0% at 62 Benefit Plan, as provided for in Government Code section 7522.25(e), with a final compensation measurement period of 36 consecutive months as set forth in Government Code section 7522.32(a), and their retirement benefits shall be calculated based on “pensionable compensation” (Section 7522.10) rather than compensation earnable (Section 20636).

### **20.1 Optional Benefits**

- 20.1.1 The City’s contract with the CalPERS includes the additional benefit of Service Credit for Unused Sick Leave.

20.1.2 The optional benefit of Two Year Additional Service Credit shall be discretionary with Council in accordance with Government Code Section 20903.

20.1.3 The City's contract with the CalPERS includes the Employer-Paid Member Contribution in base pay during the final compensation period.

20.1.4 CalPERS Service Credit for Military Service.

The CalPERS Military Service Credit Purchase Assistance Plan described below shall be made available to full time regular employees who have completed their initial probation period with the City.

The City's contract with CalPERS includes the provisions of Section 21024, "Military Service Credit as Public Service." After this has been completed, eligible employees with qualifying military service can contact PERS and arrange to be billed for the service credit. The City shall reimburse the employee for 25% of the amount of the bill. Eligibility for the 25% reimbursement is limited to employees who are on the payroll on 7/1/95.

If desired, the employee may apply for a loan from the City for the remaining 75%. The employee shall apply for the loan on a City-provided loan application. If the employee qualifies, the City will fund the loan on an interest-free basis. Loan payments must be by payroll deduction. Each loan payment period shall not exceed six years. The City may require collateral.

Any remaining loan balance must be paid in full at the time of separation of employment. Payment will be made directly and/or by deduction from the last paycheck. In the event an outstanding balance remains, the employee is responsible for making payment arrangements. The failure to make full payment will obligate the employee to pay the City's attorney's fees in any restitution process.

## **20.2 Health Insurance During Retirement**

Beginning with the first month after retirement, for Association employees who had at least twenty (20) cumulative years of service with the City of Azusa, and who enroll or continue in the City's health insurance program, the City will reimburse monthly to the employee the amount of one-half (½) of the premiums for such health insurance, regardless of how many family members

are enrolled. In the event that the employee is single or widowed, and has no dependents, the City's contribution shall be equal to 100% of such premium. In the event that the employee passes away and is survived by an eligible spouse, the benefit shall continue. But, if the employee passes away and has no surviving spouse the benefit shall not carryover to the surviving dependents. This plan shall remain in effect until the retiree, or eligible spouse, passes away, whichever occurs later. Otherwise the benefit shall terminate. Once an individual has qualified for this provision, he or she shall retain this eligibility. The minimum employer contribution (MEC) that the City pays directly to CalPERS shall be considered to be part of the portion paid by the City.

- 20.2.1 Employees with at least ten cumulative years of service immediately preceding retirement shall be eligible to utilize (for retiree health insurance only), their part-time employment that is a part of their consecutive service. **Such part-time employment shall be credited on an hour for hour basis toward the minimum 20 cumulative years of service, with the City of Azusa, needed to become eligible for this provision.**

For Example:

If an employee retires and has worked 10,920 hours on a part-time basis (that is part of their consecutive service prior to retirement), the City shall divide the 10,920 hours by 2,080 hours (which is the equivalent value of one year of full time service), to determine the service credit. 10,920 divided by 2,080 is equal to 5.25 years of service. The part-time service shall be added to the full time service to determine the twenty (20) cumulative years of service credit needed for eligibility for the Retiree Health Care provision of this MOU.

### **20.3 Health Reimbursement Account (HRA)**

**For employees hired on or after August 20, 2019:**

Upon hire the City shall establish a Health Reimbursement Arrangement (HRA) account on behalf of each individual employee for the reimbursement of medical premiums and IRS approved medical expenses during retirement. The HRA shall be selected by the City.

- 20.3.1 Initial Contribution

The City shall deposit an initial contribution of two thousand dollars (\$2,000.00) into the employee's HRA within the first month of hire.

