



## **STAFF REPORT**

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### **Resolution Approving Memorandum of Understanding Between the City of Belmont and AFSCME LOCAL 829, AFL-CIO**

Honorable Mayor and Council Members

#### **Summary**

Staff recommends that the City Council adopt the attached resolution approving the Memorandum of Understanding between the City of Belmont and AFSCME LOCAL 829, AFL-CIO. The Memorandum of Understanding is for a one-year term from July 1, 2004 through June 30, 2005.

#### **Background and Discussion**

The current Memorandum of Understanding (MOU) with AFSCME LOCAL 829, AFL-CIO (AFSCME) expired on June 30, 2004. Over the past several months, the City Negotiators (Lee Finney, IEDA, Dan Rich, Assistant City Manager, and Deirdre Dolan, Human Resources Director) and representatives of AFSCME (Kathleen Beebe, AFSCME Business Agent, and Office Assistant II Barbara Ebel, Senior Parks Maintenance Worker Daniel Ourtiague, Senior Maintenance Worker Rick Locke, and Code Enforcement Officer Kirk Buckman) have met and conferred in good faith regarding changes to the 2001-2004 MOU between AFSCME and the City of Belmont. In light of the difficult budget situation, both sides ultimately agreed that a simple one-year contract was best. The attached Settlement Summary lists the changes that have been agreed upon by the City and AFSCME. Changes made were primarily non-controversial contract language updates. The AFSCME membership voted 25 to 3 on June 29, 2004 to ratify the changes to the contract. The new contract is effective for a one-year term, from July 1, 2004 through June 30, 2005, and is attached as Exhibit A. Deletions are shown as strikeout and new language is underlined.

#### **Fiscal Impact**

The agreement includes no salary increases or other new cost items. The costs of maintaining the current contract terms for economic items (e.g. increase in medical plan contribution effective January 1, 2005) are within the approved 2004-2005 budget and no additional allocations are required.

**Recommendation**

Staff recommends that the City Council adopt the attached Resolution Approving the Memorandum of Understanding Between the City of Belmont and AFSCME LOCAL 829, AFL-CIO.

**Attachments**

1. Settlement Summary of 2004 Negotiations with AFSCME
2. Resolution (with Exhibit A, MOU between the City of Belmont and AFSCME)

Respectfully submitted,

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Deirdre C. Dolan  
Human Resources Director

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Jere A. Kersnar  
City Manager

**CITY OF BELMONT**  
**SETTLEMENT SUMMARY**  
*AFSCME*  
 July 13, 2004

(Please see attached pages for strikeout/underline version of contract language changes)

Section	Agreement
3	<b>No Discrimination.</b> Revise non-discrimination language consistent with current law
5.6	<b>Pay Period.</b> Change from semi-monthly pay period schedule to bi-weekly as soon as possible and require direct deposit or pay card for check distribution.
13.2	<b>Work Performed on a Holiday.</b> Clarify language regarding how holiday overtime is paid.
15	<b>Sick Leave.</b> Restructure sick leave section(s) for clarity; change days to hours; move family sick leave provisions to sick leave section for clarity; increase family sick leave time to 48 hours to comply with law; change authority from City Manager to supervisor.
16	<b>Leaves of Absence.</b> Restructure sections for clarity; change days to hours; update consistent with current law.
17	<b>Hospital and Medical Care Benefits.</b> Remove references to outdated \$16 per month PERS contribution.
17.8	<b>Retirement.</b> Update language to reflect current plan (e.g., remove old dates)
17.9	<b>Retiree Health Benefits.</b> Update language to reflect current benefits (eliminate reference to \$16, old dates, etc.)
17.10	<b>Deferred Compensation.</b> Eliminate references to old dates.
21.5	<b>Educational Reimbursement.</b> Update language to reference Personnel Rules.
Other	<b>Term.</b> One year; 7/1/04 – 6/30/05
Side Letter	<p><b>Layoff Procedures.</b> Agreement to meet and confer to revise the current Section 8 Layoffs for clarity and consistency.</p> <p><b>Performance Evaluations.</b> Agreement to participate on a labor/management task force to review and revise the performance evaluation system, including the potential development of a city-wide performance bonus system.</p>

**CITY OF BELMONT**  
**SETTLEMENT SUMMARY**  
*AFSCME CONTRACT LANGUAGE CHANGES*  
July 13, 2004

**Section 3. No Discrimination**

~~There shall be no discrimination because of race, creed, color, national origin, sex, sexual orientation, age, physical or mental disability, marital status, medical condition, religion, political activity, or legitimate union activities against any employee or applicant for employment by the Union or by the City; and to the extent prohibited by applicable state and federal law, there shall be no discrimination because of age. There shall be no discrimination against any handicapped person solely because of such handicap unless that handicap prevents the person from meeting the minimum standards established.~~

**Section 5. Salary Plan**

5.1 Salaries

Salary ranges for represented classifications shall be set forth in Appendix "A," which is attached hereto and made a part hereof.

