

Memorandum of Understanding

Between

**Association of Ontario
Management Employees**

And

City of Ontario

July 1, 2025

through

June 30, 2026



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Article I. ADMINISTRATION

Section 1.01 Parties to the Agreement

This Memorandum of Understanding (hereinafter known as the Agreement) is made and entered into by and between the City of Ontario (hereinafter known as the City) and the Association of Ontario Management Employees (hereinafter known as the Association).

Section 1.02 Recognition

The City hereby formally recognizes the Association as the Representative for those regular employees employed by the City and defined in Rule I, Section 9 of the Personnel Rules and Regulations, in the following classifications:

Accounting Supervisor	Administrative Officer
Assistant City Engineer	Assistant Parks and Maintenance Director
Assistant Planning Director	Broadband Coordinator
Broadband Operations Manager	Building Manager
Business License Supervisor	City Auditor
Communications and Community Relations Manager	Community Improvement Supervisor
Community Information Supervisor	Community Life and Culture Officer
Construction Project Manager	Customer Service Supervisor
Deputy City Clerk/Records Manager	Deputy Fire Marshal
Economic Development Coordinator	Emergency Manager
EMS Nurse	Facilities Maintenance Superintendent
Fire Communications Manager	Fire Protection Analyst
Fleet Services Superintendent	Forensic Manager
Government Affairs Manager	Homeless Services Manager
Housing Manager	Integrated Waste Manager
Integrated Waste Superintendent	Internal Audit Manager
Investment and Treasury Officer	IT Manager
Library Services Manager	Municipal Services Manager
Museum, Arts and Culture Manager	Parks and Street Maintenance Manager
Parks and Streets Maintenance Superintendent	Performance and Optimization Manager
Permit Services Supervisor	Plan Check Engineer
Police Administrative Manager	Police Communications Manager
Police Records Manager	Principal Broadband Analyst
Principal Construction Project Manager	Principal Engineer
Principal IT Analyst	Principal Planner
Project Manager	Purchasing Manager
Purchasing Supervisor	Recreation/Community Services Manager
Revenue Manager	Senior Associate Civil Engineer
Senior Associate Engineer	Senior Economic Development Coordinator
Senior Financial Analyst	Senior Landscape Architect
Senior Legislative Analyst	Senior Management Analyst
Senior Network Engineer	Senior Plan Check Engineer
Senior Planner	Senior Project Coordinator
Senior Project Manager	Senior Public Safety Business Analyst
Supervising Building Inspector	Supervising Managing Curator

Supervising Plans Examiner	Supervising Public Works Inspector
Sustainability Program Manager	Traffic/Transportation Manager
Urban Forestry Superintendent	Utilities Engineering Manager
Utilities Operations Assistant Manager	Utilities Operations Manager
Utilities Project Manager	Wastewater Compliance Manager
Water Production Manager	Water Quality Programs Manager
Water Resources Manager	Water/Sewer Maintenance Manager

Section 1.03 City Personnel Rules

It is understood and agreed that there exists within the City certain personnel rules, policies, practices, and benefits, generally contained in the “City of Ontario Personnel Rules and Regulations,” and the “Employment Policies” in the City’s Online Policy Center which will continue in effect, except for those provisions modified by this Agreement, unless and until modified in accordance with state laws, orders, regulations, official instructions or policies. This section will conform within the scope of Meyers-Milias-Brown Act.

Section 1.04 Effect of Agreement

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity is set forth in this Agreement.

This Agreement supersedes all previous agreements, understandings, and prior practices related to matters included within this Agreement.

Section 1.05 Definitions

- A. Bargaining Unit - The employees defined in Section 1.02, Recognition.
- B. Calendar Year - The period of 12 consecutive months commencing on January 1st and ending on December 31st.
- C. Fiscal Year - The period of 12 consecutive months commencing on July 1st and ending on June 30th.
- D. Day - A calendar day, unless specified otherwise.
- E. Emergency - A circumstance requiring immediate action; a sudden, unexpected happening; an unforeseen occurrence or condition.
- F. Employee
 - 1. Regular Employee - An employee who is scheduled to work on a full-time basis and has completed the probationary period.
 - 2. Probationary Employee – A regular employee who has not completed the probationary period.
- G. Week - Seven consecutive days beginning on Sunday and going through Saturday.

- H. Working Day - A daily work period an employee is regularly scheduled to work each day. For example, an employee working a 5/8 schedule would have an eight-hour working day; an employee working a 9/80 schedule would have eight (8) nine-hour working days and one eight (8) hour working day every two (2) weeks; and an employee on a 4/10 work schedule would have a ten-hour working day.

Section 1.06 Management Rights

- A. There are no provisions in the Agreement that will be deemed to limit or curtail the City in any way in the exercise of the rights, powers, and authority which the City had prior to entering into this Agreement unless and only to the extent that the provisions of the Agreement specifically curtail or limit such rights, powers, and authority.
- B. The rights of the City include, but are not limited to:
1. The exclusive right to determine the mission of its constituent departments, commissions, and boards.
 2. Set standards of service.
 3. Determine the procedure and standards of selection for employment and promotion.
 4. Direct its employees.
 5. Relieve its employees from duty because of lack of work or for other legitimate reasons.
 6. Maintain efficiency of government operations.
 7. Determine the methods, means, and personnel by which government operations are to be conducted.
 8. Determine the content of job classifications.
 9. Take all necessary actions to carry out its mission in emergencies.
 10. Exercise complete control and discretion over its organization and the technology of performing its work.
 11. To discharge, suspend, demote, reprimand, and withhold salary increases and benefits, or otherwise discipline employees for cause.
 12. To establish reasonable employee performance standards including, but not limited to, quality and quantity standards, and to require compliance herewith.
- C. Where required by law, the City agrees, prior to implementation, to meet and confer with the Association over the impact of the exercise of a City right upon wages, hours, and other terms and conditions of employment of its members unless the impact consequences of the exercise of a management right upon the Association members is provided for in this Agreement, Personnel Rules and Regulations or Administrative Manual.

Section 1.07 Employee Rights

- A. The City will afford regular employees the procedural due process safeguards as set out in the published decisions of the California courts.
- B. An employee will have the right to representation by a representative of their choice when the employee reasonably anticipates that such a meeting is for the purpose of disciplining the employee, or is to obtain facts to support disciplinary action that is probable, or that is being seriously considered.

Article II. EMPLOYMENT PROVISIONS

Section 2.01 Probationary Period

A. Objective

The probationary period is to be regarded as an integral part of the testing procedures and shall be utilized for closely observing an employee's work and adjustment within the organization. During the probationary period, the City shall coach and provide direction to the employee to assess the employee's adaptability to the City's work environment and if they are fully qualified for employment in the classification.

B. Length

1. An original appointment is defined as an appointment of a new hire, rehire, or temporary/part-time employee being appointed to a regular position. All original appointments shall be subject to a probationary period of 12 months.
2. A promotional appointment is defined as the appointment of a current full-time employee who is promoted into another full-time position. Promotional appointments into the classifications of Fire Communications Manager, Police Communications Manager and Police Records Manager shall be subject to a probationary period of 12 months. All other promotional appointments for employees who have attained regular status in a prior classification shall be subject to a probationary period of 6 months. Promotional appointments for employees who have not attained regular status in a prior classification shall be subject to a probationary period of 12 months. Time served during a temporary promotion does not count toward the probationary period in the higher classification.
3. If a probationary employee is on leave for more than 30 consecutive calendar days during the probationary period, that employee's probationary period shall be extended by the duration of the employee's consecutive leave. The Department Head may also extend an employee's probation by up to a total of six (6) months upon written notice delivered to the employee prior to the completion of the employee's probationary period.

C. Probationary Release

During the probationary period, an employee may be terminated by the Department Head or Agency Head without cause and without the right of appeal. Notification shall be in writing to the employee and may be given without advance notice.

An employee who is released while serving a probationary period after promotion shall be returned to the employee's previous classification, provided the employee had regular status in that classification.

Section 2.02 Hours of Work

A. Work Schedules

The City reserves the right to schedule work as required in a manner most advantageous to the City and consistent with the public interest and the requirements of municipal employment.

The City agrees to meet with the unit representatives as required by the Meyers-Millias-Brown Act relative to any changes to regular work schedules.