20.3.2 Annual Contributions

The City shall make additional contributions to each employee's HRA in the second pay period in July of each year, based on the following schedule of continuous years of service:

<b>Years of Service</b>	<b>Amount of Annual Deposit</b>
One (1)* - five (5)	One thousand dollars (\$1,000)
Six (6) - ten (10)	Two thousand dollars (\$2,000)
Eleven (11) or more	Three thousand dollars (\$3,000)

\*The first year's contribution shall be prorated in accordance with the anniversary date of the employee's date of hire.

The City shall continue to make the annual deposits, according to this schedule, on behalf of each employee until the employee's death, separation from service, or retirement, whichever occurs first.

20.3.3 Vesting Requirements

Each employee is required to complete five (5) consecutive years of service to be one hundred percent (100%) vested in their HRA.

An employee who is not vested at the time of separation from service or retirement shall forfeit their unvested funds.

Once vested, an employee shall maintain their rights to all funds in their HRA, except in the event of the death of an employee prior to separation from service or retirement, any funds in the HRA shall be forfeited. In the event of the death of the employee, the employee spouse and/or qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event the employee opts out of participation in the Plan, all vested and unvested funds shall be forfeited.

**21. TUITION REIMBURSEMENT**

Effective March 21, 2016, the City's Tuition Reimbursement Administrative Policy is incorporated herein and applied to unit members for tuition reimbursement.



## **22. FLEXIBLE STAFFING POSITIONS**

The following classifications shall be incorporated into a "Flexible Staffing" pattern effective July 1, 1995:

Account Specialist I, II & III  
Assistant Planner, Associate Planner  
Junior Accountant,  
Accountant and Senior Accountant  
Building Inspector I/II  
Librarian and Senior Librarian  
Library Assistant I, II & III  
Office Specialist I, II and Senior Office Specialist  
Tree Trimmer and Senior Tree Trimmer

The first level classifications are apprentice classifications. Employees in these classifications shall be promoted (on probationary status) to the second level classifications, respectively, upon successful completion of one (1) year of service at the fifth (5th) salary step. If the series includes a third level, the second level classifications shall be promoted (on probationary status) to the third level classifications, respectively, upon successful completion of one (1) year of service at the fifth (5th) salary step and when, in the opinion of the Department Head, the employee has retained the practical knowledge of the performance of all facets of the duties required of the third level classification. In the event that the employee is not promoted as described above, he or she shall be presented in writing the reason(s) for the denial of the promotion, and a list of the area(s) of which the employee has insufficient knowledge to achieve the promotion. Nothing in this article shall preclude management from promoting a qualified employee to a higher step/classification in their flex series.

## **23. JOB SHARING**

### **23.1 Job Sharing Definition**

Bifurcation of the job duties (essential functions) of a full-time classification into two equal ½-time jobs that total full-time work, generally 40 hours per week, 52 weeks per year.

### **23.2 Benefits**

A Job Sharing Employee shall receive, as applicable, benefits on the basis of one-half the rate accorded to comparable full-time employees. No other method of pro-ration shall apply. For benefits that have a time or service requirement to qualify to receive them, a year shall be defined as successful completion of 2080 hours of service. Under Job Sharing, this will generally be 104 weeks at 20 hours per week.

### **23.3 Job Sharing Employee**

One of a pair of employees, each of whom job shares by performing one-half of the essential functions of a full-time classification and who works ½ of the hours of the full-time class, generally 20 hours per week, 52 weeks per year.

### **23.4 Vacancy of Job Share Position**

If one person occupying half of a job share position leaves the city or takes an extended leave, the City may compel the person occupying the other half to convert to full time. If the person chooses not to convert to full time, the City has the option to eliminate the job share positions and commence recruitment for a full-time position.

### **23.5 Resumption of Full-Time Status**

If a Job Sharing Employee wishes to resume full-time work with the City, he or she shall seek reassignment or transfer to a full-time position. Should the employee's department be unable to effect such reassignment, the employee shall seek a transfer as prescribed under the Civil Service Rules.

### **23.6 Involuntary Conversion to or from Job Sharing Status**

Neither management nor employees shall convert full-time positions to job-sharing positions, or the converse, without first consulting with the other party. If both parties are in agreement, as well as the affected employees, the decision shall be memorialized via Personnel Action Request forms.

