

RESOLUTION NO. 2024-68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE, CALIFORNIA, SETTING FORTH THE HOURS, WAGES AND WORKING CONDITIONS FOR FIRE SAFETY MANAGEMENT EMPLOYEES EFFECTIVE APRIL 7, 2024, AND REPEALING RESOLUTION 2024-14.

The City Council of the City of Torrance does hereby resolve as follows:

SECTION I

That Resolution No. 2024-14 is hereby repealed in its entirety.

SECTION II

The following compensation procedure for Fire Safety Management is hereby approved in its entirety to read as follows:

ARTICLE 1 – WAGE PROVISIONS

SECTION 1.1 PAY RANGES AND CLASS TITLES

The following wage ranges are hereby assigned to the classifications of the following Fire Safety Management employees:

BASE HOURLY RATES

Effective April 7, 2024

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Battalion Chief	1	\$ 110.47	\$ 8,837.60	\$ 19,148.13	\$ 229,777.60
Battalion Chief	2	\$ 114.89	\$ 9,191.20	\$ 19,914.27	\$ 238,971.20

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Deputy Fire Chief	1	\$ 120.64	\$ 9,651.20	\$ 20,910.93	\$ 250,931.20

Effective January 12, 2025

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Battalion Chief	1	\$ 113.78	\$ 9,102.40	\$ 19,721.87	\$ 236,662.40
Battalion Chief	2	\$ 118.34	\$ 9,467.20	\$ 20,512.27	\$ 246,147.20

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Deputy Fire Chief	1	\$ 124.26	\$ 9,940.80	\$ 21,538.40	\$ 258,460.80

Effective January 11, 2026

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Battalion Chief	1	\$ 116.62	\$ 9,329.60	\$ 20,214.13	\$ 242,569.60
Battalion Chief	2	\$ 121.29	\$ 9,703.20	\$ 21,023.60	\$ 252,283.20

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Deputy Fire Chief	1	\$ 127.36	\$ 10,188.80	\$ 22,075.73	\$ 264,908.80

Effective January 10, 2027

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Battalion Chief	1	\$ 119.54	\$ 9,563.20	\$ 20,720.27	\$ 248,643.20
Battalion Chief	2	\$ 124.33	\$ 9,946.40	\$ 21,550.53	\$ 258,606.40

Classification	Step	Hourly Rate	Biweekly Rate	Monthly Rate	Annual Rate
Deputy Fire Chief	1	\$ 130.55	\$ 10,444.00	\$ 22,628.67	\$ 271,544.00

SECTION 1.2 SALARY ADVANCEMENTS WITHIN BASE PAY RANGE

A. Starting Pay Rates

Initial appointment shall normally be made at the first step. Upon recommendation of the Fire Chief or designee, and approval by the City Manager, initial compensation may be at a higher step in the range for the class based on the outstanding and unusual character of the employee's experience and ability over and above the qualification requirements specified for the class, or is necessitated by a temporary shortage of applicants for the class involved.

B. Step Advancement Within A Base Pay Range

Salary step advancement within a range shall take place on the annual anniversary date for each employee. Upon recommendation of the Fire Chief or designee and approval of the City Manager, an employee may be accelerated more quickly in the advancement through the salary steps if outstanding performance justifies such a recommendation. This accelerated step advancement shall revise an employee's anniversary date. Each subsequent step increase shall take place a year after such accelerated step advancement. The Fire Chief or designee retains the sole discretion to make such a recommendation.

C. Rate of Pay on Promotion

Whenever an employee covered by this agreement is promoted, the employee shall be placed at the lowest step of the position promoted into, which will provide a 5% increase in total pay, whenever a step exists to do so.

SECTION 1.3 METHODS OF COMPENSATION

Compensation shall be determined on a monthly basis and shall be fixed according to the responsibilities to be fulfilled and shall not be based on a fixed number of hours per week, nor shall it be affected by variations in work schedules. Employees in this group are eligible for overtime compensation as outlined in Section 3.2, which is based on the employee's base hourly rate plus longevity in Section 2.1.

Payments due shall be paid on a biweekly basis unless otherwise specified within this Agreement. By mutual consent of the parties, early payment and other modifications can be made.

ARTICLE 2 - SPECIAL COMPENSATION PROVISIONS

SECTION 2.1 LONGEVITY PAY

A. Employees in the Torrance Fire Fighters Association prior to September 11, 2022 who promoted to this resolution shall receive longevity pay in the following manner:

1. Commencing with the first day of the 8th year of service, 5% above base pay.
2. Commencing with the first day of the 16th year of service, a total of 10% above base pay.
3. Commencing with the first day of the 20th year of service, a total of 12.5% above base pay.
4. Commencing with the first day of the 25th year of service, a total of 20% above base pay.

Employees hired into the Torrance Fire Fighters Association on or after September 11, 2022 who promoted into this resolution shall receive longevity pay in the following manner:

1. Commencing with the first day of the 8th year of service, 5% above base pay.
2. Commencing with the first day of the 16th year of service, a total of 10% above base pay.

B. All longevity pay advancements shall be effective on the anniversary date of the required years of continuous service (unpaid leaves in excess of 10 working shifts, except for extended military leave, shall be deducted in computed total service) as a regular employee of the City of Torrance or total years of service as a full-time regular employee with the City of Torrance Fire Department whichever provides the longer term of service.

SECTION 2.2 COMPENSATION FOR SUPERVISORS

All employees covered by this resolution shall be placed on the step that sets their total pay (base pay plus any assigned premiums) rate 5% higher than any of their subordinate's total pay (base pay plus any assigned premiums) rate, whenever a step exists to do so.

SECTION 2.3 EDUCATIONAL INCENTIVE PAY

Effective April 7, 2024, the Educational Incentive pay for certain specific coursework ranging from 3% to 15% was eliminated and is included in base hourly grids accordingly.

SECTION 2.4 MOVE-UP ASSIGNMENT

A. Objective

The objective of this section is to provide an equitable and orderly manner of paying employees for work done and responsibility assumed when that employee is moved up to a higher classification during the temporary absence of another employee.

B. Assignment

1. When an employee is temporarily absent from the job, another employee may be assigned by the Fire Chief or the designee to do the work of the absent employee.
2. The Fire Chief may permit the position to remain temporarily vacant if, in his/her opinion, the public health, welfare and safety are not jeopardized, where not in conflict with Section 4.1.
3. An employee may decline a move-up assignment.

C. Duration of Assignment

Any employee moved up pursuant to this Section shall remain in the higher class until the incumbent returns to duty, subject to the following conditions:

1. Each such assignment shall not exceed twelve months duration.
2. If the work is not performed in a satisfactory manner the Fire Chief or designee may, at his/her discretion, replace the employee who was moved up or leave the position unfilled, where not in conflict with Section 4.1.

