

MEMORANDUM OF UNDERSTANDING
Scotts Valley Fire Protection District
and
Confidential Employees
July 1, 2021 – June 30, 2025

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Confidential Employees
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Article I. PREAMBLE

This Memorandum of Understanding (MOU) is entered into by and between the Scotts Valley Fire Protection **District**, hereinafter referred to as **District**, and the **Administrative Services Manager and Administrative Accounting Specialist** of the **District**, hereinafter referred to as **Confidential Employees**. The purpose of which is to establish a compensation and benefits package for the **Confidential Employees**.

Article II. PREVAILING RIGHTS

The **District** agrees that all rights, privileges, and working conditions enjoyed by the **Confidential Employees** at the present time, which are not included in this agreement, shall remain in full force, unchanged and unaffected in any manner, during the term of this Agreement unless changed by mutual consent.

The parties agree, that upon request by either party, to meet and confer on matters not in writing which may have been considered “rights” and which either party wishes, during the term of the Memorandum of Understanding, to modify.

Article III. RESERVATION OF MANAGEMENT RIGHTS

The parties acknowledge that it is the exclusive right of the **District** to: generally govern the work of the **District** and conduct of its employees; to determine the mission of the **District**; to determine the procedures and standards of selection for employment and promotion of employees; to direct its employees; to assign work to employees in accordance with the requirements determined by the **District**; to establish work schedules; to determine the content of job classifications; to hire, promote or lay off employees for lack of work or funds; to suspend, discipline and discharge employees for proper cause; to expand or diminish services; to determine the methods, means and personnel by which **District** operations are to be conducted; and to establish, publish and modify **District** policies, regulations and standard operating procedures.

Article IV. HOURS OF WORK AND UNIFORMS

Section 4.01 Assignment

The **Confidential Employees** shall work full-time at 40 hours per week or a prorated amount of full-time as scheduled by the Fire Chief. The regular scheduled hours will be used to calculate the prorated amount of a 40-hour workweek for salary and all benefits.

Section 4.02 Overtime

The **Confidential Employees** shall be compensated at the rate of 1.5 times the regular rate of pay for all hours worked in excess of forty (40) in the workweek. For payroll purposes, the workweek begins at 12:01 on Saturday and ends at 12:00 midnight on Friday.

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Section 4.03 Compensatory Time Off

The **Confidential Employees** may be eligible to receive compensatory time off (CTO) in lieu of cash overtime. Any request to receive CTO in lieu of cash must be approved in advance by the Fire Chief. CTO hours accrue at the rate of 1.5 hours of CTO for each hour of overtime worked.

The maximum allowable hours that may be contained in a CTO bank is 50 hours. Any overtime hours worked that would increase the **Confidential Employees'** CTO bank beyond the 50 hour maximum will be paid out at 1.5 times the regular rate of pay.

Prior to receiving a step increase or salary increases, **Confidential Employees** will be paid for all hours in their CTO bank at their regular rate of pay.

Section 4.04 Call Back

Confidential Employees who are called-back to work by the **District** after having completed a regular schedule or who are called in to work by the **District** on a scheduled day off will be paid for all hours worked in connection with that call back, subject to a two-hour minimum. Unless otherwise provided by law, the **Confidential Employees'** hours worked will begin upon arrival at the **District** offices to perform work.

Section 4.05 Uniforms

The **District** will provide the **Confidential Employees** with all **District** required uniform elements and equipment as directed by the Fire Chief.

The **District** will also provide uniform and equipment replacements, and provide for uniform maintenance as needed, as determined by the **District**.

The **District** will report, for CalPERS Classic Members, the monetary value of the required uniform elements and equipment, uniform and equipment replacements, and uniform maintenance as special compensation on a quarterly basis not to exceed \$1,200 annually.

All issued uniform items are the property of the **District** and will be returned to the **District** or paid for by the **Confidential Employees** upon employee separation from the **District**.