- ~~• Effective 07/01/01 all classifications will receive an increase of 6.0% as per Attachment A.~~
- ~~• Effective 07/01/01 certain classifications will receive equity adjustments of up to one-half of the equity amount in excess of 6.0% as per Attachment A. If the total equity amount in excess of 6% is 2% or less, the full equity amount will be paid.~~
- ~~• Effective 01/01/02 certain classifications will receive the remaining one-half of the equity amount in excess of 6.0% as per Attachment A.~~
- ~~• Effective 07/01/02 all classifications will receive an increase equal to the San Francisco/Oakland/San Jose April 2001 to April 2002 All Urban Consumers Consumer Price Index, with a minimum of 3.0% and a maximum of 6.0%.~~
- ~~• Effective 07/01/03 all classifications will receive an increase equal to the San Francisco/Oakland/San Jose April 2002 to April 2003 All Urban Consumers Consumer Price Index, with a minimum of 3.0% and a maximum of 6.0%.~~

5.6 Pay Period

Employees shall be paid semi-monthly. As soon as practicable, the City will convert to a bi-weekly payroll system. All paychecks will be delivered through either direct deposit or a City pay card system.

**Section 13. Holidays**

13.2 Work Performed on a Holiday

Any regular

full-time employee who is required to work on any of the holidays specified in

~~Section 13.1 shall be paid one and one-half (1-1/2) times the employee's regular straight time rate of pay for all hours actually worked on such holiday and shall be granted equivalent compensatory time off for the holiday at some other time during the fiscal year to be determined by the department head. as follows:~~

If an employee works on a holiday that falls on a regularly scheduled work day, such employee shall receive 8 hours of holiday pay, plus one and one-half (1.5) times the employee's regular straight time pay rate for all hours actually worked on the holiday, and one (1.0) times compensatory time off for all hours actually worked on the holiday, for a total of 2.5 times all hours actually worked on the holiday. For example, if an employee works 3 hours on a holiday that falls on a regularly scheduled work day, the employee will receive 8 hours of holiday pay, plus 3 hours of time and one-half pay, plus 3 hours of straight time compensatory time.

If an employee works on a holiday that falls on a regular day off, such employee shall receive 8 hours of holiday credit, plus plus one and one-half (1.5) times the employee's regular straight time pay rate for all hours actually worked on the holiday, and one (1.0) times compensatory time off for all hours actually worked on the holiday, for a total of 2.5 times all hours actually worked on the holiday. For example, if an employee works 3 hours on a holiday that falls on a regular day off, the employee will receive 8 hours of holiday credit, plus 3 hours of time and one-half pay, plus 3 hours of straight time compensatory time.

## **Section 15. Sick Leave**

### **15.1 Accrual and Usage**

Sick leave, with pay, shall be granted to all full-time regular and probationary employees. Sick leave shall not be considered as a right which an employee may use at his/her discretion, but shall be allowed only in case of necessity and actual personal or family sickness or disability. In order to receive compensation while absent on sick leave, the employee shall notify the employee's immediate supervisor ~~or the City Manager~~ prior to the time set for beginning the employee's daily duties. An employee taking sick leave may be required to file a physician's certificate or personal affidavit with the ~~City Manager~~ Supervisor or Department Head stating the cause of the absence.

For purposes of computing sick leave, one (1) day shall be considered as eight (8) working hours. In the event that one or more City holidays falls within a period of an employee's illness on sick leave, such holiday shall not be charged against the employee's sick leave balance. Sick leave shall be earned at the rate of one (1) day of each calendar month of service.

A maximum of forty-eight (48) hours of accumulated sick leave may be taken each calendar year in case an employee's presence is required elsewhere because of sickness or disability affecting the employee's immediate family. The immediate family shall consist of the spouse, children, parents, brothers, sisters, domestic

partner or dependents of the employee.

15.2 Accumulation

Unused sick leave shall be accumulated to a total of not more than one hundred eighty (180) days. An employee who is off on sick leave shall be entitled to accumulate earned sick leave while using the employee's previously earned sick leave. An employee who is on leave without pay shall not accumulate sick leave credits.

15.4 Pay for Unused Sick Leave Upon Separation from City Service

Upon separation, the City shall compensate employees for accumulated sick leave at the rate of twenty-five percent (25%) of days accumulated for employees with at least six (6) but less than twenty (20) years of service with the City and at the rate of thirty-five percent (35%) days accumulated for employees with twenty (20) or more years of service with the City. In either case payment will be made up to a maximum of one hundred ~~twenty (120)~~ eighty (180) accumulated days at the percentage herein specified. This provision shall not apply when an employee is discharged.

