

Compensation and Benefit Summary for the Professional Upper Management Association



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July 1, 2025 to June 30, 2027

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SECTION 1

Application

This document summarizes the compensation and benefits currently provided to members of the Professional Upper Management Association (PUMA) as approved by City Council action. Any future changes to any section of this document will be incorporated upon adoption by City Council, side agreement or upon changes implemented by State or Federal law.

This document, and the terms “employee(s) or PUMA employees” applies to all positions designated as confidential or managers including but not limited to:

Payroll Analyst
Human Resources Analyst I
Risk Management Analyst
Recreation Manager
Human Resources Analyst II
City Clerk
Information Systems Analyst
Community Relations Manager
Refuse Manager
Streets Manager
Utilities Manager
Parks Manager
Public Works Manager
Information Technology Manager
Building Official
Principal Planner
WWTP Manager
Finance Manager
Construction Manager/Senior Engineer
Engineering Manager
Assistant Finance Director
Deputy Public Works Director
Human Resources Manager
City Engineer

Positions not listed above, but created and designated as a confidential or management employee through the City’s recognition process are covered by the terms herein.

Term

This agreement shall be effective for the period of July 1, 2025 through June 30, 2027.

SECTION 2

Wages

\$1,200 non-pensionable stipend effective the first full pay-period in November 2025 and a four percent (4%) salary increase effective the first full pay-period in July 2025. Four percent (4%) salary increase effective the first full pay period in July 2026.

Direct Deposit

Employees will enroll in the City's direct deposit program.

Management Leave

Employees in the PUMA Unit receive sixty-four (64) hours of Management Leave. It is preferred that Management Leave be used as time off. An employee may also cash out up to sixty-four (64) hours of their Management Leave or convert all or a portion of their leave to deferred compensation by completing the required form and returning it to the Payroll office in advance of the payroll deadline. Any Management Leave hours not taken by PP025 will be compensated their cash out balance, up to sixty-four (64) hours if available in PP026. Under no circumstances shall available Management Leave hours be carried over to a new calendar year.

Employees who are hired throughout the year will receive a pro-rated amount of Management Leave hours and shall follow the Management Leave Plan as noted in the paragraph above.

Employees who leave the City of Hanford with Management Leave hours available will be compensated their cash out balance, up to sixty-four (64) hours if available.

Standard Work Period

The standard workday shall consist of eight (8) hours, and the standard work period shall consist of forty (40) hours worked within five (5) consecutive days. However, alternative work schedules (including telecommuting options) may be implemented based on operational needs, and with the approval from the City Manager.

Such schedules may include compressed or adjusted workweeks, as defined in City policy (e.g., AR 1.17), including, but not limited to, 4/10, 9/80 or 4/9/4 formats.

The implementation of any alternative schedule shall remain subject to operational requirements, legal compliance, and approval procedures. Participation is voluntary and may be modified or discontinued by the City at its discretion. Specific hours and workdays under such schedules are not guaranteed and may vary.

Holidays

I. The following holidays are recognized as municipal holidays, eight (8) hours per holiday:

- (1) New Year's Day, January 1
- (2) Martin Luther King Day, the third Monday in January
- (3) Washington's Birthday, the third Monday in February
- (4) Memorial Day, the last Monday in May
- (5) Independence Day, July 4
- (6) Labor Day, the first Monday in September
- (7) Veterans Day, November 11
- (8) Thanksgiving Day, the fourth Thursday in November
- (9) The day after Thanksgiving, the fourth Friday in November
- (10) Christmas Eve, December 24
- (11) Christmas Day, December 25
- (12) New Year's Eve, December 31
- (13) Every day appointed by the President of the United States or Governor of California for public feast, Thanksgiving, or holiday and as approved by the City Council.

Employees assigned to an alternative work schedule may utilize management leave or vacation hours to supplement holiday hours.