Article V. COMPENSATION

Section 5.01 Salaries

Effective the pay period inclusive of July 1, the base salary schedule for the classification of **Confidential Employees**, shall be as follows:

| Start Date | 7/1/2021 | 7/1/2022 | 7/1/2023 | 7/1/2024 |
|---|-------------|-------------|-------------|-------------|
| Position | 7% Increase | 7% Increase | 4% Increase | 4% Increase |
| Administrative Accounting Specialist A | \$4,979.78 | \$5,328.36 | \$5,541.50 | \$5,763.16 |
| Administrative Accounting Specialist B | \$5,228.31 | \$5,594.29 | \$5,818.06 | \$6,050.78 |
| Administrative Accounting Specialist C | \$5,489.81 | \$5,874.10 | \$6,109.06 | \$6,353.43 |

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| Start Date | 7/1/2021 | 7/1/2022 | 7/1/2023 | 7/1/2024 |
|-----------------------------------|-------------|-------------|-------------|-------------|
| Position | 7% Increase | 7% Increase | 4% Increase | 4% Increase |
| Administrative Services Manager A | \$6,314.79 | \$6,756.82 | \$7,027.09 | \$7,308.18 |
| Administrative Services Manager B | \$6,630.86 | \$7,095.03 | \$7,378.83 | \$7,673.98 |
| Administrative Services Manager C | \$6,961.62 | \$7,448.94 | \$7,746.89 | \$8,056.77 |

Section 5.02 Step Increases

All **Confidential Employees** step increases in salary are merit steps and shall be executed on the pay period following the annual anniversary date, according to the salary schedule and approved by the Fire Chief. Newly hired **Confidential Employees** shall start at Step A of the salary schedule based on the position.

Section 5.03 Education Incentive

Confidential Employees who have a degree from an accredited university in a related field as approved by the Fire Chief, shall receive a monthly amount as follows (the sum will be spread over 26 pay periods and paid out bi-weekly):

| Degree | Monthly Amount |
|-------------------|----------------|
| Bachelor's Degree | \$200.00 |
| Associates Degree | \$150.00 |

Article VI. LEAVES

Section 6.01 Holidays

The **District** agrees to grant the **Confidential Employees** twelve (12) paid holidays each calendar year based on scheduled hours, as indicated by **Table 1**.

Table 1

| | |
|--|-------------------------------|
| New Years Day (January 1) | Veteran's Day (November 11) |
| Martin Luther King Day (3rd Monday of January) | Thanksgiving Day |
| President's Day (3rd Monday of February) | Friday Following Thanksgiving |
| Memorial Day (last Monday in May) | Christmas Eve (December 24) |
| Independence Day (July 4) | Christmas Day (December 25) |
| Labor Day (1st Monday in Sep) | New Years Eve (December 31) |

Note: Holidays falling on a Saturday will be observed the preceding Friday and holidays falling on a Sunday will be observed on the following Monday.

Section 6.02 Personal Leave

The **District** agrees to grant the **Confidential Employees** use of paid personal leave, as follows.

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(a) Hours

Confidential Employees shall be eligible for twenty-four (24) personal leave hours per calendar year.

Personal leave hours shall be taken off in one-hour increments. Personal leave hours may be used on any normal workday of the calendar year. Any use of Personal Leave shall be subject to approval of the Fire Chief.

(b) Expiration

Personal leave hours shall not accumulate. Un-used personal leave hours shall be cashed out, at the **Confidential Employees'** regular rate of pay, at the close of each calendar year or upon separation from employment.

Section 6.03 Vacation

Vacation is a leave of absence with pay granted to **Confidential Employees** while employed by the **District**. Vacation leave shall be granted based on the number of hours accrued by **Confidential Employees**, subject to the following:

(a) Accrual

Vacation accrual rates shall be as indicated by **Table 2**. Vacation shall stop accruing when the specified maximum accrual has been reached. Vacation accruals shall resume at the specified rate when accrued hours drop below the maximum value.