Section 2.03 Transfers and Job Changes

- A. A transfer is the movement of an individual from one department to another while remaining in the same classification with similar duties and responsibilities. A transfer may be initiated at any time by the City Manager upon the recommendations of the Department Heads concerned, or to meet the service needs of the department. All transfers must be within comparable classes, and no employee will be transferred to a position for which the employee does not possess the minimum qualifications. A transfer will not be used to circumvent the regulations surrounding promotion, demotion, advancement, or reduction in pay. If the employee being transferred has attained regular status in the employee's classification, a new probationary period shall not be required. If a probationary employee is being transferred, the employee will be required to complete the probationary period based on the original end-of-probation date.
- B. A job change is an employee's voluntary movement into another classification at the same salary range or within 1%. A downward movement to a salary range within 1% will not be considered a demotion as defined in the Personnel Rules and Regulations. A job change may be affected at any time by the City Manager upon request of the employee and recommendations of the Department Heads concerned or to meet the needs of the City. An employee changing jobs must possess the minimum qualifications for the new classification. The probationary period requirement and return rights for job changes shall be the same as for promotions.

Section 2.04 Layoff Procedures

- A. The City Manager may layoff regular and probationary employees at any time for lack of work or other changes that have taken place. The City shall provide the Association with 30-day notice to begin employee impact discussions. The employee will be given two weeks' notice before such a layoff is to take place. The City shall meet and consult with the concerned employee organization on such matters as the timing of the layoff and the number and identity of the employee affected by the layoff during the two-week period prior to the layoff action.
- B. A demotion or transfer to another department with the City Managers' approval may be made to prevent a layoff provided the employee is qualified by education and/or experience and is capable of performing the duties of the classification.
- C. In the event of a layoff, those employees with the least service in the classification affected shall be laid off first and placed on a "Recall List" and shall be eligible for recall for one (1) year from the date of placement on the list; if a recall begins, the most senior employees laid off in the classifications required shall be recalled first. Strict application of seniority shall prevail unless exceptional circumstances occur of which the concerned employee organization shall be fully apprised in advance. The order of layoff shall be:
 - 1. Temporary employees in the affected classification shall be removed first.
 - 2. Probationary employees in the affected classification shall be removed next.
 - 3. Exceptional circumstances may include the desirability of maintaining a balanced department or work unit and maintaining employees in the classification, department, or section who have the ability to perform the work available.
- D. The employee scheduled to be laid off shall be entitled to displace to a position in a classification occupied by an incumbent with less overall City seniority (displacement

seniority) provided it is in a position in which the employee formerly held a regular appointment, and is qualified by education and/or experience, and is capable of performing the duties of the classification. The person scheduled for layoff shall displace the employee with the least displacement seniority. The employee displaced shall be considered as laid off for the same reason as the person who displaced the employee and shall in the same manner be eligible to displace to a position in a classification in which the employee formerly held a regular appointment, is qualified by education and/or experience, and is capable of performing the duties of the classification.

- E. Failure to return to work from layoff within 30 calendar days after notice to return by certified or registered mail to the employee at the employee's last known address on file with the Human Resources Department or by personal delivery shall constitute the employee's waiver to return to work and eliminates any future re-employment responsibilities placed on the City. The employee must notify the City regarding the employee's intent to return within seven (7) calendar days from notice to return.

Article III. CLASSIFICATIONS

Section 3.01 New Classifications

The City agrees to meet and confer with the Association representative on any new classification approved, which appropriately should be added to the unit covered by this Agreement.

Article IV. COMPENSATION

Section 4.01 Salary

- A. Effective July 13, 2025, employees within the unit will receive a 4% increase in base salary.
- B. To specifically address base salary compaction resulting from increases to subordinate classifications, in addition to the base salary increase above, the base salary for the following classifications will also increase by the percentage indicated below.

Building Manager	5.50%
Homeless Services Manager	2.20%
Housing Manager	2.20%
Investment and Treasury Officer	0.20%
IT Manager	0.60%
Municipal Services Manager	1.90%
Senior Financial Analyst	0.20%
Supervising Building Inspector	10.0%
Supervising Public Works Inspector	10.0%

- C. In the event the classifications subordinate to the Supervising Building Inspector receive greater than 12.5% in certification compensation, the City will reevaluate the base salary for this classification.

- D. Wages for the represented classifications shall be set forth in Appendix “A” attached to this Agreement.

Section 4.02 Compensation Survey and Compaction Analysis

Prior to initiating the meet and confer process for a new Agreement, as described in Section 10.05(B), the City will complete a survey of compensation for a representative sample of comparable classifications in the cities of Anaheim, Burbank, Corona, Fullerton, Glendale, Pasadena, Pomona, Rancho Cucamonga, Riverside, San Bernardino, and Santa Ana. This survey information shall be provided to the Association.

In addition to the study above, the City will conduct a compaction analysis. The compaction analysis will determine whether any subordinate employees are earning more than their supervisors when accounting for base pay and any skill or certification compensation. Skill or certification compensation shall be additional compensation specifically available to employees in the subordinate classification based on their possession of skills and/or a certification. Skill or certification compensation available to employees without regard to their classification will not be included.

Compaction will be determined by comparing the top step of the classification to the top step of highest paid subordinate classification (the classification of an employee for whom the unit employee prepares their employee performance evaluation). Only planned and confirmed increases during the duration of the agreement will be considered.

Section 4.03 Overtime/Compensatory Time

- A. Employees in this unit are exempt from overtime under the Fair Labor Standards Act (FLSA) due to the nature of their duties. Employees are expected to work the hours necessary to complete the requirements of their position. All pay, discipline and leave provisions will be administered consistent with FLSA requirements for exempt positions.
- B. In certain circumstances, the City Manager may authorize additional compensation or leave for substantial time required to meet emergency and/or storm responses, unusual scheduling required to meet the requirements of holiday coverage, attention to duties outside the normal work schedule and such other needs.
- C. Additional time worked during a workweek may be offset by adjustment in subsequent working hours the following week. This provision will be given first consideration prior to the implementation of any other form of compensatory adjustment.
- D. The earning and accrual of overtime and/or compensatory time requires the written approval of the City Manager.
- E. Compensatory time will not be provided for the following situations:
1. Regular meetings of the City Council or any City Commission requiring attendance. Such meetings are considered a part of the normal duties of the position.
 2. Attending professional association meetings or speaking engagements that are not required by the Department Head.
 3. Working time beyond the normal workday necessary for efficient and effective departmental operations or for the purpose of maintaining good public relations. Any

such time will be considered a part of the normal duties of the position.

- F. In all instances of compensatory time, management leave, and/or overtime, the first and foremost consideration in the administration of these policies will be the effective and efficient operation of the City Government and its respective departments as well as the specific departmental operations that may be affected.
- G. Overtime Compensation - Overtime for management personnel is defined as straight time compensation at the employee's regular hourly rate, except as provided for in Section 4.04(B).
- H. Compensatory Time - Compensatory time is defined as time off work provided to an employee in lieu of overtime pay and is time that may be accrued. Upon termination or retirement from the City, the employee will receive credit for any unused compensatory time that has been accrued.
- I. Application for Compensatory Time Leave
 - 1. Compensatory time should be applied for when a leave of extended duration is desired, such as an absence in excess of two (2) consecutive working days.
 - 2. All compensatory time will be recorded in the employee's comp time bank. The maximum amount of accrual is 240 hours.
 - 3. No compensatory time will be accrued in excess of 240 hours.

Section 4.04 Overtime/Compensatory Time for Direct Dispatching Services

- A. Employees in the classification of Fire Communications Manager, Police Communications Manager, and Police Records Manager are exempt from overtime under the FLSA due to the nature of their duties. Employees are expected to work the hours necessary to complete the requirements of their position. All pay, discipline, and leave provisions will be administered consistent with FLSA requirements for exempt positions.
- B. Although still considered to be FLSA exempt, employees in the classification of Fire Communications Manager, Police Communications Manager and Police Records Manager will be eligible to receive overtime compensation at the rate of one and one-half (1½) times the employees' regular rate of pay for time worked or deemed to have been worked in excess of 80 hours in a pay period only when providing direct dispatching services normally performed by Fire/Police Dispatch Supervisors or Fire/Police Senior Dispatchers and/or Dispatchers. Time deemed to have been worked for this provision shall include authorized absences for annual leave, holiday, retained sick, compensatory time, jury duty, bereavement, parental, personal, military, and paid disciplinary leaves. In calculating an employee's regular rate of pay for overtime purposes, only the employee's base rate of pay will be included. No allowances or other forms of compensation will be included in the calculation to determine the employee's regular rate. Fire Communications Manager, Police Communication Manager and Police Records Manager will work in such assignments only when a search for other alternative replacements has been exhausted. Such assignments and overtime authorization shall be subject to the pre-approval of the Police Administrative Officer and/or Police Administrative Director or Fire Administrative Director.
- C. Employees who work overtime in accordance with the provisions in Section 4.04(B) may earn compensatory time in lieu of overtime pay subject to the approval of the Police

Administrative Officer and/or Police Administrative Director or Fire Administrative Director. The earning and application of compensatory time shall be subject to the provisions listed in Section 4.03(H) and Section 4.03(I).