I. Employees shall be credited with not more than two (2) floating holidays (16 hours total) to be taken no later than December 15th of each calendar year, at the employee's discretion, subject to staffing needs. New employees hired on or after the pay-period containing July 1st shall only receive one (1) floating holiday (8 hours total) to be taken no later than December 15th at the employee's discretion subject to staffing needs. The floating holiday shall be capped at eight (8) hours each and can be taken in two (2) hour increments. Floating holidays do not roll over from calendar year to the next and has no cash value.

II. When a paid holiday falls on a Saturday, the previous Friday shall be deemed to be the holiday in lieu of the day named. When a holiday falls on Sunday, the following Monday shall be deemed to be the holiday in lieu of the day named.

When Christmas Eve and /or New Year's Eve falls on a Sunday, the following Monday shall be deemed to be the holiday and the Christmas Day and or New Year's Day holiday will be observed on Tuesday.

III. In the event a paid holiday falls within an employee's vacation period, which would have excused the employee from work and for which no other compensation is made, said holiday shall not be charged as a vacation day.

Paid Holiday Closure - City offices (where possible) will be closed Christmas Eve through New Years Day. Nothing shall prevent a Department Head from requiring employees to work on a holiday. If any employee is required to work during this period when their office is closed or is not permitted to have the time off in their department due

to the nature of their position, these employees shall note "Exempt OT" on their timesheet to accurately record hours worked.

Vacation

I. Eligibility

Employees shall complete six (6) months continuous service before using accrued vacation leave. Employees shall not work for the City during their vacation.

Employees whose scheduled vacations are interrupted or postponed due to industrial injury shall be rescheduled after such injured employee has returned to duty. No vacation previously scheduled shall be lost due to an employee exceeding the vacation accrual during an industrial injury leave.

II. Accrual

Vacation will be accrued and credited on a bi-weekly basis at the following rates for continuous service performed in pay status:

- (1) From zero (0) through five (5) years:
3.39 hours per bi-weekly pay period, 88 hours annually
- (2) From six (6) through ten (10) years:
4.62 hours per bi-weekly pay period, 120 hours annually
- (3) From eleven (11) through fifteen (15) years:
5.24 hours per bi-weekly pay period, 136 hours annually
- (4) Sixteen (16) through nineteen (19) years:
6.16 hours per bi-weekly pay period, 160 hours annually
- (5) Twenty (20) or more years:
6.46 hours per bi-weekly pay period, 168 hours annually

Upon appointment to a Department Head position, the City Manager shall have the discretion to provide vacation accrual based on years of service at another public entity (State, County or City municipality) in a management level position. Verification of years of service, title and job functions will be conducted through the Human Resources office prior to awarding the increased vacation accrual.

III. Limits of Accrual

Such accrual and credit for all employees may not exceed twice the employee's annual rate of accrual.

IV. Buyback

Employees shall be able to cash out accrued vacation at an equal amount of vacation time used in the calendar year, but no more than eighty (80) hours each year. With the exception of job-protected medical leave (FMLA/CFRA), employees who are on leave such as workers compensation and administrative leave shall not be able to cash out accrued vacation hours.

V. Compensation at Termination

Employees leaving the municipal service with accrued vacation leave shall be paid the amounts of accrued vacation to the date of termination at the employee's then hourly rate. Employees who terminate employment with the City and who have less than six (6) months of continuous service shall not be compensated for accrued vacation.

Sick Leave

I. Definition/Approved Sick Leave Usage:

- A. Sick leave is an absence from duty which may be granted by the employer to the employee because of an illness, injury, exposure to a contagious disease, preventative care, illness or injury of a member of the employee's immediate family requiring the employee's attendance.
- B. To attend a medical, dental, or optical appointment if such appointment cannot be scheduled outside of the employee's normal work day.
- C. To obtain relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate documentation of the need for such services:
 - a. A temporary restraining order or restraining order;
 - b. Other injunctive relief to help ensure the health, safety or welfare of the employee or their children;
 - c. To seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
 - d. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault or stalking;
 - e. To obtain psychological counseling related to an experience of domestic violence, sexual assault or stalking;
 - f. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.
- D. An employee's immediate family shall consist of the employee's: Spouse or registered domestic partner, parent (including step parents), child (including step

children), brother, sister, father in-law, mother in-law, brother in-law, sister in-law, aunts, uncles, employee's and spouse's grandparents, grandchildren or any person living in the same household as the employee.