### **23.7 Salary Anniversary Date**

If an employee's appointment to a Job Sharing position is either as a new hire or by promotion, the salary anniversary date shall be defined as that date which occurs upon successful completion of 2080 hours of service, generally 104 weeks at 20 hours per week. Such employees may be considered for a merit increase after successful completion of 1040 hours of service, generally 52 weeks at 20 hours per week. Subsequent salary anniversary dates shall be defined as those dates which occur upon completion of 2080 hours of service, generally 104 weeks at 20 hours per week. If an employee's appointment to a Job Sharing position is not a new hire or promotion, the salary anniversary date shall be based on his or her prior service, in accordance with the Civil Service Rules.

## **24. LAY OFF**

The City agrees that in the event employees represented by the Association are laid off from their employment, a minimum of forty-five (45) calendar days' notice will be given to each individual affected employee. Such notice shall be in writing and signed by an appropriate management employee.

## **25. FAIRNESS AGREEMENT**

If the City gives any other bargaining unit(s) a higher amount or higher value of a benefit (from that which was not already in effect or negotiated as of June 30, 2020) than that which was given to employees in this MOU, employees in this unit shall be given the same higher amounts or higher value of benefits, for the following provisions and terms, as those given to the other bargaining unit(s):

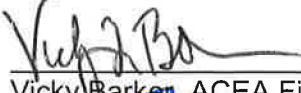
Salary increases - for the period of July 1, 2020 through June 30, 2021, if City grants any other bargaining unit(s) a salary increase over than that stated for the same period in Section 11.1, the City will grant employee(s) in this unit the same salary increase for the period of July 1, 2020 through June 30, 2021 with the understanding that any salary increase given will be deducted from the salary increase to be effective July 1, 2021 as stated in Section 11.1. The total salary increase for this bargaining unit will not exceed the sum total salary increase(s) stated in Section 11.1 of this contract for the entire term of this contract.

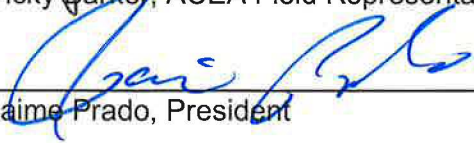
## **26. REOPEN OF NEGOTIATIONS DURING TERM OF AGREEMENT**

The parties shall re-open negotiations if (1) the City management medical coverage is subject to the so-called Cadillac Tax pursuant to the Affordable Care Act (ACA), (2) the City establishes an excess vacation annuity fund, or (3) should ACEA notify the Human Resources Division that they would like to reopen to discuss the Flexible Benefit Plan in year four (4) of this contract. This re-opener does not obligate the unit to anything more than a discussion on the issues and eventually the parties may negotiate terms and reach an agreement before any changes on these issues can be implemented. Absent an agreement by both parties, the status quo shall remain.

MEMORANDUM OF UNDERSTANDING  
AZUSA CITY EMPLOYEES ASSOCIATION  
July 1, 2020 THROUGH JUNE 30, 2024

**AZUSA CITY EMPLOYEES ASSOCIATION**

  
\_\_\_\_\_  
Vicky Barker, ACEA Field Representative 10.6.2020  
Date

  
\_\_\_\_\_  
Jaime Prado, President 11-3-20  
Date

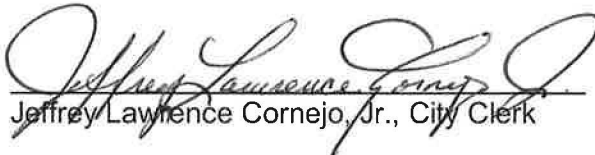
  
\_\_\_\_\_  
Margaret Delano, Secretary 10-20-20  
Date

**CITY OF AZUSA**

  
\_\_\_\_\_  
Sergio Gonzalez, City Manager 10.20.2020  
Date

  
\_\_\_\_\_  
Talika M. Johnson, Director of Administrative Services 10/19/2020  
Date

**ATTEST:**

  
\_\_\_\_\_  
Jeffrey Lawrence Cornejo, Jr., City Clerk

**APPROVED AS TO FORM AND CONTENT:**

  
\_\_\_\_\_  
Marco Martinez, Best Best & Krieger

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