Section 4.05 Skills and Certifications

A. Bilingual Pay

1. Employees in positions designated by the Department Head which require communication skills in languages other than English who routinely and consistently perform bilingual translation as part of their regular duties, may receive bilingual differential pay. Such differential will apply regardless of the total time required per day for such translation. Bilingual pay will be \$100 per pay period. Employees in such positions must be certified as competent in translation skills by the Human Resources Department to be eligible for compensation.
2. Unit employees approved to receive bilingual pay may be required to translate at City Council meetings, at the discretion of the City Manager or designee. Employees assigned to provide translation at the City Council meetings shall be compensated \$50 per meeting.

B. Notary Pay

1. Specified clerical positions, which are determined to require notary duties and who obtain and maintain a notary public certificate from the State of California, shall receive additional compensation. Each full-time unit employee who meets the eligibility requirements and is designated by the applicable Department Head and Human Resources Department to receive notary pay, shall be compensated at the rate of \$25 per pay period.
2. Unit employees receiving notary pay shall also maintain their commission from the California Secretary of State. The City shall also pay for the cost of necessary stamps, journals, supplies, and fees associated with State and/or County requirements, as applicable.

Section 4.06 Merit Increases

A. City Personnel Rules – Salary Adjustments

Merit increases are administered in accordance with the City Personnel Rule XI, as repeated below.

1. Application of Rates

Employees occupying a position in the City service shall be paid at the rate established for their position. All original appointments shall be made at the minimum wage for the position, except when in the opinion of the City Manager circumstances warrant appointment at a higher step.

2. Anniversary Date

Each employee's anniversary date will coincide with the employee's appointment to a new position in a different classification. All employees will retain their current anniversary dates until appointed to a new classification provided, however, that no employee shall receive more than one (1) merit increase within any six (6) month period. Any employee

who is within 90 days of achieving a merit increase at the time of promotion shall be entitled to an increase for the promotion and an increase for the merit step. All future increases while in that classification shall be in accordance with Section 4.06(A)(3) below. The date of appointment shall be used to compute annual leave and retirement benefits.

The anniversary date of employees who take a leave of absence without pay for more than 60 continuous calendar days will be extended by the length of the absence from work over 60 days adjusted to the start of the nearest pay period.

3. Advancements

The advancement of an employee is not automatic, but the result of increased service value to the City. Service value shall be determined by recommendation of the Department Head, length of service, personal performance record, special training, and any other evidence that illustrates the desire of the employee to do a better job.

The five levels of advancement for each full-time and part-time position are granted according to the conditions outlined in Section 4.06(A)(1) and Section 4.06(A)(2) and the preceding paragraph. The merit increase effective date is the closest payroll period to the employee's anniversary date.

- Step 1 - Entrance Level
- Step 2 - After six months service
- Step 3 - After one year at Step 2
- Step 4 - After one year at Step 3
- Step 5 - After one year at Step 4

4. Salary on Promotion

An employee who is promoted shall be assigned to the lowest step of the new salary range which allows an increase of approximately five percent (5%) over the employee's current salary at the time of promotion. The Agency Head may recommend assignment to a higher salary step based on special circumstances to the Executive Director Human Resources / Risk Management. The date of promotion will establish a new salary review date and the employee shall be eligible for the next merit increase in accordance with Section 4.06(A)(3). Advancements. The promotion date will be effective at the beginning of an established pay period.

B. Development Plans

An employee who receives a development plan after the due date with a recommendation for an increase in merit will be eligible to receive the applicable merit increase retroactively to the appropriate review date.

Article V. LEAVES – PAID AND UNPAID

Section 5.01 Holidays

A. The following paid holidays will be observed on the day specified below:

New Year's Day	January 1 st
Martin Luther King's Birthday	3 rd Monday in January
Presidents' Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Veteran's Day	November 11 th
Thanksgiving Day	4 th Thursday in November
Day After Thanksgiving Day	Day After 4 th Thursday in November
Christmas Eve	December 24 th
Christmas Day	December 25 th
New Year's Eve	December 31 st

- B. Any holiday listed in Section 5.01(A) which falls on Sunday shall be observed on the following Monday.
- C. Any holiday which falls on an employee's regular day off shall be accrued as annual leave. The employee shall receive annual leave equal to the employee's scheduled workday, not to exceed the employee's regularly scheduled shift per holiday, as follows:
1. Employees on an 8-hour per day work schedule shall receive eight (8) hours of annual leave.
 2. Employees on a 4/10 work schedule shall receive 10 hours of annual leave.
 3. Employees on a 9/80 work schedule shall receive annual leave in accordance with their scheduled workday as follows:
 - a. Employees shall receive the number of hours they were scheduled to work that day (e.g. nine (9) or eight (8) hours depending upon the day the holiday falls).
 - b. If the holiday falls on the employee's regularly scheduled or "flex" day off, the employee shall receive nine (9) hours of annual leave.
- D. Employees shall not be eligible for holiday pay for any pay period for which the employee either:
1. Has an unapproved leave of absence during the pay period, or
 2. is on a leave of absence without pay for the entire pay period.
- E. The parties agree that at the City Manager's discretion, City Hall may be closed between and including Christmas Eve through New Year's Day. During this time, employees shall

use accrued annual leave, management leave or compensatory time to cover the period of closure.

Section 5.02 Annual Leave

- A. The purpose of annual leave is to provide employees in the Management group the ability to accrue time for use in vacation, sick leave and personal leave situations. Annual leave shall not be used:
1. To extend retirement or separation date;
 2. for illness or injury arising from outside employment, for which the employee is receiving workers' compensation or disability payments from another employer.
- B. Accrual of annual leave benefits will be based on years of service as follows:

Year of Service	Annual Leave Hours Earned Per Year
1 – 3	192
4	200
5 – 8	216
9 – 10	224
11	232
12	240
13	248
14	256
15	264
16+	272

- C. Annual leave shall be accrued based on paid hours on a pro-rated basis. For example, if an employee is paid for 40 hours in an 80-hour pay period, the employee shall earn one-half of the normal accrual. Paid hours include regular work time, compensatory time off, holiday, annual, bereavement, sick, parental, personal, jury duty, military, and disciplinary leaves. It excludes amounts paid by any disability benefits, including short-term disability and workers' compensation.
- D. The maximum amount of annual leave that can be accrued is 800 hours. No leave will be accrued above 800 hours.
- E. Conversion of Accumulated Vacation Leave and Sick Leave to Annual Leave
1. All accumulated vacation leave hours shall be converted to annual leave hours for employees that become Management employees as the result of promotion.
 2. If an employee with accumulated sick leave hours is promoted to a Management position, the employee may, at the employee's option, convert up to 100 hours of sick leave to annual leave hours. Remaining accumulated sick leave hours will be retained only for use as leave for the purposes described in Section 5.03.

3. Upon promotion into the Management group, if the combination of converted sick and vacation leave hours results in an annual leave balance of more than 750 hours, any leave hours over 750 hours will be converted to compensation at the rate prior to promotion.