- E. An employee may be granted sick leave only in case of actual illness/situation as defined above. In the event that an employee or a member of the employee's immediate family recovers from any such illness after being granted sick leave, and during the regularly scheduled hours of work, then such employee shall notify the appropriate immediate supervisor and be available to return to duty.
- F. Sick leave balances shall be taken in fifteen (15) minute increments.
- G. In order to receive compensation while absent on sick leave, an employee shall provide reasonable advance notice to their supervisor of their need to use sick leave if the need is foreseeable (i.e. doctor's appointment scheduled in advance). If the need for sick leave is unforeseeable, including an illness sustained while at work, the employee shall provide notice of the need for the leave to their supervisor as soon as possible, preferably within 1 hour before the time established as the beginning of the employee's work day. In the event that an employee is incapacitated because of illness or injury to the point the employee is unable to contact his/her supervisor, the employee's designated representative (i.e. family member) shall notify the supervisor at the earliest possible moment. Failure to do so without good reason shall result in that day of absence being treated as leave of absence without pay or cause the employee to use other available and accrued leave.
- H. If the employee is absent on sick leave for more than 1 day, the employee shall keep the immediate supervisor informed as to the date the employee expects to return to work.
- I. Upon the oral or written request of an employee, the City shall provide paid sick days for the purposes described in previous sections. The City may request a note from a physician after an employee has been absent longer than three consecutive days or shifts or if evidence suggests that an employee is abusing the City's sick leave policy.

To accurately track sick leave for those who meet the requirements under Federal and State laws (Family Medical Leave Act and California Family Rights Act), the City may require a physician's certification for an employee's own serious health condition or to care for an eligible family member (parent, child, spouse, domestic partner or covered service member).

- J. Employees who are on vacation at the time of death of an immediate family member as defined above shall be entitled to substitute bereavement leave for vacation time, consistent with the existing bereavement leave policy. The total period of absence from City employment (vacation and bereavement leave) shall not be extended beyond that time initially approved for vacation, without specific

City Manager approval. Unused vacation shall be retained by the affected employee in accordance with the existing vacation policy.

- K. Supervisors shall have the discretion to place employees on sick leave when, in the judgment of the supervisor, the presence of the employee at work would endanger the health and welfare of other employees or where the illness or injury of the employee interferes with the performance of such employee's duties.
- L. The City shall not deny an employee the right to use sick leave, discharge, threaten to discharge, demote, suspend, or in any manner discriminate against an employee for using, or attempting to exercise the right to use sick leave to attend to an illness or the preventative care of a family member, or for any other reason specified in sections above.

II. Sick Leave May Not Be Used For:

- A. An employee serving their initial 90 calendar days of service to the City (unless the employee was rehired within one year of separation, or sustained a work-related injury during their initial 90 days of employment).
- B. Sick leave will not be granted to any employee absent from duty during an authorized leave of absence without pay, or any other absence from duty not authorized the City.
- C. Sick leave shall not be used in lieu of or in addition to vacation, unless leave is requested for an immediate death in the family or as otherwise defined in this policy.
- D. Absences for illness/medical treatments may not be charged to sick leave yet to be accumulated.

III. Accrual, Accumulation and Separation

- A. Regular and probationary employees shall be eligible to accrue sick leave at the rate of 3.69 hours for each bi-weekly pay period.
- B. There is no limit on the amount of sick leave which can be accumulated and carried over from year to year.
- C. Sick leave will be accrued by any employee during the first 90 calendar days of employment. However, only upon the successful completion of 90 days of employment, will the employee be entitled to utilize their accrued sick leave (does not apply to employees rehired within one year of separation).
- D. Employees granted a leave of absence with pay (including military leave or other approved leave with pay) shall accrue sick leave as indicated above.