Table 2

| Years of continuous service (inclusive)* | Vacation Accrual Rate (hours / 2-wk pay period) | Wks/Yr | Maximum Accrual (hrs) |
|--|---|--------|-----------------------|
| 0-5 | 4.62 | 3 | 200 |
| >5-10 | 6.15 | 4 | 300 |
| +10 | 7.69 | 5 | 400 |

*complete years, as calculated from date of hire

(b) Approval

- (i) **Confidential Employees** are eligible to take whatever vacation hours they have on the books, plus vacation hours earned through the end of the month preceding vacation.
- (ii) **Confidential Employees** may make a written request to the Fire Chief to take vacation hours not yet accrued. In the event the **Confidential Employees** resigns or is terminated prior to the **Confidential Employees** earning the vacation hours taken, the **District** will reconcile the unearned vacation on the final paycheck at the **Confidential Employees'** final rate of pay.
- (iii) Newly hired **Confidential Employees** may not take vacation leave until completion of at least six (6) months of service. Thereafter, vacation is subject to approval of the Fire Chief.

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Section 6.04 Sick Leave

Sick leave is hereby defined to mean the absence from duty of **Confidential Employees** because of illness, injury, or exposure to a contagious disease, not otherwise designated as, or qualifying for worker's compensation benefit.

(a) Accrual

The **District** shall provide 7.91 hours of sick leave (without loss of pay) for each two-week period. Sick Leave may accrue without limit.

(b) Buyback

Confidential Employees who complete five (5) years paid service with the **District** shall become eligible to receive payment for a portion of their unused sick leave beginning with accruals for the sixth (6) year. Each year, on or after the January 1st following the calendar year of accrual, eligible **Confidential Employees** shall be paid for 10% of their sick leave hours accrued during the portion of the year they were eligible, subject to the following conditions:

- (i) To be eligible for buyback, the **Confidential Employees** shall have used no more than ninety-six (96) hours of sick leave during the calendar year, and shall be in paid status or on leave of absence on the last day of the year.
- (ii) The compensation rate used shall be double (two times) the **Confidential Employees'** hourly rate, exclusive of overtime pay, received during the year of accrual.
- (iii) All such payments shall be made within thirty-one (31) days of the last day of each year.
- (iv) After deductions of hours paid, the remaining sick leave balances shall be accumulated to the credit of **Confidential Employees** and carried forward into subsequent years. This balance shall be available for the use of **Confidential Employees** in the event of injury/illness; however, any balances remaining at separation shall be applied to PERS Section 20965 (Unused Sick Leave Credit).

Section 6.05 Bereavement

Leave with pay shall be granted to **Confidential Employees** in order that they may discharge the customary obligations arising from the death of a member of their immediate family. Immediate family shall mean a **Confidential Employees'** child, adopted or stepchild, spouse, registered domestic partner, father, mother, stepparents, grandparents, grandchildren, brother, sister, or any of the above related to the spouse or domestic partner. For **Confidential Employees**, five (5) days of leave will be granted and shall be charged against sick leave balance. However, it may be used in non-consecutive days. Additional leave with or without pay may be granted with the approval of the Fire Chief and charged to the **Confidential Employees'** leave banks if available. Use of sick leave balance for bereavement shall not count against the 96-hour maximum use provision of **Section 6.04(b)** "Sick Leave Buy Back"

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Article VII. BENEFITS

Section 7.01 Healthcare

The **District** agrees to provide medical, dental, and life insurance to the **Confidential Employees**. Medical, dental and life insurance premiums paid by the **District**.

(a) Medical Insurance

- (i) The **District** has elected to contract with the Public Employees' Retirement System (PERS) to provide medical insurance coverage through the Public Employees' Medical and Hospital Care Act (PEMHCA) medical plans to active employees and retirees.
- (ii) As required by PEMHCA, the **District** shall pay directly to PERS the monthly Minimum Employer Contribution (MEC) towards the PEMHCA medical plan insurance premium for active **Confidential Employees** and retirees who elect to enroll in a PEMHCA medical plan.
- (iii) The **District** agrees to pay PERS an amount of money on behalf of the active **Confidential Employees** and their eligible dependents when combined with the MEC, shall be the equivalent to one hundred percent (100%), reduced to (97%) beginning January 2016, of the monthly premium cost of the Bay Area PERS Choice PPO plan as the maximum allowable premium amount.
- (iv) **Confidential Employees** shall have the ability to choose any health plan up to the maximum allowable premium amount.
- (v) If **Confidential Employees** choose a plan that exceeds the cost of the Bay Area PERS Choice PPO plan, they shall pay the additional premium through payroll deduction.