F. Annual Leave Conversion

1. Employees may request to convert a minimum of eight (8) hours and a maximum of 200 hours of their accumulated annual leave hours to salary compensation twice per calendar year. The total number of hours converted per calendar year shall not exceed 200. Employees may not convert accumulated annual leave below a balance of 40 hours.
2. Conversion requests shall be submitted on City forms to Payroll. The deadlines for conversion requests are as follows:

Request Due Date	Payment
2 nd Friday in May	1 st payday in June
2 nd Friday in November	1 st payday in December

3. In accordance with 26 CFR 1.451-2, effective January 1, 2025, and continuing thereafter, unit employees must submit an irrevocable election form, by no later than December 15th of the preceding calendar year to convert the following hours to cash:
 - a. Annual Leave - An amount which may not exceed the number of annual leave hours the individual employee may accrue in the following calendar year.
 - b. Compensatory Time – An amount which may not exceed the projected number of compensatory time hours the individual employee may receive in the following calendar year.
4. The cash-out election is for hours to be accrued or received in the calendar year following submission of the irrevocable election form.
5. The total combined number of annual leave and compensatory time hours converted per calendar year shall not exceed 200 hours.
6. The payment shall be made via payroll and employees may elect to receive the cash out in the first payday in June and/or the first payday in December, but the request must be submitted by December 15th of the year prior.
7. Employees who do not submit an irrevocable election form by December 15th will be deemed as foregoing participation in the optional annual leave and/or compensatory time conversion salary program for the following calendar year.
8. In the event an employee has less hours in their annual leave and compensatory time bank at the time the cash-out is to be paid than they had previously elected to cash-out, the employee shall only be paid for up to the amount remaining in their annual leave and compensatory time bank at the time of the actual cash-out.
9. If an employee makes an irrevocable election to cash-out annual leave and/or compensatory time in the following calendar year and uses such in that subsequent calendar year, the annual leave and compensatory time used will come from the annual leave or compensatory time the employee had earned (if any) prior to January

1st of the calendar year the employee has elected to cash-out. The employee's use of earned, but unused annual leave and/or compensatory time accumulated from previous calendar years shall not result in a reduction in the amount of annual leave and/or compensatory time hours the employee is eligible to cash-out.

10. An employee who experiences an unforeseen emergency may be permitted to make a new irrevocable election and/or to increase the amount of a previous election, subject to the same value that was permitted at the time the annual irrevocable election forms were due.
- G. For these purposes, an "unforeseen emergency" means a financial hardship to the employee resulting from any of the following:
1. Accident, illness, injury or death of the employee or an immediate family member. For this purpose, an "immediate family member" is restricted to a spouse, registered domestic partner, child/legal dependent, or parent; or
 2. Loss or extensive damage to the employee's property due to casualty; or
 3. Other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the employee.
- H. Whether an occurrence is an unforeseeable emergency shall be solely determined by the Executive Director Human Resources / Risk Management or their designee.
1. Any conversion of annual leave hours to cash shall not cause the employee's total amount of accrued annual leave in their annual leave bank to fall below a 40-hour minimum balance. Cash-out of accumulated time shall be at the employee's option. Requests for cash-out are to be submitted in a manner prescribed by the City.

Section 5.03 Use of Retained Sick Leave

- A. Employees may utilize any retained sick leave balance as paid leave for the diagnosis, care, or treatment of an existing health condition for, or the preventive care of, an employee or an employee's immediate family member. "Family member" for purposes of this policy includes spouses, registered domestic partners, children (regardless of age), parents (including step-parents and parents-in-law), grandparents, grandchildren, siblings, or a designated person. Employees may also use retained sick leave under this policy if they or a family member is a victim of a crime, including domestic violence, sexual assault, stalking, or for any other reason consistent with California law.
- B. In addition, employees may utilize any retained sick leave balance for use as paid leave for:
1. Death of an immediate family member as defined in Section 5.06;
 2. Conversion to CalPERS Service Credit.
- C. A City employee is not entitled to use retained sick leave for illness or injury arising out of employment, other than employment for the City, for monetary gain or other compensation, or by reason of engaging in business or activity for monetary gain or other compensation.
- D. Retained sick leave cannot be used for catastrophic leave donations.

- E. All determinations of retained sick leave usage will be made by the Department Head concerned, subject to the approval of the Executive Director Human Resources / Risk Management.

Section 5.04 Management Leave

- A. Management leave is to be encouraged and is the desirable means of handling unusual work situations or requirements, which may be compensable under the provisions for compensatory time or overtime. Forty hours leave shall be granted to Management personnel at the first pay period ending in January. Employees hired or promoted into the Management unit after the first of the calendar year shall have their management leave allotment prorated according to the date of entry into the unit.
- B. Management leave is defined as an adjustment made in the employee's work schedule in recognition of work situations and/or requirements that justify granting time off during normal working hours when such adjustment will not interfere with or detract from the effectiveness and efficiency of the department.
- C. Management leave may be taken at any time for any purpose, subject to prior approval of the Management employee's supervisor. Employees shall use accrued management leave during the calendar year. Unused management leave shall be forfeited at the end of each calendar year.
- D. Employees cannot use management leave to extend retirement or separation date.

Section 5.05 Personal Leave

An employee may use up to three (3) working days of retained sick leave per calendar year as paid personal leave, provided an emergency or other urgent and justifiable cause is presented at the time the request is made. Additional leave may be authorized by the City Manager from any leave accrued, or without pay.

Section 5.06 Bereavement Leave

- A. In the event of a death in the employee's immediate family, the employee shall be granted three (3) working days of paid bereavement leave. Such bereavement leave shall not be charged against the employee's retained sick leave, annual leave, management leave, or accrued compensatory time. Employees shall be granted an additional two (2) working days of unpaid bereavement leave in the event of a death in the employee's immediate family member. The employee may elect to use accrued time off including retained sick leave, annual leave, management leave, or accrued compensatory time to cover all or a portion of the unpaid portion of their bereavement leave.
- B. A maximum of five (5) working days paid bereavement leave will be granted if there is a death in the immediate family (as defined in Section 5.06(D)) outside the State boundaries. Such bereavement leave shall not be charged against the employee's retained sick leave, annual leave, management leave or accrued compensatory time.
- C. Bereavement leave shall be completed within three (3) months of the date of death of the immediate family member. The days of bereavement leave need not be consecutive.
- D. Immediate family for this provision is defined as child, including biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis; biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the

employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; spouse; registered domestic partner; grandparent; grandchild; sibling, or others included in the definition of immediate family in California Labor Code Section 245.5(c) or successor legislation.

- E. The employee will be granted one (1) working day paid personal leave to attend the funeral of a close relative not in the employee's immediate family. A close relative is defined as an individual outside of the immediate family as defined in Section 5.06(D), who is an aunt, uncle, or cousin.
- F. City employees may be excused by Department Heads to attend the funeral of deceased City employees without loss of pay.
- G. The employee may be required to furnish evidence satisfactory to the City of the family member's death and the employee's relationship to the deceased family member.

Section 5.07 Family Medical Care Leaves

- A. Family Leave shall be granted in accordance with the California Family Rights Act (CFRA) of 1991 and the Family and Medical Leave Act (FMLA) of 1993, and any modified provisions and interpreted regulations for those respective statutes.
- B. Maternity, Paternity and Family Medical Care Leave of up to 12 weeks shall be granted in accordance with FMLA and CFRA statutes.
- C. Employees may utilize up to six (6) weeks of retained sick leave for leaves of absence for care of family members that fall under the provisions of the FMLA and CFRA. This sick leave may be in addition to any unpaid leave, which may be granted under the provisions of FMLA and CFRA. This sick leave shall be used prior to the unpaid leave provisions of FMLA and CFRA.
- D. Employees are required to use 80 hours per pay period of all eligible leave accruals, or the number of hours for full integration if integrating with disability programs, up to 80 hours per pay period. Employees are not permitted to take time off without pay if eligible leave accruals are available. Eligible leave accruals include, but are not limited to, annual leave, management leave, and compensatory time off for any purpose, and retained sick leave if used for qualified medical, bereavement, or personal reasons as defined in this Article.

Section 5.08 Catastrophic Leave

- A. The City agrees to permit employees to contribute a portion of their accrued leave credit to another employee when such employee is on an approved leave of absence due to a verifiable illness or injury, caused by either physical or mental impairment.
- B. The City also agrees to permit employees to contribute a portion of their accrued annual leave and/or compensatory time to another employee when such employee is on an approved leave of absence due to the verifiable illness or injury of the employee's spouse, domestic partner, parent or child. Sick leave or retained sick leave may not be donated.
- C. All Catastrophic Leave transfers are subject to the following conditions:
 - 1. The Human Resources Department shall review all requests from the receiving employee to determine eligibility for catastrophic leave prior to the receiving employee or the employee's Department requesting donations.