- E. Sick leave will not be accrued by an employee absent from duty after separation from service or during an authorized leave of absence without pay.
- F. Upon retirement under the Public Employees Retirement System, qualifying employees may apply unused sick leave as provided under Section 20862.8 and 20965 of the Government Code.

IV. Reimbursement/Reinstatement of Unused Sick Leave

Employees leaving the municipal service shall forfeit all accumulated sick leave unless:

- a. Upon retirement under the Public Employees Retirement System, qualifying individual applies unused sick leave as provided under Section 20862.8 and 20965 of the Government Code.
- b. The individual is re-hired by the City of Hanford within one year from the date of separation. Previously accrued and unused paid sick days shall be reinstated and the employee shall be entitled to use those previously accrued and unused paid sick days immediately and will accrue additional paid sick hours in accordance to the section above.
- c. The employee resumes employment with the City upon release from active military duty, temporary military leave or other approved leave of absence.

V. Abuse of Sick Leave

Abuse of an employee's sick leave is defined as a claim of entitlement to sick leave when the employee does not meet the requirements as defined in Section I. If an employee is found to be abusing or misusing their sick leave time, they will be subject to disciplinary action.

Bereavement Leave

Each employee shall be granted bereavement leave with full pay not to exceed one full work week in the event of death in the employee's family. For the purpose of this section only, the employee's family shall mean the spouse, child, parent, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, grandparent, grandchild or a close relative residing in the household of the employee. Bereavement leave does not count against an employee's sick leave balance. Bereavement leave does not need to be consecutive. There is no limit to the number of times bereavement leave can be taken as long as it is for an employee's family member as described above. Bereavement leave shall be completed within three (3) months of the date of the death of a covered family member. Upon request and within thirty (30) days of the first day of leave, the employee shall provide documentation of the death of a covered family member. Documentation shall include but is not limited to: a death certificate, a published obituary, memorial service announcement or program, etc.

Tuition Reimbursement

Pursuant to Administrative Regulation 1.13, regular employees are eligible to receive tuition reimbursement up to \$5,000 per fiscal year for courses taken to obtain a bachelor's, master's or doctoral degree only (no training/certificate course work).

Mileage Reimbursement

Employees required to use their private automobile for authorized City business shall receive mileage reimbursement at the current IRS approved rate.

Cellular Phone and Mobile Device Reimbursement

Employees are provided with a cell phone/mobile device reimbursement in accordance with Administrative Regulation 1.26.

Uniform Allowance

I. Safety Shoes

The following job classifications shall be provided with safety shoes and accessories (laces, insoles, etc.) from a contracted vendor at no cost up to \$225 per person, per fiscal year. Shoes shall be provided to the newly hired or appointed employee within six months of service in the position. Employees who are on leave will be provided with safety shoes and accessories upon their return.

Designated employees will be required to wear a safety shoe at all times on the job:

- Building Official
- Parks Manager
- Refuse Manager
- Streets Manager
- Utilities Manager
- Wastewater Treatment Plant Manager

Any employee who believes their job functions warrant the need for protective footwear as described by the Occupational Safety and Health Administration (OSHA) and/or Department of Industrial Relations shall request a safety shoe allowance in writing to their Department Head. The City Manager, in conjunction with Risk Management personnel shall review and approve or deny the request.

Longevity Pay

Employees shall receive an increase upon completion of the following consecutive years of active services with the City of Hanford:

Five (5) years of service: 2.5%

Ten (10) years of service: an additional 2.5%

Fifteen (15) years of service: an additional 2.5%

Twenty (20) years of service: an additional 2.5%

(Maximum allowance of 10%)

Active service shall be defined as an employee who is in a continued pay status and an employee who is on approved leave (including paid or unpaid military leave). Time off for discipline leave shall not be time counted towards longevity, but such leave shall not constitute as a break in active service as it relates to longevity.