D. No Probationary Credit

Time served by an employee assigned to a higher class under the provisions of this Section shall not be credited toward that employee's probationary period in the higher class.

E. First Consideration for Move-Up Assignments

1. If the temporary absence of the incumbent continues in excess of thirty consecutive days, and an eligible list exists for the class, the Fire Chief or the designee may, at his/her discretion, assign the move-up position to a person who is among the first three on the eligible list commencing with the thirty-first consecutive day of absence.

F. Determination of Priority

In the event that there are no eligible employees within the department on the eligible list for the vacant position, the Fire Chief or designee may assign any employee under his/her supervision whom the department head certifies is capable of performing the work of the absent employee.

G. Absence of Moved Up Employee

If a moved up employee is absent, another employee may be assigned during such absence, subject to all provisions of this Section.

H. Move-Up Pay for Vacant Positions

1. An employee moved up shall be compensated on the salary range in the moved-up classification which provides an increase in compensation of at least 5% of base pay.
2. For the purpose of this Section, eight consecutive hours or more shall constitute a day or shift and shall qualify for move-up pay.

I. Acting Department Head

1. If a subordinate is required by his/her class specification to take charge of the department in the absence of the department head, he/she shall not be paid additional compensation for such move-up assignment.
2. If a subordinate is not required by his/her class specification to take charge of the department in the absence of the department head, he/she shall be paid during all such move-up assignments approximately five percent over and above the base salary; provided, however, that if the temporary absence of the department head continues in excess of thirty consecutive calendar days, he/she shall then be paid at the salary rate of the lowest step for such assigned position which is higher than the current base salary of the employee.

ARTICLE 3 - OVERTIME PROVISIONS

SECTION 3.1 CONSTANT STAFFING AND QUALIFIED RELIEF

A. Definition

1. Current Strength – Members of the Fire Safety Management group are required to cover the temporary vacancies on B91. The Fire Safety Management Chiefs will establish an agreement with the Fire Chief to cover the shifts. Employees are eligible for overtime compensation at the rate of 1.0 times their hourly rate, including longevity (section 2.1) for covering shifts on B91 beyond their normal work schedule.
2. Qualified - As determined by proper job classification or eligibility for promotion to proper classification.
3. Temporary Vacancy - Personnel vacancy that may be created by:
 - a. Illness
 - b. Injury
 - c. Industrial Accident Leave
 - d. Vacation
 - e. Authorized Personal or Military Leave
 - f. Vacancy Due to Retirement
 - g. Other Appropriate Vacancies

SECTION 3.2 OVERTIME COMPENSATION

- A. Strike Team deployment will result in members of this unit working extended hours that are reimbursable through an agreed-upon contract with the State Office of Emergency Services. In cases of Strike Team deployments, members of this unit may be entitled additional pay at 1.5 times the hourly rate, including longevity (section 2.1), but never to exceed the reimbursable amount.

The parties agree that employees in this resolution qualify as exempt from overtime as executive and administrative exempt employees as set forth at 29 CFR Sections 541.100 et seq. and 541.200 et seq. of the Department of Labor regulations implementing the Fair Labor Standards Act. Notwithstanding that exemption, the parties agree that whenever an employee works an overtime shift as the Strike Team Commander he/she shall receive overtime compensation at the rate of 1.5 times the employee's base hourly rate plus longevity in Section 2.1. Such overtime is provided pursuant to this MOU, not in accordance with the FLSA since these employees are exempt from FLSA overtime.

Members agree to the language above for Strike Team response. Additionally, any member required to cover for the Strike Team Commander while he/she is deployed shall receive compensation at the rate above.

1. Trading Time

The practice of trading time in accordance with departmental regulations will have no effect on hours of work provided.

- a. The trading of time is done voluntarily by the participating employees, and
- b. The reasons for trading time is due to the employees desire or need to attend to personal matters, and
- c. An electronic record is provided to the City by the employee whose shift is being worked by another employee so that the City may maintain a record of all shift trades, and
- d. The period during which time is traded does not extend beyond the calendar year. Thus, both employees must complete the trade (work for each other) within 6 months of the date of the trade.

SECTION 3.3 HOLIDAYS

- A. The following days shall be considered holidays:

- New Year's Day
- Martin Luther King Jr.'s Birthday
- Lincoln's Birthday
- Washington's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve

- B. Employees shall accrue (into a holiday pay bank) 11.2 hours for each holiday, up to 12 holidays in total. Such pay shall be considered earned income for retirement purposes. Holiday pay accruals shall be inclusive of the following premiums:
 - Longevity Pay
- C. Holiday pay will automatically be cashed out by the end of each quarter of the calendar year (March, June, September, December). An employee may elect to contribute accrued holiday pay to their 457 plan quarterly. These contributions can be made either on a pre-tax or Roth basis. To contribute holiday pay to a 457 plan, a form is to be submitted to Finance by March 1, June 1, September 1, or December 1. Payment shall be made no later than the last pay period of the months named.
- D. Observance of Holidays
 1. Members covered by this resolution shall work their normal schedule during holidays.
- E. Effects of Sick Leave
 1. Employees assigned to 24-hour shifts who are sick on their last regularly scheduled work day prior to a holiday or on the holiday will not be entitled to holiday pay. Safety members will have 11.2 hours deducted from their holiday hours accrual.
 2. Employees assigned to 24-hour shifts that are sick on a holiday for which they are regularly scheduled to work shall have 12.8 hours of their accrued sick leave deducted from their account in addition to the loss of 11.2 hours of holiday pay.
 3. Employees as stated in subsection (E-1) may become eligible for holiday pay provided that they notify the department no later than 45 minutes prior to the start of the shift or the holiday that they are available to work.
 4. Employees who call in sick on a holiday will not be allowed to notify the department later in the day that they are able to work in order to regain eligibility for holiday pay.

ARTICLE 4 - BENEFITS SECTION 4.1 EMPLOYEE INSURANCE

- A. Cost of Medical Insurance for Active Employees

The City shall pay the applicable monthly PERS minimum contribution per employee for active employee health insurance. In addition to the PERS Minimum Contribution, the City shall provide active employees with an additional contribution. The aggregate amount shall be referred to as the "City Contribution".

Effective January 1, 2024

	1 Party	2 Party	Family
City Contribution	\$685.04 per month	\$1,347.67 per month	\$1,730.58 per month

- B. The City shall continue payment as provided for above in Subsections A during an authorized medical leave of absence for a period not to exceed twelve months for any employee covered by this resolution.