2. Catastrophic illness or injury is defined as an unforeseen or sudden, unexpected illness or injury requiring immediate attention. Pregnancy is excluded from this provision; however, injuries or illnesses resulting from a pregnancy may be covered under this provision with a statement from the employees treating physician as the final authority.
3. The receiving employee shall be on an approved continuous leave of absence for over 40 hours due to the illness or injury. A statement from the employee or employee family member's treating physician is required.
4. The receiving employee has exhausted all accrued leave and is therefore facing financial hardship.
5. The total number of hours that can be donated to the receiving employee from all contributing employees combined shall not exceed 520 hours within 26 consecutive pay periods.
6. The leave application rate shall be based on the donating employee's dollar value, which shall be adjusted proportionally to the receiving employee's rate.
7. The donations must be in whole hour increments. The amount of the donation credited each pay period shall be in accordance with the receiving employee's needs.
8. The donations are irrevocable and shall be indistinguishable from other leave credits belonging to the receiving employee. Donations shall be subject to all taxes required by law.
9. Donations shall be made on a Catastrophic Leave form prescribed by the Human Resources Department.

Section 5.09 Jury Duty

- A. In the event any full-time employee is duly summoned to any court during the employee's scheduled working hours for the purpose of performing jury service or serving as a witness, except in cases where the employee is a plaintiff, petitioner, defendant, respondent, or appellant; the employee shall be released from the employee's regular duties with pay. Any fees for the performance of such service, excepting mileage or subsistence allowances, shall be remitted to the City.
- B. Any employee called for jury duty in Rancho Cucamonga must return to work if dismissed before 3:00 pm. If the employee is called to San Bernardino, the employee must return to work if dismissed by 2:00 pm. Upon return from jury duty, the employee shall present a certificate of service to the employee's department.
- C. This section shall not apply when an employee is summoned or otherwise required to appear in court in the course of City business.

Section 5.10 Submitting and Recording of Leave Time

- A. It is recognized that in certain circumstances, the fulfillment of an employee's responsibilities requires longer or more irregular hours than usual. In such instances, a department may allow an employee the flexibility to attend to personal business away from work during normal works hours without requiring the use of accrued leave. Exercising this flexibility shall not amount to compensating the employee on an hour off for an hour worked basis.

- B. Employees shall submit requests for time off for full or partial day absences to their immediate supervisor or manager with as much advance notice as possible. Authority to approve the request is at the sole discretion of the immediate supervisor or manager based on the nature of the request and the operational demands of the department.
- C. Full day absences - Employees are required to use their accrued time off (annual leave, retained sick leave or management leave) for full day absences.
- D. Partial day absences - An employee's partial day absence(s) exceeding two (2) hours will be charged to the employee's accumulated time off, (annual leave, retained sick leave, or management leave), or taken as leave without pay. Absences of less than two (2) hours will not be charged to accumulated time off or charged as leave without pay. Employees with approved intermittent Family Medical Leave, California Family Rights Act or other protected leave, the employee must record each hour not worked.
- E. Employees are expected to complete their assigned duties regardless of their use of partial day absences. Flexibility of employee's work hours may or may not be granted based on operational needs, including the need for supervisors to be available to supervise non-exempt staff and/or to provide service to the public and internal customers.

Section 5.10 Paid Parental Leave

- A. Each employee shall be granted a paid parental leave of absence not to exceed 40 hours per calendar year upon the birth or adoption of the employee's child or children. Any such leave must be taken within six (6) weeks before or after the estimated birth or adoption date and is subject to the department's established time off or leave of absence approval procedures. Such paid parental leave shall not be charged against the employee's annual leave, sick leave, or accrued compensatory time.
- B. The employee may be required to furnish evidence satisfactory to the City of the birth or adoption of the employee's child or children and/or the employee's relationship to the child or children.
- C. Paid Parental Leave will be considered as qualifying leave under CFRA and FMLA and shall run concurrently with an entitled unpaid Family Leave (provided that the employee is deemed eligible for CFRA and/or FMLA). Unpaid Family Leave shall be granted in accordance with CFRA and FMLA and the interpreted regulations for those respective statutes.
- D. Individuals subject to their initial probation period with the City of Ontario shall be required to complete a full duty on-the-job probationary period as outlined in Section 2.01.

Article VI. BENEFITS

Section 6.01 Health Insurance Contribution

The City will contribute up to a maximum of \$300 per month toward health insurance premiums for active and retired employees. This amount is inclusive of the minimum statutory employer contribution under the Public Employees' Medical and Hospital Care Act (PEMHCA) for active employees who choose to enroll in the City's medical plan.

Section 6.02 Fringe Benefit Contribution

A. Health, Dental, and Vision Contributions

1. The City will maintain an IRS Code Section 125 qualifying Cafeteria Plan to allow employees to pay for pre-tax medical, dental, and vision benefits.
2. **Enrollment** - An eligible employee must enroll in a City medical insurance plan unless the employee satisfies the conditions to be eligible for the opt-out provision below. The City's lowest-cost employee-only plan satisfies the Federal Poverty Line Safe Harbor under the Patient Protection and Affordable Care Act.
3. **City Contribution** - For eligible active employees who enroll in coverage, the City Contribution, inclusive of the Health Insurance Contribution set forth in Section 6.01 (A), shall be tiered. Employees who enroll in the City's medical plan shall receive a monthly Health Flex Contribution based on the level of coverage selected by the employee as follows:

Single Coverage	\$765
Two-party Coverage	\$1,090
Family Coverage	\$1,380

4. Beginning January 1, 2018, for eligible active employees who enroll in coverage, the monthly City Contribution, inclusive of the Health Insurance Contribution set forth in Section 6.01(A), shall be based on the level of coverage selected by the employee, and equal to the corresponding Kaiser premium for the region in which the employee is enrolled and as reflected on the CalPERS monthly billing statement. Employees hired on or before December 31, 2017, selecting single party coverage shall receive a contribution of no less than \$765 per month, or the applicable Kaiser premium for single party coverage, whichever is greater. Employees hired on or after January 1, 2018, selecting single party coverage shall receive a monthly contribution up to the Kaiser premium for single party coverage for the region in which the employee is enrolled.
5. For purposes of the Affordable Care Act's employer mandate, the amount of the lowest cost plan offered to the Eligible Employee is considered a Health Flex Contribution. A Health Flex Contribution cannot be cashed out or applied to other benefits.
6. After enrolling in the selected coverage, an Eligible Employee may take the remainder of the City's Contribution in cash. Effective January 1, 2018, only those Eligible Employees hired on or before December 31, 2017, enrolled in single-level coverage may take the remainder of the City's contribution in cash as taxable compensation.
7. **Cash-in-Lieu Option** - An employee will be eligible to receive cash-in-lieu of instead of enrolling in a City offered medical insurance plan only if the following conditions are satisfied.
 - a. The employee signs a form attesting that the employee and the employee's Tax Family have the Alternative Required Coverage for the Opt-Out Period.
 - 1) Tax Family - all individuals for whom the employee intends to claim a personal exemption deduction for in the taxable year or years that begin or end in or with the City's plan year to which the opt-out applies.

- 2) Alternative Required Coverage required - minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California).
 - 3) Opt-Out Period - the plan year to which the opt-out arrangement applies.
- b. An employee must provide the attestation every plan year at open enrollment or within 30 days after the start of the plan year for each plan year the employee would like to receive cash-in-lieu.
 - c. The cash-in-lieu payment cannot be made and the City will not in fact make payment if the City knows or has reason to know that the employee or a Tax Family member does not have such alternative coverage, or if the conditions in this Section 6.02(D) are not otherwise satisfied.
 - d. If the above conditions are satisfied:
 - 4) Eligible Employees who were hired on or after September 1, 2004 are eligible to receive \$420 per month cash-in-lieu.
 - 5) Eligible Employees who were hired before September 1, 2004 are eligible to receive \$485 per month cash-in-lieu.
8. **Dental Insurance** - Employees who enroll in the City's dental plan shall receive an employer contribution up to the DPO basic plan premium for employee and dependents (in addition to the City Contribution described in this Section 6.02). Employees who do not enroll in the City dental plan will not receive employer contribution for dental premiums.
 9. **Vision Insurance** - Employees who enroll in the City's vision plan shall receive an employer contribution up to the basic vision plan premium for employees and dependents (in addition to the City Contribution described in this Section 6.02). Employees who do not enroll in the City vision plan will not receive employer contribution for vision premiums.
- B. Eligibility Requirements
1. Employees must be full-time (i.e. scheduled for a minimum of 40 hours per week) and be in a paid status for a minimum of 15 hours per pay period to be eligible for the benefits of Section 6.02(A). Paid status includes hours paid for regular work time, compensatory time off, annual leave, management leave, bereavement leave, retained sick leave, jury duty leave, parental leave, personal leave, paid military leave, disciplinary leave, and paid holidays. It does not include amounts paid by any other disability benefits.
 2. Employees on an extended leave of absence due to their own illness or injury who do not have sufficient leave accruals to meet the 15-hour minimum for paid status will be eligible to continue the fringe benefit contributions as follows:
 - a. Regardless of whether the employee has leave accruals available to use, the City will continue its contributions toward employee fringe benefits for a leave of absence not to exceed a total of 26 consecutive pay periods.
 - b. If the leave of absence is not consecutive, the continuation of the contributions toward fringe benefits shall not exceed 26 pay periods total in an 18-month period.

c. The employee is responsible for payment of any benefit cost above the applicable health allotment and any voluntary supplemental benefit plans during the employee's leave period. If the employee fails to make timely payments, their benefits will be discontinued.