The City Manager shall have the discretion to provide longevity pay based on cumulative years of service at another public entity (State, County or City municipality) in a management and/or technical level position. Verification of years of service, title and job functions will be conducted through the Human Resources office prior to awarding longevity pay.

If an employee was previously full-time, transitioned to a part-time position and then was rehired to a full-time position, as long as the employee did not completely separate from employment with the City of Hanford, their previous years in a full-time position will count when calculating longevity pay. Such employees are responsible for notifying their Department Head and/or immediate supervisor in a timely manner if they believe they qualify. No retroactive pay will be provided for untimely notice.

Educational Pay

PUMA employees who obtain and maintain one of the certificates as noted below in the "Educational" tab of CalPERS "Special Compensation Type Reportability Table," shall receive a five percent (5%) increase to their base salary per month, effective the first full pay period after the City receives proof of certification (unless noted otherwise). This compensation shall be provided on an ongoing basis, provided the certification is maintained and remains valid. Employees are responsible for providing the Human Resources Division with their renewed certification going forward.

Compensation awarded during any period in which the employee fails to maintain the required certification may be subject to recovery, and such failure may result in disciplinary action up to and including termination.

Special Compensation Type	Classic	PEPRA	Notes
Applicator's Differential	Yes	Yes	

Special Compensation Type	Classic	PEPRA	Notes
Certified Public Accountant Incentive	Yes	Yes	
Educational Incentive	Yes	Yes	The City's Payroll Division will review and coordinate with CalPERS to verify eligibility. Individuals who meet CalPERS reportability requirements will be identified in this section. Compensation will begin the first pay-period after eligibility has been confirmed by CalPERS.
Engineering Registration Premium	Yes	Yes	Only for engineers
Government Agency Required Licenses	Yes	Yes	The City's Payroll Division will review and coordinate with CalPERS to verify eligibility. Individuals who meet CalPERS reportability requirements will be identified in this section. Compensation will begin the first pay-period after eligibility has been confirmed by CalPERS.
International Conference of Building Officials (ICBO) Certificate	Yes	Yes	Only for building inspectors
Mechanical Premium	Yes	Yes	Only for mechanics with a Brake Adjustment License, SMOG Inspector License, etc.
National Institute of Automotive Service Excellence (NIASE) Certificate	Yes	Yes	Only for mechanics
Notary Pay	Yes	Yes	Only for clerical employees
Peace Officer Standards Training (POST) Certificate Pay	Yes	Yes	Only for safety police

Certified Public Accountant Incentive - Employees assigned to the position of Finance Director (or equivalent title) who obtain and maintain a Certified Public Accountant license shall receive a five percent (5%) increase to their base salary per month, payable with the normal payroll effective the first full pay period after the City receives confirmation of the license. This compensation shall be available to all employees assigned to the position of Finance Director (or equivalent title) without exclusion.

Engineering Registration Premium - Employees assigned to the position of Public Works Director and/or Utilities and Engineering Director (or equivalent title) who have taken and passed a California engineering proficiency exam and are registered with the State of California

shall receive a five percent (5%) increase to their base salary per month, payable with the normal payroll effective the first full pay period after the City receives confirmation of the license. This compensation shall be available to all employees assigned to the position of Public Works Director and/or Utilities and Engineering Director (or equivalent title) without exclusion.

The City will pay for the cost associated with maintaining and renewing such licenses.

National/State/Renewable Certifications

National, State or renewable licenses/certificates obtained by employees assigned to PUMA will be reviewed by the City Manager to determine if it is related to the position and benefits the job and the City. It is expressly understood that positions and assignments eligible for additional pay (2.5% increase) will be determined solely at the discretion of the City Manager and unlike the specific certifications described above will not be reported to CalPERS as pensionable income.