Upon retirement or death, the City shall compensate employees for accumulated sick leave at the rate of twenty-five percent (25%) of days accumulated for employees with at least five (5) years but less than ten (10) years of service with the City, and at the rate of fifty percent (50%) for employees with ten (10) or more years of service with the City. In either case payment will be made up to a maximum of one hundred ~~twenty (120)~~ eighty (180) accumulated days at the percentages herein specified. For purposes of this Section, retirement will be defined as receiving a PERS retirement benefit.

**Section 16. Other Leaves**

16.1 Bereavement and Family Illness Leave

A maximum of five (5) days of accumulated sick leave may be taken each calendar year in case an employee's presence is required elsewhere because of ~~sickness, disability or~~ death affecting the employee's immediate family. The immediate family shall consist of the spouse, domestic partner (as defined in Section 17.11), children, parents, brothers, sisters or dependents of the employee. The Department Head may grant such leave because of ~~sickness, disability or~~ death of a member of the employee's household and not a member of the immediate family when the Department Head deems it appropriate to do so. In addition, up to five (5) days of compensatory time or vacation may be used, with prior management approval, to extend leave provided above.

16.2 Industrial Disability Leave of Absence

Any regular full-time employee of the City who has suffered a disability caused by illness or injury arising out of and in the course of the employee's employment, as defined by the Workers' Compensation laws of the State of California, shall be entitled to disability leave while so disabled without loss of compensation for the period of such disability to a maximum of ~~ten (10) days~~ eighty (80) hours.

During the period the employee is paid by the City, the employee shall endorse to the City any benefit payments received as a result of Workers' Compensation insurance coverage. The City reserves the right to withhold payment of any

disability benefits until such time as it is determined whether or not the illness or injury is covered by Workers' Compensation.

The benefits of sick leave and disability leave shall be mutually exclusive and no sick leave benefits may be used for the purposes specified under this Section 16.2.

If the employee's disability caused by illness or injury arising out of and in the course of the employee's employment extends beyond the ~~ten (10) days~~ eighty (80) hours described above, the employee may integrate the employee's unused sick leave, vacation leave, and compensatory time-off accruals with the Workers' Compensation payments provided that the sum of the Workers' Compensation payments and paid leave does not exceed the employee's regular rate of pay for said period.

Industrial disability leave may not exceed twelve (12) months and ten (10) days unless extended by the City Manager whose decision shall be final.

The City shall continue to pay the insurance premiums for the employee when an employee is on a leave of absence without pay as a result of an industrial disability in accordance with this Section.

### 16.3 Non-Industrial Disability Leave Without Pay

An employee who is disabled by reason of illness or injury which is not job-incurred may be granted a leave of absence without pay so long as such disability continues and is substantiated by a physician's statement. Such leave shall not exceed twelve (12) months and may be granted only after the employee has used all the employee's accrued sick leave. At the employee's option, accrued vacation and compensatory time off may be used during the period of such leave.

When such disability is by reason of pregnancy, childbirth or related medical conditions, as substantiated by a physician's statement, a leave of not less than six (6) weeks shall be granted. If such disability continues beyond that period, leave shall be granted to a maximum of four (4) months, at which time the disabled employee shall be subject to the provisions of paragraph 1 above. The total leave granted under this Section 16.23 shall not exceed twelve (12) months. Family and medical leave, including disability leave for pregnancy, childbirth or related medical condition shall be granted in accordance with applicable state and federal law.

The City shall continue to pay the insurance premiums for the employee when an employee is on a leave of absence without pay as a result of a non-industrial disability in accordance with this Section.

### 16.8 Seniority Rights, Salary Adjustments, and Payment of Insurance Premiums While On Leave of Absence

Seniority begins on date of hire. After successful completion of probation, seniority continues to accrue until termination. If termination is voluntary or if the employee is on an approved leave of absence, seniority will not accrue during the period of the leave or the voluntary termination. If the employee returns to employment within 12 months of taking leave or voluntary termination, seniority will resume accrual upon date of return.

Authorized leave of absence without pay which exceeds two (2) weeks for: (1) leave of absence for personal reasons, or (2) leave of absence for non-industrial illness or injury, or (3) leave of absence for industrial illness or injury shall not be included in determining salary adjustments. Authorized leave of absence without pay which exceeds thirty (30) calendar days for: (1) leave of absence for personal reasons, or (2) leave of absence for non-industrial illness or injury, or (3) leave of absence for industrial illness or injury shall not be included in determining seniority rights.

~~The City shall continue to pay the insurance premiums for the employee when an employee is on a leave of absence without pay as a result of an industrial or a non-industrial disability in accordance with Sections 16.2 and 16.3 above.~~

#### 16.10 Family Care Leave and Paid Family Leave (New Section)

The City will provide Family Care Leave in accordance with the Family Medical Leave Act (FMLA), California Family Rights Act (CFRA), and the Personnel Rules and Regulations. The City will provide Paid Family Leave, a component of State Disability Insurance (SDI), in accordance with state legislation.