(b) Dental Insurance

- (i) The **District** agrees to provide the **Confidential Employees** dental insurance as provided by Delta Dental or other provider, as selected by the **District**.
- (ii) The **District** agrees to pay 100% of the **Confidential Employees** and their eligible dependents' premium consistent with Delta Dental.

(c) Life Insurance

The **District** agrees to pay the full cost of a \$55,000 term life insurance policy for the **Confidential Employees**. The carrier shall be as selected by the **District**.

(d) Post Employment Health

The **District** agrees to provide continuing medical insurance for retiring **Confidential Employees** hired or promoted *after* July 1, 2021 as follows:

- (i) Upon retirement, the **District** shall continue to contribute the MEC (Minimum Employee Contribution) established by the PEMHCA to those individuals who are determined to be "Annuitants" of the **District** as defined under the PEMHCA. The Annuitant may participate in the then current **District**-sponsored health care plan in accordance with any restrictions

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provided by CalPERS. Any premium balance remaining for the plan selected by the Annuitant shall be funded by the Annuitant.

- (ii) **Confidential Employees** with 10 or more years of **District** service and is determined to be an “Annuitant” of the **District** as that term is defined by the PEMHCA, the **District** will provide that Annuitant with a monthly supplemental contribution towards CalPERS health insurance benefits. The amount of any supplemental contribution will be equal to the premium cost for annuitant only coverage, less any MEC paid by the **District**, except that the total of any MEC and supplemental contribution provided by the **District** shall not exceed \$1,000 a month.
- (iii) **Confidential Employees** enrolled in a **District** retirement plan at the time of retirement, and otherwise meets the criteria to be eligible to receive a monthly supplemental contribution towards health insurance benefits, then the **District’s** payment of any monthly supplemental contribution shall continue until the earlier of: (1) the month that includes date the Annuitant becomes eligible to participate in a Medicare plan; (2) the Annuitant’s receipt of the equivalent of ten (10) years’ worth of contributions; or (3) the Annuitant’s death. In no event will an Annuitant’s spouse, surviving spouse or surviving family member be eligible to receive any supplemental contribution payment.
- (iv) If upon service retirement or anytime during retirement, the Annuitant elects to cancel participation in a CalPERS health insurance plan, and enroll in another health plan, the **District** will continue to reimburse Annuitant 100% of the employee-only premium of the new health plan, up to the \$1,000 per month maximum contribution. The Annuitant must provide the **District** with proof of enrollment and premium cost annually, typically after open enrollment and/or prior to the start of the new calendar year.

The **District** will provide **Confidential Employees** hired *after January 1, 2008*, \$3,000 per year for Post Employment Healthcare. Payment will be made in an amount of \$115.38 per pay period ($\$3,000 \div 26$ pay periods per year).

- (i) It is the **Confidential Employees’** responsibility to direct the funds to their choice of investment options, including, but not limited to, the **District** sponsored deferred compensation program.
- (ii) Since this is a contribution to cover post-employment health benefits, the amount being contributed by the **District** will not be considered part of the **Confidential Employees’** base pay for purposes of calculating hourly rate, overtime or other related payroll calculations and will not be reportable to CalPERS as compensation.
- (iii) Upon retirement, the **District** shall continue to contribute the MEC established by the PEMHCA. The retiree may participate in the then current **District**-sponsored health care plan, but the intent is for the benefit to be funded by the retiree utilizing the previously established reimbursement fund.

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The **District** agrees to provide continuing medical, dental, and life insurance for retiring **Confidential Employees** hired *before January 1, 2008* as follows:

- (i) At all times coverage provided shall be in accordance with coverage offered to current Confidential Employees. This benefit shall terminate when the retiree becomes eligible for Medicare.
- (ii) Upon honorable retirement and the completion of a minimum of ten (10) years of service to this **District**, the **District** will pay a pro-rated percentage of the medical, dental and life insurance premium for the **Confidential Employees** only.
- (iii) Initial percentage at completion of ten (10) years of service shall be twenty-five (25%) percent of the premium.
- (iv) After the initial ten (10) year minimum service requirement, the **District** shall increase, by five percent (5%) per year, the contribution rate, for each continuous year of service prior to honorable retirement.
- (v) Maximum **District** contribution shall be one hundred percent (100%) which would be reached upon twenty-five (25) years of paid service by the **Confidential Employees**.
- (vi) The percent of benefit based on the calculation above when, combined with the MEC, shall be equivalent to the percent of the monthly premium as determined at retirement.
- (vii) At such time when a retiree becomes eligible for Medicare, **District** sponsored medical, dental and life insurance will be terminated, unless the **Confidential Employees** elect to pay the associated premiums for said coverage. The **District** shall continue to contribute the MEC established by the PEMHCA.