Employees are responsible for providing the Human Resources Division with their renewed (if applicable) certificate going forward. Compensation awarded during any period in which the employee fails to renew their certification may be subject to recovery, and such failure may result in disciplinary action up to and including termination.

The City will pay for the cost associated with maintaining and renewing such certification (if applicable).

Other Certifications

Other certifications obtained by employees assigned to PUMA will be reviewed by the City Manager to determine if it is related to the position and benefits the job and the City. It is expressly understood that positions and assignments eligible for additional pay (1% increase) will be determined solely at the discretion of the City Manager and unlike the specific certifications described above will not be reported to CalPERS as pensionable income.

Employees provided with certification pay at a higher amount than listed above prior to July 1, 2025, shall retain their qualification at a higher amount as long as the certification is maintained in a valid/active status. Any new educational pay qualified July 1, 2025, or later shall adhere to above sections.

The maximum amount provided in total for Education Pay is five percent (5%).

Special Assignment Pay

Water Certification Premium - Employees assigned to the position of Public Works Director and/or Utilities and Engineering Director (or equivalent title) who routinely and consistently are assigned to test local water quality for compliance with governmental health standards and have obtained a Grade V or higher water distribution, water treatment or wastewater treatment certificate shall receive a five percent (5%) increase to their base salary per month payable with the normal payroll effective the first full pay period after the City receives the certificate. This compensation shall be provided on an ongoing basis provided the certification is maintained and remains valid. Employees are responsible for providing the Human Resources Division with

their renewed certification going forward. The City will pay for the cost associated with maintaining and renewing such certifications.

PUMA employees who are assigned to special assignment duties or work conditions on a routine or consistent basis as outlined in the “Special Assignment” tab of CalPERS “Special Compensation Reportability Table” may be eligible to receive a five percent (5%) increase to their base salary per month, payable with the normal payroll. To receive this pay, employees must submit a written request to the City Manager demonstrating their eligibility and include any related certifications earned, if applicable. Upon approval, the City’s Payroll Division will coordinate with CalPERS to confirm eligibility. Employees who meet CalPERS reportability standards will be listed in this section.

The special compensation will commence with the first pay period following CalPERS’ confirmation of eligibility and will continue as long as the qualifying duties or conditions persist. If related certifications are earned and subject to renewal, employees must provide updated documentation to the Human Resources Division. The City will pay for the cost associated with maintaining and renewing such certification (if applicable).

The maximum amount provided in total for Special Assignment Pay is five percent (5%). safety

Acting Pay

When an employee is temporarily assigned to a position in a higher classification (employee leaves their current position and assumes the duties and responsibilities of a higher-level classification), they shall have their base salary adjusted to the base pay for the higher classification at Step 1 or the step that provides them with a minimum of a five-percent (5%) increase commencing on the eleventh (11th) consecutive business day in a fiscal year. Designated City holidays shall count towards consecutive business days worked.

If the assignment is to a vacant position currently being recruited for, hours worked shall not exceed 960 hours in a fiscal year in compliance with Government Code 20480.

Working out of Classification

If an employee is assigned in writing to perform duties that are distinct, separate and normally performed by employees in a higher classification for more than 51% of their working hours as determined by their immediate supervisor, they shall receive a five-percent (5%) increase in their base salary commencing on the eleventh (11th) consecutive business day in a fiscal year. Designated City holidays shall count towards consecutive business days worked.

Working out of class assignment may be discontinued by the supervisor or Department Head at any time; however, employees shall not be rotated in and out of working out of class assignments to avoid providing additional compensation.

Working out of classification pay shall not be considered as part of the employee's base pay when computing the rate due upon promotion to a higher classification.

Any working out of classification assignment shall not exceed six months in a fiscal year unless written approval is received by the City Manager.

Any employee who feels they are working out of classification and not receiving compensation for their additional duties may submit supportive documentation to their immediate supervisor and Department Head outlining a detailed listing of all duties performed and the amount of time he/she spends on those duties.