### **Section 17. Health and Welfare Plans**

#### 17.1 Hospital and Medical Care Benefits

~~Effective January 1, 1996, upon the establishment of the Flexible Benefits Plan provided below, the City's contribution to provide hospital and medical care benefits for the individual employee and the employee's eligible dependents shall be sixteen dollars and no cents (\$16.00).~~

The City will participate in the Public Employees' Medical and Hospital Care Act medical plans, as administered by PERS, and make contributions as required by PEMCHA for active and retired employees.

#### 17.8 Retirement

~~The City shall contract with PERS to provide a retirement plan which includes the 2% at 55 formula for miscellaneous employees effective July 1, 1996. As soon as feasible following agreement with all miscellaneous employees, the City will amend its PERS contract to provide and the following optional benefits: Credit for Unused Sick Leave; Industrial Disability Retirement for Local Miscellaneous Members; and Fourth Level of 1959 Survivor Benefits.~~

#### 17.9 Retiree Health Benefits

A. Retirees with five (5) years of service.

~~An employee who retires in accordance with PERS regulations after five (5) years of continuous employment with the City of Belmont shall be entitled to sixteen dollars (\$16.00) per month for his or her hospital and medical care premiums.~~ eligible to participate in the PERS health care program. The City will contribute to PERS the required employer contribution for such health plan participation.

B. Retirees with ten (10) years of service.

An employee hired before July 1, 1985 who retires in accordance with PERS regulations after ten (10) years of continuous employment with the

City of Belmont shall be entitled to monthly reimbursement of the expenses he or she incurs for hospital and medical care premiums for his or her individual coverage only.

C. Retirees with twelve (12) years of service.

An employee hired after July 1, 1985 who retires in accordance with PERS regulations after twelve (12) years of continuous employment with the City of Belmont shall be entitled to monthly reimbursement of expenses he or she incurs for hospital and medical care premiums for his or her individual coverage only.

D. Retirees after July 2, 2001.

An employee who retires after ~~the effective date of this contract (July 1, 2001)~~ and who retires in accordance with (B) or (C) above shall be entitled to monthly reimbursement of hospital and medical care premiums up to a maximum of the amount paid by the City of Belmont for single employee coverage under the Kaiser health plan.

E. A retiree shall be entitled to participate in the City's dental plan at his or her own cost.

#### 17.10 Deferred Compensation

The City shall contribute monthly sums to each employee's account pursuant to the existing City of Belmont Deferred Compensation Plan as set forth in Appendix B.

~~Effective July 1, 1989, the City shall increase the contribution to the employees' Deferred Compensation Plan by five percent (5%) and all contribution amounts shall be rounded to the nearest dollar amount.~~

~~Effective July 1, 1989, the amount the City was contributing to SDI will be converted to the employee's Deferred Compensation Plan.~~

### **Section 21. Special Provisions**

#### 21.5 Educational Reimbursement

The City's educational reimbursement policy applies to employees covered by this Memorandum of Understanding who have completed the initial probationary period. The policy provides for reimbursement for the cost of tuition and textbooks for educational courses which are approved in advance by the employee's Department Head and the City Manager. The educational course must be related to the present or known future needs of the City, as well as the employee's employment with the City, and the employee must receive a passing grade of "C" or better if the course is graded, "pass" if the course is offered on a pass/fail basis, or other successful completion of the course in the City's judgment. The specifics of the City's educational reimbursement policy are outlined in a ~~March 15, 1982 memorandum entitled "Educational Expense Reimbursement."~~ the Personnel Rules and Regulations.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BELMONT APPROVING MEMORANDUM OF  
UNDERSTANDING BETWEEN THE CITY OF BELMONT  
AND AFSCME LOCAL 829, AFL-CIO.

WHEREAS, the City of Belmont and AFSCME local 829, AFL-CIO have been negotiating in good faith; and

WHEREAS, the parties have come to an agreement on the terms of a labor settlement; and

WHEREAS, the attached Memorandum of Understanding has been amended to reflect those mutual agreements for the period July 1, 2004 to June 30, 2005.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Belmont that the Memorandum of Understanding, attached hereto and made a part hereof, is approved effective July 1, 2004 and that the City Manager is authorized to sign same on behalf of the City.

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on July 13, 2004 by the following vote:

AYES, COUNCILMEMBERS: \_\_\_\_\_

NOES, COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN, COUNCILMEMBERS: \_\_\_\_\_

ABSENT, COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
CLERK of the City of Belmont

APPROVED:

\_\_\_\_\_  
MAYOR of the City of Belmont