3. Employees who have leave balances must use all leave accruals available each pay period up to 80 hours, or up to the amount needed to reach 80 hours when combined with disability and workers' compensation payments.

C. Disability

The City shall pay the premium for the City's Disability Insurance Program for employees enrolled in the program.

D. Life and Accidental Death & Dismemberment Insurance

Employees shall be covered by the City's group term life insurance and accidental death and dismemberment (AD&D) insurance plan. The City will pay the premiums for life insurance coverage amounts of \$51,000 for basic life and \$54,000 for AD&D policies.

Section 6.03 Insurance Committee

The City agrees to continue the Insurance Committee that will have a representative designated by the Association as one of its members. This committee will have the responsibility to review the coverage in the appropriate insurance program and to represent an employee who has a question to the company. The committee will be composed of one representative from the recognized employee unit and one representative appointed by the City Manager. The Assistant City Manager will be an ex-officio member of the committee and entitled to attend all meetings. The committee or any of its members may invite other individuals to participate as resource people whenever the need arises, and prior notification is provided to the committee chair. Where applicable, meet and confer will be reopened to discuss any proposal of the Insurance Committee on health insurance approved by the majority of the Insurance Committee.

Section 6.04 Flexible Spending Accounts

The City will offer Flexible Spending Accounts (FSA) to all unit employees. An FSA allows an employee to make pre-tax deductions for qualifying medical, dental and vision expenses, and dependent care expenses. The plan is established and administered in accordance with Section 125 of the Internal Revenue Service code.

Section 6.05 Retirement

A. Classic Member

1. A classic member is defined as an employee who meets the definition of a "classic" member for purposes of retirement pension benefits in accordance with the Public Employees' Pension Reform Act (PEPRA) of 2013. Generally, this includes employees that were hired before January 1, 2013, in the California Public Employees Retirement System (CalPERS) or a reciprocal retirement system with no break in service longer than six (6) months. CalPERS ultimately determines who is a classic member in compliance with the law.
2. Classic members shall be eligible for the 2.5% @ 55 Full and Modified Formula for Local Miscellaneous Members including integration with Social Security. This also includes the optional benefit of Government Code Section 20042, Highest Single Year.

3. All classic members shall pay the employee contribution of eight (8%) percent as a pre-tax deduction to CalPERS.
- B. New Member (PEPRA)
1. A new member is defined as an employee who meets the definition of a “new” member for purposes of retirement pension benefits pursuant to PEPRA. Generally, this includes employees that were hired into a regular position on or after January 1, 2013, or former members who have more than a six-month break in service. CalPERS ultimately determines who is a new member in compliance with the law.
 2. New members shall be eligible for the 2% @ 62 Formula for Local Miscellaneous Members, including integration with Social Security.
 3. The employee contribution for new members shall be one-half the normal cost, as determined by CalPERS. The required employee contribution for new members is 6.25%. This amount will be adjusted periodically by CalPERS.
- C. Optional Benefits for Classic and New Members
- D. The City’s contract with CalPERS includes the following optional benefits for both classic and new members:
1. Section 20903 – Two Years Additional Service Credit
 2. Section 20965 – Sick Leave Credit
 3. Section 21024 – Military Service Credit
 4. Section 21037 – Cancel Payment for Optional Service Credit upon Retirement for Disability
 5. Section 21548 – Pre-Retirement Optional Settlement Death Benefit

Section 6.06 Deferred Compensation

- A. The City has established a Section 401(a) money purchase plan for employer contributions. The City shall contribute \$255 per month to the Section 401(a) plan. The contribution will be paid in equal bi-weekly installments during the first and second pay periods of the month.
- B. Employees are eligible to participate in a 457(b) deferred compensation plan as provided for in State and Federal Tax codes. Employees may voluntarily contribute to the plan in accordance with plan provisions and subject to plan maximums.

Section 6.07 Employee Assistance Program

The City agrees to continue an employees’ assistance program (EAP) for all employees in the Association. The parties agree that the EAP cannot be successful without absolute confidentiality regarding employee/family utilization of the program. Confidentiality will be maintained in full compliance with State and Federal Regulations.

Section 6.08 Tuition Reimbursement

To provide encouragement for all unit employees to continue educational development, specified employees shall be eligible for reimbursement of tuition expenses. The City shall reimburse an eligible employee for the cost of tuition for academic and continuing education courses that are

determined to be job-related and subject to the following conditions:

- A. Full-time employees that have successfully completed their initial probationary period are eligible.
- B. The determination that the course is job related shall be made by the employee's Department Head.
- C. The course shall provide college-level credit or professional continuing education from an accredited educational institution.
- D. The employee is not eligible for assistance from any other source.
- E. Submission and approval of the request for reimbursement must be completed at least 30 calendar days prior to the start date of the course.
- F. Tuition is the only expense that shall be reimbursable. No reimbursement shall be made for lab fees, books, travel costs, etc.
- G. Classes shall not interfere with the employee's normal work hours. Any exceptions must be approved by the employee's Department Head.
- H. Certification of completion of the course with a passing grade must be obtained and submitted within 60 calendar days after completion of the course.
- I. The maximum reimbursement amount paid to an eligible employee shall not exceed \$1,000 per calendar year.

Tuition reimbursement requests shall be submitted through the City's Human Resources Information System (HRIS) to the employee's Department Head for a determination that the course is job-related. After such determination is made, the Department Head shall approve the request and it will be routed to the Human Resources Department for processing. The Human Resources Department shall be responsible for notifying the employee of the disposition of the request prior to the start date of the course. Proof of payment and proof of completion shall be submitted to the Human Resources Department. Reimbursement shall be made within 30 calendar days following the receipt of proof of payment amount and proof of completion.

Section 6.09 Meal Reimbursement

An employee may request reimbursement for meals consumed after regular work hours when such employee is required by the Department Head to attend City Council meetings and City commission meetings that are in addition to those regularly scheduled. The limit for reimbursement shall be \$12, and only actual expenses will be reimbursed. Requests will be submitted on the City's reimbursement form through established channels and must include receipts verifying the expense.

Section 6.10 Uniforms

- A. Unit employees required to wear a uniform by the Agency/Department Head will receive uniform allowance of \$400 per year the first paycheck in July for the maintenance, cleaning, and normal repair of uniforms worn by the employee in the course of their employment during the last fiscal year.

- B. The City shall provide Unit employees required to wear a uniform with a reasonable number of uniforms. Uniforms damaged in the line of duty shall be replaced by the City. Each year the Agency/Department Head shall inspect employee uniforms and replace accordingly.
- C. The City will report for “classic” employees the monetary value of the City-provided uniforms to CalPERS as special compensation pursuant to Section 6.10(A) and (B). The monetary value of the initial set of uniforms and any replacement uniforms shall not exceed \$600 per fiscal year, per employee. The City will report the monetary value of initial and replacement uniforms “as earned” in the pay period provided.

Section 6.11 Auto Allowance

- A. If necessary and supported by an analysis of previously reimbursed mileage and/or the essential functions of the employee’s position, the City may assign a City-owned vehicle to an employee for use on City business, or the City may provide a monthly allowance for an employee regularly required to use the employee’s private vehicle on City business. The City Manager or their designee may adjust the amount of such stipend in accordance with levels of activity and operational necessity.
- B. If assigned, the employee may use a City-owned vehicle for City business and commuting to and from the employee’s residence. Such assignment of a vehicle would be in lieu of an auto allowance. Due to the nature of the employee’s duties, the vehicle may be garaged at the employee’s residence. The City shall be responsible for the purchase, fueling, maintenance, repair, and regular replacement, if warranted, of the assigned vehicle during and as a result of their scope and performance of duties. The employee must be licensed to operate a Class C vehicle in California and possess automobile liability insurance as required by California law. Consistent with California law, as the vehicle operator, the employee assumes responsibility for the vehicle's safe operation. The City may be required to report all, or a portion, of the value of the provided vehicle as income consistent with applicable Internal Revenue Service regulations.