If the Department Head and immediate supervisor do not agree that the additional duties meets the criteria for working out of classification compensation, the Department Head shall render his/her decision and comments in writing within fifteen (15) days after receiving the employees request and supportive documentation.

If the employee does not agree with the decision reached, the employee may appeal their decision by presenting their supporting documents/information to the City Manager. The City Manager shall review and render a decision in writing within twenty (20) calendar days after receiving the employee's appeal. The decision of the City Manager shall be final.

Probationary Period

All appointments shall be tentative and subject to a probationary period as outlined by Administrative Regulation 1.32 Performance Evaluations.

Release and Discipline of Probationer - During the original probationary period, an employee may be released from their position or disciplined by the City Manager or Department Head at any time and without cause, without any right of appeal or the right to submit a grievance.

Health Insurance

Medical

The City shall offer optional medical plans including but not limited to a PPO, EPO and/or a high deductible plan with employee sponsored Health Savings Account (HSA), if applicable. The City shall pay sixty percent (60%) of the total premium cost of all regular and probationary employees, and their dependents, who elect the PPO plan.

Dental

The City shall pay sixty percent (60%) of the total premium cost of all regular and probationary employees, and their dependents, who elect a dental plan.

Vision

The City shall pay one hundred percent (100%) of the total premium cost of all regular and probationary employees who elect an employee only vision plan. The City shall pay sixty percent (60%) of the total premium cost of all regular and probationary employees, who elect a vision plan with dependent coverage.

Retirement

Miscellaneous Employees

The City shall provide the 3% @ 60 retirement plan to miscellaneous employees under the California Public Employees (CalPERS) retirement system.

Pursuant to State law, miscellaneous employees hired on or after January 1, 2013, shall be provided with the 2% @ 62 retirement plan under the California Public Employees (CalPERS) retirement system.

Sworn-Safety Employees

The City shall provide the 3% @ 55 retirement plan to safety employees under the California Public Employees (CalPERS) retirement system.

Pursuant to State law, safety employees hired on after January 1, 2013, shall be provided with the 2.7% @ 57 retirement plan under the California Public Employees (CalPERS) retirement system

All employees shall pay the required employee contribution as determined by CalPERS.

Bilingual Pay

The City agrees to compensate eligible PUMA members for utilization of their bilingual skills as determined by the City pursuant to Administrative Regulation 1.12. Eligible employees shall receive a five percent (5%) stipend for the use of their bilingual skills.

State Disability Insurance

State disability insurance is provided, to all employees within this unit at the employee's cost. State disability insurance payments may be available to employees who cannot work due to sickness or injury not job related. State disability payments shall be integrated with sick leave balances. To the extent that accumulated sick leave or vacation leave is available, the employee will continue to receive a regular payroll check. State disability insurance payments received by the employee from the State shall be turned in to the City upon receipt by the employee. When such checks are received by the City, that portion of the sick leave or vacation leave used, equivalent to the dollars received from the State, shall be reimbursed to the employee's balances. At such time that the employee no longer has balances to reimburse, the employee is no longer required to submit the State disability payment to the City.

Class A and B Licenses

For all employees required to maintain Class A and B licenses, the City shall pay the difference between Class C and B and Class C and A driver's license renewals as required by the California Department of Motor Vehicles. In addition, the City will continue to pay for DMV physicals for those employees required to have a Class A or Class B driver's license.

Jury Duty

Employees required to report to jury duty shall be granted a leave of absence with pay from their assigned duties until released by the court, provided the employee remits to the City all fees received for such duties other than mileage or subsistence allowance within thirty (30) days from the termination of his/her jury duty service.

Military Leave

The City provides military leave consistent with state and/or federal law.

Leave to Vote

Employees shall be granted time off with pay to vote in any general, direct primary, or presidential primary election consistent with state law. Employees desiring such time off are required to give the appropriate notice required by state law.