- C. If an employee receives cash in-lieu of selecting a health insurance plan, such amount shall be reported as earned income for tax purposes but shall not be deemed earned income for retirement purposes as delineated in a letter from the U.S. Internal Revenue Service dated June 16, 1982. It is the understanding of the parties that dollars distributed to the employee as cash in this manner shall not be construed as earned income for PERS purposes.

Any change in this assumption shall require a payment by the using employee of both the employee's and the employer's share of any such liability from the inception of this program.

D. Cash-In-Lieu Payments

1. Employees covered under this Resolution who meet the following requirements will receive a cash-in-lieu payment of \$500 per month for as long as the employee opts-out of medical coverage
 - a. The employee provides proof of minimum essential coverage ("MEC") through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year which the employee opts-out of City-offered coverage ("alternative required coverage").
 - b. The proof of coverage must show that the employee and all individuals in the employee's expected tax family have (or will have) the required MEC for the applicable period by signing and submitting an attestation to the City .
 - c. The employee must provide such reasonable evidence and attestation of alternative coverage every plan year during open enrollment.
 - d. The City will not provide the cash-in-lieu payment if it knows or has reason to known that the employee or tax family member does not have the alternative required coverage.

A. Annuitant/Retiree Health:

Effective January 1, 2009, for the purposes of this section, annuitant/retiree shall be defined as a Fire Safety Management member (and/or their spouse) who has retired from the City of Torrance through a service, industrial, or non-industrial disability retirement and who starts collecting his/her pension within 120 days of separating from the City of Torrance.

1. Annuitant:
Retirees or surviving spouses who participate in the PERS health insurance plan will receive \$130.50 per month above the PERS minimum employer contribution toward the health insurance premium. This amount is subject to the method of payment and the method and degree of any audits required by the City.
2. Retiree Health for Retirees Not in PERS Medical Allowance:
Retirees or surviving spouses who do not participate in the PERS insurance plan will receive \$146.50 per month toward the health insurance premium. This amount is subject to the method of payment and the method and degree of any audits required by the City.

B. Life Insurance

The City will provide a \$50,000 life insurance policy for each employee covered under this resolution.

C. Short/Long Term Disability

All employees covered by this resolution shall be covered by the commercial short-term disability (STD)/long-term disability (LTD) program as follows:

1. An employee must request a medical leave of absence in connection with a request for such benefits.
2. After an elimination period, employees may be eligible to receive ½ of their base pay under either STD or LTD as applicable under the guidelines of the commercial insurance policy.
3. All provisions of the plan are in accordance with the commercial insurance policy.

D. Dental Insurance

All employees covered by this resolution will receive two-party dental insurance. This benefit has no cash value if not used. If employees want to cover additional family members not covered, additional insurance may be purchased and paid for by the employee.

E. Vision Insurance

All employees covered under this resolution will receive one-party vision insurance. This benefit has no cash value if not used. If employees want to cover additional family members, additional insurance may be purchased and paid for by the employee.

SECTION 4.2 RETIREMENT

- A. The City is in PERS and contracts with PERS to provide the 3% @ 50 retirement formula set forth at Government Code section 21632.2.
- B. The City shall pay the employee's 9% contribution to PERS for safety employees of employees covered by this resolution and will report the same percent (9) of compensation earnable pursuant to Section 20691 of the California Government Code.
- C. The nine percent (9%) paid by the City shall be considered as employer-paid member contributions (EPMC) in accordance with Government Code Section 20-023 20636 (c)(4).
- D. Safety employees hired on or after March 8, 2011 shall pay the 9% Employer Paid Member Contribution (EPMC)
 1. Section 4.2 (C) would no longer be applicable.
- E. In accordance with the provisions of the 2013 Public Employees Pension Reform Act (PEPRA), employees covered by this resolution hired on or after January 1, 2013 who do not qualify as "classic members" of PERS, shall be considered "new members" and shall be enrolled in the 2.7% at age 57 defined benefit formula with final compensation calculation period of three (3) consecutive years. Employees shall be responsible for fifty percent (50%) of the normal cost attributable to the applicable retirement formula.

- F. City's contract with PERS includes the increase in Non-Industrial Disability Retirement Allowance in accordance with Government Code 21427.
- G. The City is under contract with PERS to provide level 4 coverage under the 1959 Survivor's Benefit for local fire members pursuant to Government Code section 21574.

SECTION 4.3 UNIFORMS

- A. A safety employee who fails to comply with established departmental uniform requirements shall be subject to disciplinary action.
- B. The City will supply all safety equipment as required by OSHA. This includes Workrite pants and shirts for safety employees. The City will continue to exchange worn and tattered Nomex Workrite shirt and pants so that work uniforms are serviceable at all times.
- C. All safety employees shall be required to purchase and maintain a dress uniform as outlined in accordance with the Department's Standard Operating Guide – Uniform Policy.

SECTION 4.4 DEFERRED COMPENSATION PLANS

- A. Deferred Compensation Program: Employees covered under this resolution will be eligible to participate in a 457 Plan and a 401a Plan. Rules of these plans are contained in applicable Law as well as the City's Plan documents on file with the City Treasurer.
 - 1. Retiring or separating employees:
 - a. Upon satisfying the provisions of the PORAC Retiree Medical Trust, retiring or separating employees may elect to defer remaining accrual balances to their 457 Plan account up to the limits allowed by law.
 - 2. Active employees:
 - a. Any hours above 800 of sick leave and above 880 of vacation leave as of November 15, shall be automatically deferred to the 401 (a) plan on the first pay period in December. If an employee does not participate in the 401 (a) plan, this amount will be cashed out. If the employee wishes to defer this amount to their 457 plan, the employee must submit a deferral request to the Finance department no later than November 15.
- B. Employees who have completed 11 years of service shall receive a City contribution of \$63.23 per pay period into a 401a Plan. However, if the employee irrevocably elects not to participate in the 401a Plan at the onset of the plan, the \$63.23 will go into the 457 Plan. All new safety employees who were hired after June 30, 2001 are participants in the 401a Plan, and may not opt out of the plan.
- C. If State, Federal, or PERS guidelines are changed regarding the employer's contribution to the deferred compensation program, the \$63.23 per pay period shall revert to additional health money or a mutually acceptable benefit.

SECTION 4.5 MEDICAL EXAMINATIONS

City-administered medical examinations will be made available every two years for safety employees over 40 years of age, and every four years for safety employees who are under 40 years of age.