Section 7.02 Public Employees Retirement system (CalPERS)

(a) Classic Employee

The Retirement Program provided by the **District** shall be through the California Public Employees' Retirement System.

The **Confidential Employees** position is classified as a local, miscellaneous member, in accordance with Section 20383 of said Retirement Law and is provided benefits under Section 21354 of the California Government Code, 2% at age 55 Full for Local Miscellaneous Members.

The following additional provisions of the Public Employees' Retirement Law shall apply:

- Section 20042 (One-year final compensation).
- Section 20965 (Unused sick leave credit - 8 hours = 1 day).
- Section 21574.5 (Indexed Level 1959 Survivor Benefits).

(b) Public Employment Pension Reform Act (PEPRA)

For **Confidential Employees** hired 1/1/2013 or later and who are NOT a member of the California Public Employees Retirement System (CalPERS) or a reciprocal agency, or those

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who have been separated from a public agency which contracts with CalPERS or a reciprocal agency for six months or more, the retirement benefit shall be:

- 2 % at age 62; 3 year final compensation

The required **Confidential Employees** contribution rate as a percentage of payroll shall be:

- At least 50% of the normal cost of the retirement benefit as calculated by CalPERS.

Article VIII. SAVINGS CLAUSE

If any article or Section of this Memorandum of Understanding should be found invalid, unlawful or unenforceable due to any existing or subsequent enacted legislation or by judicial authority, all remaining Articles and Sections of this Memorandum of Understanding shall remain in full force and effect for the duration of the MOU. In the event of invalidation of any Article or Section, the **District** and the **Confidential Employees** agree to meet within 30 calendar days of such invalidation for the sole purpose of meeting and conferring upon said Article or Section.

This MOU constitutes a full and complete agreement between the parties on all matters within the scope of representation.

Article IX. GRIEVANCE PROCEDURE

Scotts Valley Fire Protection **District** Policy 901 dated March 23, 1998 is hereby referenced as the grievance procedure for grievances of disciplinary action. Scotts Valley Fire Protection **District** Policy 902 dated June 9, 1999 is hereby referenced as the grievance procedure for all other grievances.

Article X. TERM OF AGREEMENT

The term of this Memorandum of Understanding is from July 1, 2021 to and inclusive of June 30, 2025. Negotiations for a successor Memorandum of Understanding shall begin at the request of either party between January and June of 2025. This MOU shall remain in effect until a new MOU is mutually agreed upon or the impasse process has been completed.

Article XI. MODIFICATIONS TO MOU


Any proposed modifications to this Memorandum of Understanding shall be subject to meet and confer for resolution.

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SIGNATURES


The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the **Confidential Employees**, have freely exchanged information, opinions and proposals and have reached agreement on all matters relating to the employment conditions and employer-employee relations covering such **Confidential Employees**.

This MOU shall be presented to the Scotts Valley Fire Protection **District** Board of Directors, as the governing board of the **District**, as the joint recommendations of the undersigned for salary and **Confidential Employees** benefit adjustments for the period commencing July 1, 2021 and ending June 30, 2025.




Joe Parker
Board Negotiator
Scotts Valley
Fire Protection **District**

7/1/21
Date




Megan Bridges
Administrative Accounting Specialist
Scotts Valley
Fire Protection **District**

7/15/2021
Date




Edward Harmon
Board Negotiator
Scotts Valley
Fire Protection **District**

8/11/21
Date



Michelle Mayfield
Administrative Accounting Specialist
Scotts Valley
Fire Protection **District**

7/14/2021
Date



Alicia Walton
Administrative Services Manager
Scotts Valley
Fire Protection **District**

7/14/2021
Date