Article VII. GRIEVANCE PROCEDURE

Section 7.01 Definitions

- A. Complaint - A concern of an employee, which arises from the application of a term of this Agreement, existing City Rule(s), Regulation(s) or Policy (Policies) regarding working conditions.
- B. Grievance - A written allegation by an employee that there has been a violation, misapplication, or misinterpretation of a specific term(s) of this Agreement, existing City Rule, Regulation or Policy (Policies) regarding working conditions.
- C. Grievant - An employee(s), who allege(s) in a grievance that the employee has been directly wronged by a violation of a specific term(s) of this Agreement, existing City Rule, Regulation or Policy regarding working conditions. The term “grievant” as used in this Article may refer to the Association when alleging a violation of Article XII, as provided for in the Agreement.
- D. Representative - An employee or representative of the Association who at the grievant's request may be present at Levels I through IV. Representation of the employee at Level V may be by an Association representative or other representative designated by the employee.

- E. Respond and File - Personal delivery or deposit in the U.S. mail, postage prepaid. If mail delivery is used, it will be by certified, return receipt requested mail, and the certified receipt date will establish the date of response or filing. If personal delivery is used, the calendar date of delivery will establish the date of response or filing.

Section 7.02 Level I - Informal Review

- A. An employee will have the right to present a complaint and to have the complaint considered with the immediate supervisor no later than 15 working days after the event giving rise to the complaint, or no later than 15 working days after the employee knew or reasonably should have known of the event giving rise to the complaint.
- B. The employee, whenever possible, will attempt to resolve the complaint informally with the immediate supervisor.
- C. The immediate supervisor will provide an answer to the employee no later than 14 working days after the Level I meeting. Such response will be provided orally.
- D. A resolution of the complaint at the informal level will not be precedent setting.

Section 7.03 Level II - Formal

- A. If the complaint is not resolved through Level I informal discussions, the employee may file a Level II grievance at the next level of supervision that may include the Department Head, Agency Head or City Manager. If the next level of supervision is the Agency Head, the grievance will automatically proceed at Level III, no later than 10 working days after the response of the immediate supervisor at Level I. If the next level of supervision is the City Manager, the grievance will be automatically processed at Level IV no later than 10 working days after the response of the immediate supervisor at Level I. The grievant will state the following clearly and concisely on a grievance form provided by the City:
 - 1. The specific term(s) of the Agreement, City Rule, Regulation or policy regarding working conditions which have been violated;
 - 2. the action grieved, including names, dates, places, and times and how it violated a specific term(s) of this Agreement, City Rule, Regulation or policy regarding working conditions;
 - 3. the remedy sought;
 - 4. the name and classification of the grievant and their signature;
 - 5. the name of the representative, if any; and
 - 6. the date of submission.
- B. The Department Head will hold a meeting with the grievant at a mutually acceptable time and location no later than 10 working days after the receipt of the grievance. The Department Head will respond in writing to the grievant within 10 working days after the Level II meeting.

Section 7.04 Level III

- A. In the event the grievance is not settled at Level II, the grievant may file the Level III grievance with the Agency Head no later than 10 working days after the Level II response. If the next level of supervision is the City Manager, the grievance will be automatically processed at Level IV. The grievant will include in the grievance a written statement

indicating the reason that the proposed settlement at Level II was unsatisfactory. The Agency Head may hold a meeting with the grievant at a mutually acceptable time and location. The Agency Head will respond to the grievant no later than 10 working days after the receipt of the Level III grievance.

- B. The grievant will present at Level III all issues and written evidence known or which could have been reasonably known. No additional issues may be presented by the grievant after Level III.
- C. Amendments and/or modifications to the grievance will not be made by the grievant after the Level III filing date, except by mutual agreement. This provision does not preclude either party from presenting new evidence should either party discover it at a later date. Each party will make an effort to share evidence with each other upon discovery.

Section 7.05 Level IV

- A. In the event the grievance is not settled at Level III, the grievant may file a Level IV grievance with the City Manager no later than 10 working days after the receipt of the Level III response.
- B. The City Manager may hold a meeting with the grievant at a mutually acceptable time and location. The City Manager will respond to the grievant no later than 10 working days after receipt of the grievance at Level IV.
- C. If the grievance has not been settled at Level IV, then within 10 working days after receipt of the Level IV written decision or the expiration of the time limits for making such decision, the grievant may request arbitration. Upon the request of the grievant, the Association may request arbitration by giving notice to that effect, by certified mail, return receipt requested, directed to the Executive Director Human Resources / Risk Management .

Section 7.06 Level V - Arbitration

- A. Unless the specific language of the Agreement is in conflict, the arbitration procedure will be conducted in accordance with the rules of the American Arbitration Association or other procedures agreed upon by the parties.
- B. The arbitrator will be selected by mutual agreement of both parties from a list of arbitrators submitted by the American Arbitration Association or any other mutually acceptable body.
- C. The cost of any arbitration proceeding will be divided equally between the two parties.
- D. Failure on the part of the City representative or grievant to appear in any case before an arbitrator, without good cause, will result in the forfeiture of the case and responsibility for payment of all costs of arbitration. "Good Cause" will be defined as a circumstance(s) beyond control of the party failing to appear.
- E. A final decision of award of the arbitrator will be made within 30 calendar days after the close of the hearing. Such decision or award will be subject to the approval of the City Council. Either party will be given the opportunity to submit their arguments before the City Council with regard to the Arbitrators "Finding of Facts," prior to such approval.
- F. Expenses for witnesses will be borne by the party who calls them.
- G. The standard of review for the arbitrator is whether the City violated a specific term(s) of

this Agreement, City Rule, Regulation or policy regarding working conditions.

- H. If an arbitrability question exists, the arbitrator will determine the arbitrability question prior to hearing the formal presentations of the parties on the merits of the grievance.

Section 7.07 General Provisions

- A. Failure of the grievant to comply with the time limitations of this Article will render the grievance null and void. Failure by the City representative to timely respond under this Article will permit the grievance to be filed at the next level.
- B. Time limits set forth in this Article may be extended by mutual agreement.
- C. The processing of grievances filed and unresolved prior to the effective date of this Agreement may continue under the grievance procedure in effect at the time of initial filing.
- D. No punitive action will be assessed against an employee for utilizing the grievance procedure.
- E. The preparation of grievances will be on the employee's personal time and not during working hours.
- F. The parties may consolidate at any level grievances on similar issues.
- G. Grievance records will be filed separately from an employee's personnel file and will be considered confidential.
- H. A grievant may withdraw a grievance at any time. The grievant will not file any subsequent grievance on the same alleged incident.
- I. A decision by the Association to submit a grievance to arbitration will automatically be a waiver of all other remedies except as provided otherwise by statute.
- J. No individual City Council member may be approached concerning the grievance at any time the grievance is being processed.
- K. In the event a grievant elects to represent themselves or is represented by someone other than provided by the Association, the Association will be notified of the nature and resolution of the grievance; provided however, that the names of employees and confidential information will not be disclosed. Notification of the employee's Association will be made within a reasonable time following the resolution of the grievance.
- L. Organizational channels will be utilized at all times and participation in the grievance and the discussion of information related thereto will be limited to the parties to the grievance except when such other persons are identified and/or called as witnesses.
- M. In the event of a disciplinary action of an employee involving a suspension, reduction in pay or demotion or termination where a pre-disciplinary hearing has already been held, Levels I through III of the grievance procedure will be eliminated and Levels IV and above will be utilized.
- N. A group of employees may file one grievance rather than individual grievances as long as the following conditions are met:

1. Each employee in the "group" grievance is individually named.
2. The grievable matter is exactly the same for each employee cited in the grievance.
3. The City is not obligated to conduct grievance hearings or provide grievance responses to each individual, but only to one of the employees involved who represents the Association filing the grievance.

Section 7.08 Authority of Third Party

Each issue decided by a third-party neutral will stand on its own merits and will not be used as a precedent by any other third party neutral in deciding any issue before them.