In addition, the following medical tests shall be added to this section:

- PSA blood test for employees over 40 (male)
 - In addition to accessing this test through one's personal and/or City doctor, this is also available through the Santa Ana College Fitness Assessment Center.
- Mammograms for employees over 40 (female)
- Deductible/co-pay up to \$250 for colonoscopy exam for employees over 40
- Hemoglobin A1C test for employees over 30 with strong family history of diabetes.
- OSHA required exams. California Code Regulations, Title 8 CCR §5144(e) Respiratory Protection

The timing for these exams is based on the recommendations of the City doctor or one's personal doctor and the frequency usually increases after 50 years of age. The City does not receive any results of these medical examinations.

SECTION 4.6 INDUSTRIAL DISABILITY RETIREMENT

- A. Employees hired prior to January 1, 2014 are covered under the California Public Employees Retirement System (CALPERS) for the 50% to 90% maximum industrial disability retirement.
- B. Employees hired after January 1, 2014 are covered under the California Public Employees Retirement System (CALPERS) for the 50% maximum industrial disability retirement.

ARTICLE 5 - BENEFITS RELATED TO TIME

SECTION 5.1 VACATION

- A. Employees shall earn vacation as follows:
 - 1. Commencing with employment at the rate of 10 hours for each month of service.
 - 2. Commencing with the first day of the fourth year of total service, at the rate of 12 hours per month of service.
 - 3. Commencing with the first day of the sixth year of total service, at the rate of 14 hours per month of service.
 - 4. Commencing with the first day of the eighth year of total service, at the rate of 16 hours per month of service.
 - 5. Commencing with the first day of the ninth year of total service, at the rate of 18 hours per month of service.
 - 6. Commencing with the first day of the eleventh year of total service, at the rate of 24 hours per month of service.

B. Employee Usage of Vacation

No vacation shall be taken until completion of first year of service without the approval of the Fire Chief or designee.

C. Cash Down

Accruals will be cashed down/deferred at the employee's base hourly rate plus longevity in Section 2.1. Employees must give the City 28 days prior notice by completing a "Request for Pay in Lieu of Vacation" form. There are two options:

1. An employee may elect to cash out accrued vacation in excess of 56 hours at 100% his/her hourly rate as defined in this Section.
2. An employee may elect to contribute accrued vacation in excess of 56 hours to his/her 457 plan at 100% his/her hourly rate as defined in this Section. These contributions can be made either on a pre-tax or Roth basis.

D. Vacation Eligibility

Vacation shall be earned only while an employee is receiving compensation from or through the City and shall be prorated if an employee is on an unpaid leave of absence. Vacation shall be used on a time for time basis, for leave with pay for regularly scheduled work hours regardless of compensation rate.

- E. If, on November 15 of any year, an employee's vacation accrual is above 880 hours, the employee shall be cashed down to 836 hours at the straight time rate. This will be done during the first pay period of December each year.

F. Effect of Separation

Retiring or separating employees must comply with the provision of the PORAC Retiree Medical Trust (Appendix C).

1. For a retiring or separating employee, any vacation accrual balance plus additional accruals that would have been earned if utilized (calculated using the formula in Appendix D), shall be added to the employee's base hourly rate plus longevity in Section 2.1.

G. Effect of Holidays

When authorized holidays occur during a vacation period, employees covered by this resolution shall be compensated, therefore, at the regular holiday rate.

SECTION 5.2 SICK LEAVE

A. Accrual of Sick Leave

1. Nine hours for each calendar month of service for all employees.
 - a. In the event of a catastrophic leave, employees may borrow up to 72 hours of sick leave. This loan shall be repaid as the employee earns sick leave and shall accrue after repayment of sick leave to a maximum of 800 hours total accrued sick leave.
 - b. For employees in the 401a plan: Any hours of sick leave which would have been granted but unused over 800 hours shall automatically be converted into the 401(a) Plan as adopted by the City Council in the plan document entitled "Defined 401(a) Contribution Plan." Thereafter, the mandatory cash down will occur on the first pay period of December each year. Cash down shall be at 100%.

Employees may only defer into the 401(a) Plan those amounts up to the maximum permitted by law.

For those employees who do not to participate in the 401(a) Plan any cash down can go into a 457 Plan or to cash.

B. Sick Leave

An employee shall be granted sick leave for the following reasons:

1. Personal illness or injury
Medical or dental appointments including preventative care. Employees are encouraged to schedule medical and dental examinations of a non-urgent nature outside of normal working hours. Appointments scheduled during normal working hours constitute sick leave, provided that the employee gives advance notice in accordance with departmental rules and regulations.

Forced quarantine of the employee is in accordance with community health regulations.
2. Family illness or injury:
Illness, injury or medical appointment of a member of the employee's immediate family which requires that employee's presence. Immediate family for the purpose of this section is defined as spouse, registered domestic partner, mother, mother-in-law, father, father-in-law, sister, brother, child or guardian, stepfather, stepmother, stepchildren, grandparents or grandchildren.
3. When the above criteria are met, sick leave accrual shall be used when the increment required for any day exceeds half of the scheduled workday. Increments equal to or shorter than that do not require use of accrual in a given workday.
4. Retirement Early Notification Incentive Program
An employee may use sick leave in accordance with the Retirement Early Notification Incentive Program requirements.

C. Notification of Sick Leave

1. To receive compensation while absent on sick leave, the employee shall notify the Fire Chief and or the Deputy Fire Chief in the manner provided in department Administrative manual.
2. When absence is for more than three consecutive working days or two 24 hour shifts, the employee shall furnish any proof of sickness reasonably required by the City Manager or department head.

D. Family Sick Leave and Bereavement Leave

1. In the case of serious illness or death of a member of the immediate family, the employee, upon proper notice, may take up to three consecutive work days of sick leave.

2. If a death in the immediate family occurs out of state, the employee upon proper notice, may take up to five consecutive working days for 40 hour personnel, and three 24 hour shifts for suppression personnel of sick leave.
3. Immediate family for the purpose of this Section shall be defined as spouse, mother, mother-in-law, father, father-in-law, sister, brother, child or guardian, stepfather, stepmother, stepchildren, grandparents or grandchildren.
4. Such time shall be deducted from the existing sick leave of the employee.

E. Return from Sick Leave

Upon return from sick leave, an employee may be required by the department to report for examination by the City medical examiner to determine fitness for duty.

F. Conversion of Sick Leave

Accruals will be cashed down/deferred at the employee's base hourly rate plus longevity in Section 2.1. Employees must give the City 28 days prior notice by completing a "Election of Cash-Out/Deferral of Earned Sick Leave" form. There are two options:

- a. An employee may elect to cash out accrued sick in excess of 240 hours at 100% his/her hourly rate as defined in this Section.
- b. An employee may elect to contribute accrued sick in excess of 240 hours to his/her 457 plan at 100% his/her hourly rate as defined in this Section. These contributions can be made either on a pre-tax or Roth basis.

G. Effect of Separation

At time of separation or retirement, an employee covered by this resolution must comply with the provision of the PORAC Retiree Medical Trust (Appendix C).

1. Upon separation and after 1 year of service, each hour of accumulated sick leave, plus any hours that would have been granted if the accruals had been utilized each pay period (calculated using the formula in Appendix D), shall equal 32% x employee's base hourly rate plus longevity in Section 2.1.
2. Upon separation and after 10 years of service, each hour of accumulated sick leave, plus any hours that would have been granted if the accruals had been utilized each pay period (calculated using the formula in Appendix D), shall equal 57% x employee's base hourly rate plus longevity in Section 2.1.
3. Upon retirement and after 10 years of service, each hour of accumulated sick leave, plus any hours that would have been granted if the accruals had been utilized each pay period (calculated using the formula in Appendix D), shall equal 100% x employee's base hourly rate plus longevity in Section 2.1.

Upon the death of an employee covered by this resolution, regardless of years of service, accumulated sick leave, plus any hours that would have been granted if the accruals had been utilized each pay period (calculated using the formula in Appendix D), shall be converted to cash and shall be paid to the employee's beneficiary at 100% of employee's base hourly rate plus longevity in Section 2.1.

Employees covered by this resolution may participate in a catastrophic leave program as described in Appendix A.

SECTION 5.3 INDUSTRIAL INJURY LEAVE

- A. In the event that an employee sustains an injury or illness out of and occurring in the course of the employment with the City, the employee shall be entitled to those compensations prescribed by State law and all items of compensation specified in this resolution.
- B. Employees on industrial accident leave shall remain under the direction of the City while recuperating from an industrial illness or injury and shall demonstrate concern and cooperation in facilitating a timely recovery.
- C. Employees shall follow medical direction and advice rendered and shall remain readily available for further direction and/or consultation regarding their treatment and industrial accident claims. Lengthy absences from home for other than prescribed treatment must be previously authorized by the Fire Chief or designee. Such absences shall be granted only when the Fire Chief or designee believes that the activity will not perceivably deter recovery or otherwise aggravate the injury or illness under treatment.
- D. A failure to adhere to the rules governing industrial accident leaves may result in disciplinary action against the employee.
- E. The City and Fire Safety Management jointly indicate their concern for the proper use of industrial accident leave. Management has the responsibility to seek lateral transfer of an injured employee where appropriate and to process involuntary disability retirement where necessary.
- F. No Federal or State taxes shall be deducted from Safety employees' pay checks when an employee is on industrial accident leave (this shall be subject to modification if required by future IRS rulings).

SECTION 5.4 JURY DUTY

Any employee covered by this resolution who is duly summoned to attend any court, during the time regularly required for the office or employment, for the purpose of jury service, shall be entitled, while so engaged and actually serving, to the regular compensation, provided that employee deposits the jury service fees other than for mileage reimbursement pursuant to the provisions of Administrative Rules, provided, however, that such shall be allowed to an employee only for the minimum time required by law. The employee shall be credited for the regular work schedule.

SECTION 5.5 LEAVES OF ABSENCE

- A. Request:
An employee may file a request for leave upon a form supplied by the City. Such a request must be filed before the beginning of the requested leave. Such leave may be for medical, military or personal reasons.
- B. Authorization:
 - 1. The Fire Chief or designee may authorize such a request for up to five working days.
 - 2. A request for more than five working days for suppression personnel shall be subject to the recommendation of the Fire Chief or designee and the approval of the City Manager.

3. No leave or combination of leaves, paid or unpaid, related to a single injury or illness shall be granted for more than a total of 12 months.
4. An employee must have completed six months of permanent employment before being eligible for consideration of a medical leave of absence of more than 30 days.

C. Refusal of Leave

The department head or the City Manager may refuse leave of absence request if such a leave is contrary to the good of the City. A leave of absence for medical evidence shall not be unreasonably denied except where there is no probability of return to work by the employee; or where the employee has exhausted the maximum leave of absence. Where the leave is refused, the employee must return to work or be terminated. The burden of medical evidence shall be upon the employee.

D. Medical Examination at Termination of Leave:

Prior to the expiration of any leave of absence, the City Manager may determine, by evidence of medical examination or other reasonable evidence, if the employee is mentally and physically able to perform the duties of the position from which the leave was granted. If the City Manager has determined that the employee is unable to return to work, the employee will not be returned to work but shall have the right to submit the matter through the Civil Service Commission to review the reasonableness of such findings.

E. Holding Position Open:

Upon expiration date of a leave of absence duly granted in accordance with the provisions of this Section, an employee shall be returned to the same position or class of position as occupied when the leave of absence was granted.

F. Military Leave:

A leave of absence for military employment shall be granted to any employee as required by the laws of the United States or the State of California. An employee covered by this resolution who leaves or has left the City services to enter the active service of the Armed Forces of the United States, and who subsequently is reinstated to a position previously held by him, shall be entitled upon completion of the following conditions to receive the rate of compensation at the step, including longevity, to which employee would have been entitled had the service with the City not been interrupted by such Federal Service.

1. Employee makes a written application to the City as provided by Federal law following release from active military employment;
2. Employee furnishes the City for its inspection, a certificate of honorable or general discharge with the Armed Forces; and
3. Employee establishes to the reasonable satisfaction of the City that the employee is qualified to perform the duties of such position.

G. "50% Medical Leave"

A full-time employee on medical leave may request the use of 50% medical leave. During 50% medical leave, an employee will use his/her sick leave and/or vacation at one-half of the normal rate.

During this period of time, health insurance will continue only if the City was paying for the benefit prior to the "50% medical leave" request. In addition, the City will pay the employers contribution to PERS based on 50% of the salary rate. Finally, the employee will continue to accrue department seniority while on this program.

SECTION 5.6 ADMINISTRATIVE LEAVE

Employees covered by this resolution shall receive 64 hours of administrative leave per fiscal year. This leave may not be cashed out and is non-accruable.

ARTICLE 6 - WORKING CONDITIONS

SECTION 6.1 HOURS OF WORK

- A. Employee compensation shall be fixed according to the responsibilities to be fulfilled and shall not be based on a fixed number of hours per week, nor shall it be affected by variations in work schedules. All employees covered by this agreement shall carry department-issued mobile phones at all times (both on and off duty) for purposes of communication and recall in case of emergencies. Carrying of department-issued mobile phones while on vacation is optional.