Article VIII. Disciplinary Action

Section 8.01 Definition

- A. An employee may be disciplined for violation of policies, misconduct, or any other just cause. Discipline is defined as demotion, discharge, reduction-in-pay, and suspension of employees with regular status. Letters of reprimand, counseling memos, performance improvement plans, performance evaluations, and other related actions are not considered discipline for purposes of this article. This procedure applies to full-time employees with regular status.
- B. Probationary employees are excluded from the provisions of this article. These employees may be disciplined, but the requirements for notification and appeals do not apply. Procedures related to probationary employees are governed by Section 2.03.
- C. All discipline will be administered consistent with FLSA requirements for exempt employees.

Section 8.02 Notification and Appeal Procedure

- A. The employee shall be given written notice of the City's intent to discipline. Such notice will contain the following information upon which the proposed action is based:
 1. The reasons and the charges;
 2. a statement of the events or circumstances;
 3. written documentation or other related evidence; and
 4. response rights.
- B. The employee will be given the right, either orally or in writing, to respond to the Department Head. The employee will have 14 calendar days from the date the notice of disciplinary action is issued to complete the response.
- C. The Department Head shall consider the information provided by the employee and make a final determination regarding discipline. The employee shall receive written notification of the final determination. The final disciplinary action will be implemented at that time.

- D. The employee may appeal the discipline within 14 calendar days. The appeal must be filed with the Human Resources Department on or before the 14th day. The employee shall include the reason for the appeal and state whether they request the appeal with the City Manager or an Agency Head designated by the City Manager (“hearing officer”) or with an outside arbitrator (“arbitrator”).
- E. The employee has the ability to choose whether the appeal will be heard with an internal hearing officer or an outside arbitrator. If the employee chooses the internal hearing officer, however, the City Manager may refer the disciplinary appeal to an outside arbitrator.

Section 8.03 Arbitration Procedures

- A. The appeal, whether heard by a hearing officer or an arbitrator shall be a full evidentiary hearing. The hearing officer chosen will have no or minimal prior knowledge of the case so that the hearing officer or arbitrator can act as a neutral and independent reviewer of the disciplinary action.
- B. Appeals heard by a hearing officer shall be at no cost to the employee. The cost for appeals heard by an outside arbitrator, including the arbitrator, court reporter, unilateral withdrawal, postponement, or cancellation fees, shall be borne equally by the parties. Expenses for witnesses, other than City employees, however, shall be borne by the party who calls them. If the employee chooses the hearing officer option and the City exercises its right to use an outside arbitrator instead, the City will pay all arbitration costs.
- C. Unless the specific language of the Agreement is in conflict, the appeal hearing shall be conducted in accordance with the City’s Disciplinary Hearing Procedures.
- D. The arbitrator shall be selected by mutual agreement of both parties. The hearing officer shall be the City Manager, or an Agency Head the City Manager designates.
- E. Failure of the part of the City representative or employee to appear at the appeal hearing, without good cause, shall result in forfeiture of the case and, in the case of a hearing with an outside arbitrator, responsibility for payment of all costs of the arbitration.
- F. A final decision of the hearing officer or arbitrator shall be made within 30 calendar days after the close of the hearing.
- G. The hearing officer or arbitrator’s decision shall be implemented unless either party requests the review of the City Council. Such a request to review must be made in writing to the Executive Director Human Resources / Risk Management within 30 calendar days after receipt of the decision. The City Council can adopt, modify, or reject the decision.

Section 8.04 Written Rebuttals

- A. Letters of reprimand, counseling memos, performance evaluations, performance improvement plans, and other similar written actions are not subject to the notification and appeal procedures in this article. Similarly, probationary discharge, probationary demotions, or other actions taken while an employee is on probation are not subject to the notification and appeal procedures in this article. However, an employee may prepare a written response to be placed in the personnel file along with the document. Such written rebuttal must be made within 30 days of receipt of the document.

Article IX. ASSOCIATION MEMBERSHIP AND ACTIVITY

Section 9.01 Release Time

A designated member of the Association may receive reasonable release time to represent another unit member in matters relative to working conditions. Such leave time shall be accommodated only after operational needs of the releasing department are met.

Section 9.02 Records

The City shall provide via email the President of the Association a monthly list of all employees in the association, including the employee's classification title, seniority date within classification, work location, hire date, home address, personal email address (if available) and personal cell phone (if available).

Section 9.03 New Employee Orientation

Provided there are new employees, the City typically conducts new employee orientation weekly. Once per quarter of the calendar year, the City shall release new unit members to attend an orientation session with the Association. During this orientation session, the Association will be allowed up to one (1) hour to meet with new members and to explain the rights and benefits under this Agreement. The Association and the City will mutually agree as to the date, time, and location of the orientation session at least 10 days prior to the session.

Article X. GENERAL PROVISIONS

Section 10.01 Personnel Files

- A. The official personnel files will be located in and/or maintained by the Human Resources Department. The official personnel file shall consist of a physical file as well as a digital file within the City's Human Resources Information System. Personnel actions (e.g. discipline, promotions) will be based on documentation within such files.
- B. Employees have the right to have access to and copies of any document in the physical version of their official personnel file. Employees may be charged for cost of duplication of any materials in the personnel file for which they request copies.
- C. The City shall provide employees with secured online access to the digital version of their personnel file, which includes the ability to view and print records within the file. The ability to access the digital version of the personnel file is subject to internet availability and may be restricted by the software provider during reasonable periods for maintenance and/or required updates.
- D. An employee will be provided with an initial copy of any document that will be placed in the official personnel file. An employee will have the right to respond in writing or personal interview to any information contained in the employee's personnel file. Such a reply will remain in the personnel file so long as the referenced document is in the file.

Section 10.02 Overpayments, Recovery and Underpayments

In situations involving overpayment to an employee by the City, the employee shall be obliged to repay by payroll deduction the amount of overpayment. The repayment shall occur within the

same time frame as the overpayment was received by the employee or sooner at the employee's discretion.

Either Human Resources or the Payroll Department shall provide written documentation showing the calculations of the overpayment to the employee. A meeting may be requested by the employee with the Payroll Department to review the documentation and to discuss the recovery schedule. The repayment schedule, biweekly repayment amount or alternative repayment method (including repayment from personal funds) will be documented in writing.

Extensions to the period for repayment of the overage or an alternative repayment method may be requested by the employee and are subject to the approval of the Executive Director of Finance or their designee. Extensions will be approved only in the case of extreme hardship, and the extended period for repayment will not be longer than one and one-half times as long as the overpayment period.

If the employee leaves employment prior to repayment of overage, the City shall recover the amount owed from the employee's final pay. If the amount owed is greater than the employee's final pay, the City shall initiate a collections process against the employee.

In situations involving underpayment to an employee by the City, the employee shall receive the balance due within the next pay period for which the adjustment can be made, following timely submission of appropriate documentation and necessary approval of the compensation change.

Section 10.03 Direct Deposit and Electronic Pay Advice

- A. Employees must make and maintain arrangements for direct deposit of their net paychecks into the financial institution of their choice via electronic fund transfer. Such arrangements shall be made within one month.
- B. In an extraordinary circumstances/event that an employee is unable to make arrangements for electronic fund transfer, the employee shall submit a request in writing to the Human Resources Agency to be considered for an exception. Human Resources shall review the request for the Direct Deposit Special Exemption and may request supporting documentation; the employee will be notified of the determination.
- C. Any Direct Deposit Special Exemption granted may be reviewed periodically for continuation, subject to the approval of Human Resources / Risk Management Agency.
- D. The electronic pay advice will be available for employees to view, save and print in the City's HRIS on the employee's pay day.

Section 10.04 Separability

If any article or section of this Agreement is found to be in conflict with any statute or regulation of the United States or the State of California by a court of competent jurisdiction, such article or section will be deemed null and void and of no further effect. However, such articles and sections will be severable from the remainder of this Agreement, and all other provisions hereof shall continue in full force and effect.

Section 10.05 Duration and Implementation

- A. This Agreement will, upon ratification by both parties, become effective July 1, 2025 and remain in full force and effect up to and including June 30, 2026.

- B. Each party will exercise its right to present bargaining proposals for a successor Agreement no earlier than 120 days prior to the expiration of the Agreement and no later than 90 days prior to the expiration of this Agreement.

Article XI. FINAL SIGNATURES

All terms and conditions set forth in this agreement are hereby ratified and agreed upon the 1st day of July 2025.

City of Ontario		Association of Ontario Management Employees	
Signature	Date	Signature	Date
	9/30/25		7/21/25
Angela C. Lopez, Executive Director Human Resources/Risk Management		Bryan Lirley, President	
			7/21/25
		Peter Pallesen, Vice President	
			7/21/25
		Gil Mars, Treasurer	