ARTICLE 7 - CONDITIONS OF EMPLOYMENT

SECTION 7.1 REQUIREMENTS AS TO CONTINUITY OF SERVICE

"Service requirements for advancement within salary ranges for vacation, longevity pay and deferred compensation shall be based on the anniversary date of the required years of continuous service as a regular employee of the City of Torrance or total service as a regular employee with the Torrance Fire Department, whichever provides the longer term of service."

- A. Authorized leaves of absence without pay of less than 15 calendar days and leaves with pay shall not interrupt continuous service nor be deducted from total service.
- B. Authorized leaves of absence without pay in excess of 14 calendar days, except for extended military leave, shall be deducted in computing total service but shall not serve to interrupt continuous service.
- C. Any unauthorized leave in excess of three working days or shifts in any calendar month shall be deducted from total service and may, at the discretion of the City Manager, interrupt continuity of service and may be grounds for disciplinary action. (Any time not worked during such unauthorized leave shall automatically be docked and not paid.)

SECTION 7.2 FITNESS FOR DUTY

Management reserves the right to send employees for a fitness for duty evaluation. Where the City's doctor finds an employee unfit to perform his or her regular duties, Management shall explore available options, including but not limited to, rehabilitation, reassignment and/or retirement.

SECTION 7.3 NO SMOKING REQUIREMENT

Safety employees hired after July 2, 1989, shall be restricted from smoking both on duty and off duty. This restriction shall be maintained throughout the employee's tenure with the Torrance Fire Department as condition of employment.

SECTION 7.4 EMERGENCY MEDICAL TECHNICIAN I

All employees shall maintain a State of California EMT-1 certificate. If the EMT-1 certification is lost, within six months of loss, the employee will have to become recertified. The City will provide appropriate in-house training and will continue an on-going in-house training program for re-certification of EMT-1.

An employee who does not certify as an EMT-1 may choose to complete the American Red Cross Advanced First Aid training class. This shall be done within six months of decertifying as an EMT-1. Completion of the American Red Cross Advanced First Aid training class shall not be considered compensable work time, and all expenses associated with completion of the class shall be borne by the employee.

SECTION 7.5 NONDISCRIMINATION, EQUAL OPPORTUNITY, AND SEXUAL HARASSMENT

- A. The City and Fire Safety Management support the concept of equal employment opportunity.
- B. Neither the City nor Fire Safety Management shall discriminate on the basis of age, sex, gender, marital status, disability, medical condition, race, color, national origin, religion, sexual orientation, union affiliation, or political affiliation, and any other protected classification subsequently recognized by the law.

The City and Fire Safety Management agree that they will work to ensure a working environment free of discriminatory harassment.

SECTION 7.6 OUTSIDE EMPLOYMENT

Employees with an industrial injury shall report outside employment to the Risk Management Division, as required by law.

SECTION 7.7 PROBATIONARY PERIOD

For all classifications covered by this resolution, there shall be a one year probationary period for original and promotional appointments. An employee who is rejected from probation after being promoted is entitled to his/her previous position. An employee's probationary period shall be extended if the employee is absent from the performance of his/her normally assigned duties in excess of ten (10) cumulative working days during his/her probationary period for any leave of absence (except approved vacation), including, but not limited to, industrial injury, extended illness/injury, or light duty. The probationary period will be extended by the amount of time equal to the time absent.

ARTICLE 8 - DUES

SECTION 8.1 DUES


Employees covered by this resolution are authorized to use payroll deductions for collecting employee organization dues pursuant to appropriate Finance Department procedures.

SECTION III SEVERABILITY


If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Resolution. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

INTRODUCED, APPROVED, and ADOPTED this 10th day of September, 2024.

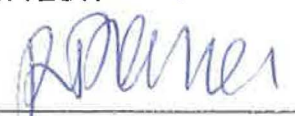
APPROVED AS TO FORM:
Patrick Q. Sullivan, City Attorney



Tatia Y. Strader, Assistant City Attorney



Mayor George K. Chen
ATTEST:



Rebecca Poirier, MMC, City Clerk


TORRANCE CITY COUNCIL RESOLUTION NO. 2024-68

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF TORRANCE)

I, Rebecca Poirier, City Clerk of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Torrance at a regular meeting of said Council held on the 10th day of September, 2024 by the following vote:

AYES: COUNCILMEMBERS Gerson, Lewis, Kaji, Kalani, Mattucci, Sheikh, and Mayor Chen.
NOES: COUNCILMEMBERS None.
ABSTAIN: COUNCILMEMBERS None.
ABSENT: COUNCILMEMBERS None.

Date: 9/20/24



Rebecca Poirier, MMC
City Clerk of the City of Torrance

**APPENDIX A
CATASTROPHIC LEAVE PROGRAM
(REVISED)**

Purpose

The purpose of this Catastrophic Leave Program is to allow employees to assist another employee during times of personal crisis when serious illness or injury has incapacitated him/her or a family member and the employee is therefore unable to work. It can also be used for employees who suffer catastrophic illness or injury who must undergo intermittent medical treatment such as chemotherapy. This program is solely for employees whose accrued leave balances have been exhausted.

Policy

The Catastrophic Leave Program allows an employee to transfer eligible leave hours (vacation, sick leave, compensatory time and/or administrative leave) to another employee when a catastrophic illness or injury occurs. A catastrophic illness or injury is defined as a serious health condition which substantially incapacitates an employee or qualifying family member, or which forces the employee or family member to undergo ongoing or lengthy substantial medical treatment. The illness or injury further creates a financial hardship because the employee has or will exhaust all leave time. For the purpose of the Catastrophic Leave Program, qualifying family member shall mean an employee's parents, stepparents, spouse, children, stepchildren, and registered domestic partner.

An employee will not be eligible for catastrophic leave until he/she has exhausted all leave time, including sick leave, vacation, compensatory time and administrative leave.

Donated hours may be used under the following situations:

- To cover the elimination period before short-term and/or long-term disability benefits begin
- To supplement short-term and/or long-term disability benefits
- To cover the time used on unpaid Family Leave

Procedures / Guidelines for Using Catastrophic Leave

1. Leave of Absence paperwork¹ must be submitted to the Human Resources Department. It should include the nature of the illness and the dates the employee expects to be absent. The leave must be approved by the Department Head and the Human Resources Director.
2. Verification of illness or injury of the employee or qualifying family member must be provided in writing by the treating physician on the City provided forms.
3. The employee or representative makes a request for catastrophic leave donations to the employee's department. The City Manager's Office is then notified and advertises the donation request via e-mail.
4. The period of absence will be determined by the written verification of the employee's or family member's physician and will not be based on the number of hours donated.
5. Employees who are approved for the Catastrophic Leave Program due to a qualifying family member's catastrophic illness/injury may use donated time for a maximum of 12 weeks during a rolling one-year period, as is allowed by the Family and Medical Leave Act.

¹ Leave of Absence Paperwork consists of: "Request for Leave of Absence" form and either a "UNUM" form (for personal illness) or a "Family Medical Certification" form (for family illness).

6. Employees must exhaust all accrued leave hours (vacation, sick leave, etc.) prior to using any donated hours.
7. Employees will not accrue vacation, sick leave, or service time while using donated hours.
8. Donated hours may not be converted to cash (“cashed down”).
9. The catastrophic leave bank will be closed and no further donations will be accepted under the following conditions:
 - The ill/injured employee returns to work full time, or
 - The 12 weeks of Family Leave have been exhausted, or
 - The ongoing, intermittent treatment program has been completed.In these cases, any unused donated balances will be returned to the respective donating employees.
10. Any subsequent illness after the close of the bank will require a new request and approval.

Procedures / Guidelines for Donating Hours

1. Employees who wish to donate eligible leave hours must complete a Catastrophic Leave Bank Transfer Authorization form.
2. Donation of Catastrophic Leave hours are made on a voluntary basis.
3. All donated time must be in increments of one hour or more.
4. Donation of leave hours, once used, are irrevocable and become part of the receiving employee’s leave bank.
5. Employees with less than 40 hours of sick leave may not donate sick leave hours. This provision may be waived by the City Manager if a donating employee has given notice of terminating employment with the City and there is a current qualified Catastrophic Leave Bank recipient.

Confidentiality

To protect the confidentiality of the program, the names of individuals who donate will not be released. The exact amount of hours donated will be provided to the receiving employee upon request for the purpose of computing the length of time to be covered by the catastrophic leave bank.

**APPENDIX B
FIRE FIGHTERS' BILL
OF RIGHTS**

The City agrees to apply government code section 3253 (excluding Section 3253 (e)(1)) during events not involving the performance of his or her official duties except that the sanctions for violations imposed by government code section 3260 shall not apply.

Nothing in this resolution is intended to limit and/or reduce those rights afforded by the Firefighters' Bill of Rights. This resolution is intended to establish rights which at a minimum comply with the Act or provide rights in addition to the Act. Rights provided by that Act shall take precedence in the event that anything in this resolution provides lesser protection than the rights guaranteed by the Act.

The following appeals procedures are adopted by the parties pursuant to Government Code § 3254.5 of the Firefighters Procedural Bill of Rights Act and are intended to supplement the Policy of the Civil Service Commission Procedural Rules for Disciplinary Hearings.

1. Definitions

- a. The term "firefighter" means an employee who is considered a firefighter under Government Code § 3251(a) as well as any firefighter who is a peace officer pursuant to Penal Code § 830.37.

The classifications of employees in this unit who are firefighters are as follows:
firefighter, fire engineer, senior fire inspector, and fire captain,

- b. The term "punitive action" means any action defined by Government Code § 3251(c), i.e., "any action that may lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment."

2. Appeals Procedures – A firefighter who is subjected to punitive action (other than a written reprimand) shall be entitled to an appeal hearing before the Civil Service Commission which shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code.

- a. Notice of Discipline as Accusation- The final notice of discipline which may be issued at the conclusion of any pre-disciplinary procedures shall serve as the Accusation as described in Government Code §§ 11500, et seq.

- i. Pursuant to Government Code section 3254, subsection (f), the discipline shall not be effective sooner than 48 hours of issuance of the final notice of discipline.

- ii. The notice shall be prepared and served in conformity with the requirements of Government Code §§11500, et seq. A copy of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code shall be provided to the firefighter concurrently with the notice of discipline.

- b. Administrative Law Judge - Pursuant to Government Code § 11512, the City has determined that appeals shall continue to be heard by the Civil Service Commission with an administrative law judge presiding at the hearing, pursuant to Government Code § 11512(b). The administrative law judge shall rule on the admission and exclusion of evidence and advise the Civil Service Commission on matters of law. The Civil Service Commission shall exercise all other powers relating to the conduct of the hearing.
- c. Time and Place of Hearing- Pursuant to Government Code § 11508, unless otherwise decided by the Civil Service Commission, a hearing shall be conducted at City Hall at a time to be determined by the Civil Service Commission.
- d. Notice of the Hearing- Notice of the hearing shall be provided to the parties pursuant to Government Code § 11509.
- e. The burdens of proof and production of evidence shall be borne by the employer. The standard of proof shall be by a preponderance of the evidence.
- f. The Civil Service Commission shall issue its decision pursuant to Torrance Municipal Code Section 14.47.12. The decision of the Civil Service Commission shall be in writing. Copies of the decision shall be delivered to the parties personally or sent to them by first class mail and accompanied by a proof of service.
- g. Unless the decision of the Civil Service Commission is timely appealed to the City Council pursuant to Torrance Municipal Code section 14.47.14, the decision of the Civil Service Commission shall be final.

3. Appeals Procedures – For Written Reprimands

This procedure shall apply only to written reprimands for which firefighters do not receive an appeal hearing pursuant to subdivision 2 of this procedure above. The Civil Service Commission has no jurisdiction over an appeal pursuant to this section. Nothing herein shall be interpreted to establish a property interest in any assignment.

- a. Appeal to the Fire Chief or his/her Designee
 - i. A firefighter who receives a written reprimand shall be entitled to appeal the action to the Fire Chief prior to the effective date of the written reprimand. The appeal is an opportunity for the firefighter to present written material and arguments why a punitive action should not occur or offer alternatives to the action.
 - ii. Notice of Appeal: Within seven (7) calendar days of receipt by a firefighter of notification of a written reprimand, the firefighter shall notify the Fire Chief in writing that he/she intends to appeal the written reprimand. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

- iii. The Fire Chief or his/her designee shall act as Reviewer of the appeal. If the Fire Chief or designee cannot act as the Reviewer because of actual bias, prejudice or interest as defined by Government Code §11425.40, then the City Manager or his/her designee shall act as the Reviewer of the appeal. The Reviewer shall have five (5) calendar days from receipt of the request to schedule the review of appeal. The review shall take place within thirty (30) calendar days of the date the firefighter was notified about the written reprimand.
- iv. During the review of the appeal the parties may present written materials and oral statements but are not entitled to confront and cross examine witnesses. The Reviewer shall make a determination based on the reasonableness of the reprimand under the totality of the circumstances.
- v. Representation: The firefighter may be represented by the representative of his or her choice.

**APPENDIX C
PORAC RETIREE MEDICAL TRUST**

**AGREEMENT BETWEEN THE CITY OF TORRANCE
AND
FIRE SAFETY MANAGEMENT**

WHEREAS, the Fire Safety Management ("FSM") wishes to enter into a Joinder Agreement with the PORAC Retiree Medical Trust ("Trust") in order that members entering FSM from the Torrance Firefighters Association (TFFA) may remain active participants in the Medical Expense Reimbursement Plan of the PORAC Retiree Medical Trust ("Plan"); and

WHEREAS, pursuant to the Joinder Agreement between the FSM and the Trust, each employee who is a member of the FSM who has an active plan will make the following pre-tax contributions to the Trust:

1. A mandatory, pre-tax employee contribution of \$150 per month; and
2. A mandatory employee contribution equal to 100% of the balance of the employee's unpaid accrued sick leave as of the date of his or her separation from service; and
3. A mandatory employee contribution equal to 25% of the balance of the employee's unpaid accrued vacation pay as of the date of his or her separation from service.

NOW, THEREFORE, the City of Torrance ("City") and FSM on behalf of itself and its members hereby enter into the following agreement, which is part of the resolution between the City and FSM:

1. FSM hereby acknowledges and agrees that the FSM has made the decision to sign a Joinder Agreement with the Trust and that this decision has been made independently of the City. The City makes no representations or warranties regarding the Plan or Trust or the ability or willingness of the Plan or Trust to make payments or provide benefits to or on behalf of the members of the TFFA, their dependents, or their beneficiaries now or in the future;
2. FSM further acknowledges and agrees that the City has made no representations or warranties regarding and has no involvement in the design, governance, administration, operation, or financing, of the Plan or the Trust and that the City makes no representations or warranties regarding the taxation of contributions to the Trust, the taxation of benefits paid under the terms of the Plan, or the compliance of the Plan and Trust with any state or federal tax laws;
3. The City and FSM agree that the City shall withhold the mandatory employee contributions set forth above from the pay of individual employees who are members of FSM and remit those contributions to the Trust for the duration of the resolution. Those contributions shall be remitted monthly (in one aggregate check) to the plan administrator, accompanied by a list of contributing employees. Notwithstanding the foregoing, if the Joinder Agreement between FSM and the Trust is terminated before the expiration of the resolution, the City's obligation to withhold mandatory employee contributions shall end on the date that the Joinder Agreement is terminated;

4. The City and FSM agree that FSM has the right, subject to approval of its members according to the TFFA's internal rules, to prospectively modify the amount of the mandatory employee monthly contribution 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 covered by this agreement. FSM must notify the City in writing by June 15 of each year of any change to the above monthly contribution amount and percentage of leave contributions, with such change to become effective on or after the first pay period in July of the applicable year.
5. The City and the FSM agree that the employee contributions are mandatory deductions from the employee's wages for payments to a health and welfare fund pursuant to a Collective Bargaining Agreement in accordance with California Labor Code § 224. Members who promote out of or transfer out of FSM will not be able to contribute to the PORAC Retiree Medical Trust, unless the employee is covered by a Collective Bargaining Agreement or resolution which requires contributions to the PORAC Retiree Medical Trust. Any contributions that were made on behalf of such employee will remain in the PORAC Trust and may only be distributed in accordance with the terms and conditions of the Medical Expense Reimbursement Plan of the PORAC Retiree Medical Trust.
6. The City and FSM agree that the City has no obligation to contribute any additional monies to the Plan or Trust, that the City will not pay any administrative or other costs associated with the operation of the Plan or Trust; and that the City will not pay any medical benefits associated with the contributions to, the operation of, or the ability or inability of the Plan and Trust to pay benefits;
7. FSM agrees that FSM will indemnify, defend and hold harmless the City, its employees and agents (collectively, the "Indemnified Parties") from and against any liabilities and expenses, to a maximum total expenditure of \$10,000 for defense and indemnification, including all costs, taxes, claims for benefits, attorneys' fees, fines, damages and judgments, in connection with the participation of FSM and its members in the Plan and Trust or in connection with the provision of benefits to members or former members of FSM.
8. The City and FSM agree that mandatory monthly employee contributions to the PORAC Retiree Medical Trust shall be treated as salary for purposes of pension (PERS) calculations to the extent permitted by PERS.

This agreement contains the parties' entire agreement and supersedes any prior oral or written agreements between the parties with respect to the participation of FSM members in the Plan and Trust. There are no representations, agreements, arrangements, or understandings (oral or written) between FSM and the City relating to the participation of FSM members in the Plan and Trust which are not fully expressed in this agreement.

APPENDIX D
Accrual Cash Out Formula

When an employee separates from the City, the below calculation shall be completed for sick leave and vacation leave accruals independently.

Sick Leave

The below formula needs to be applied to both the balance of sick and vacation to determine the total number of sick hours owed upon separation/retirement.

Calculation: $\text{Accrual Balance} / (1 - (\text{biweekly accrual rate})/80)$

Example: Employee is a 26 year employee and receives 9 hours per month, which translates to 4.15 per pay period.

Calculation of sick leave accrual earned on vacation accrual balance

1. 500 hours of vacation / $(1 - (4.15/80))$
2. 27.36 hours of sick earned when utilizing vacation accrual

Calculation of sick leave accrual earned on sick accrual balance

1. 400 hours of sick / $(1 - (4.15/80))$
2. 21.89 hours of sick earned when utilizing sick accrual

Calculation of vacation leave balance

1. Original 400 hours of sick leave balance
2. Plus 21.89.24 hours earned in calculation above
3. Plus 27.36 hours earned in calculation above
4. Total balance of hours owed: 449.25

Vacation Leave

The below formula needs to be applied to both the balance of sick and vacation to determine the total number of vacation hours owed upon separation/retirement.

Calculation: $\text{Accrual Balance} / (1 - (\text{biweekly accrual rate})/80)$

Example: Employee is a 26 year employee and falls in the highest tier of vacation accruals. The rate is 24 hours per month, which translates to 11.15 per pay period.

Calculation of vacation leave accrual earned on vacation accrual balance

1. 500 hours of vacation / $(1 - (11.15/80))$
2. 80.97 hours of vacation earned when utilizing vacation accrual

Calculation of vacation leave accrual earned on sick accrual balance

1. 400 hours of sick / $(1 - (11.15/80))$
2. 64.78 hours of vacation earned when utilizing sick accrual

Calculation of vacation leave balance

1. Original 500 hours of vacation leave balance
2. Plus 80.97 hours earned in calculation above
3. Plus 64.78 hours earned in calculation above
4. Total balance of hours owed: 645.75