Life Insurance

The City pays the premium for a \$100,000 group life insurance policy for PUMA members. The City also provides employees an option to purchase additional life insurance at the employee's expense.

Flexible Spending and Voluntary Benefit Plan

The City provides employees an option to enroll in a Section 125 plan at the employee's expense.

Pregnancy Disability Leave

The City provides pregnancy disability leave consistent with state and federal law.

Family and Medical Leave

The City provides family and medical leaves of absence consistent with state and/or federal law.

Per Diem

The City shall reimburse PUMA members according to the provisions outlined in the Administrative Regulation 1.05 entitled travel and Meeting Expense Reimbursement Policy.

Deferred Compensation

PUMA employees are eligible to receive a matched employer contribution for deferred compensation up to \$75.00 per pay period.

SECTION 3

Disciplinary Action

This section shall not apply to Reductions in Force, or reductions in pay which are part of a general plan to reduce or adjust salaries and wages.

A. Range of Disciplinary Action

The City shall strive to maintain a system of progressive discipline. However, the final Disciplinary Action imposed will be determined by the seriousness of the offense and any other factors deemed relevant by the Personnel Officer or Department Head. Nothing stated herein requires the City to impose discipline based on prior discipline or lack thereof.

B. Causes for Disciplinary Action

Causes for disciplinary action against any employee may include, but shall not be limited to, the following:

- (1) Fraud in securing appointment;
- (2) Neglect of duty, including failure to meet the standards of performance of the employee's position;
- (3) Insubordination, willful disobedience;
- (4) Dishonesty, including falsification of City documents or records, or fraud in securing one's employment;
- (5) Drunkenness or intoxication on duty;
- (6) Possession, distribution, sale or use, or being under the influence of, illegal drugs while on City property or City business;
- (7) Absence without leave;
- (8) Conviction of a felony or any crime involving moral turpitude;
- (9) Discourteous treatment of the public or other employees, including physical and verbal harm;
- (10) Willful violation of safety, endangering property and/or persons;

- (11) Misuse, unauthorized use, misappropriation, theft, or sabotage of City property;
- (12) Inefficiency or incompetency;
- (13) Violation of any of provisions of these Rules, official City policies, and/or departmental rules and regulations;
- (14) Refusal to take or subscribe to any oath of affirmation which is required by law in connection with City employment;
- (15) Any other acts or omissions either during or outside of duty hours which are incompatible with or unfavorable to the public service.

C. Notice of Proposed Disciplinary Action – Regular Employees

Written notice of the proposed discipline to be imposed shall be served on a regular employee personally or sent to his/her address of record by Certified Mail not less than ten (10) calendar days prior to the date of the proposed action. If served by Certified Mail, such notice shall be effective and constitute receipt by the employee upon deposit in the United States Post Office. Courtesy copies shall be provided to the union.

D. Such formal notice shall include the following statements:

- (1) The nature of the disciplinary action;
- (2) The effective date of the penalty;
- (3) The causes therefore;
- (4) A plain and concise description of the act or omissions upon which the causes are based;
- (5) A statement informing the employee of his/her right to appeal the decision as provided in these Rules;
- (6) A copy of the materials upon which the disciplinary action is based; and
- (7) Whether the employee will be placed on Administrative Leave, and for what length of time.

E. Right to Respond – Regular Employees (*Skelly* Meeting)

Any regular employee shall have the right to respond, with union representation, either orally or in writing, to the authority imposing disciplinary action and have the response considered prior to the discipline being imposed. Unless otherwise specified in writing by the authority proposing discipline, such a response must be made within ten (10) calendar days after receipt of the written notice of the

proposed disciplinary action. Failure to respond within such period constitutes a waiver of the right to respond. However, failure to respond shall not affect the employee's right to appeal the disciplinary action as provided in this Rule. After reviewing the employee's response, if any, the authority imposing discipline shall formally notify the employee in writing of his/her decision to dismiss, modify or impose the proposed discipline.

F. Right of Appeal – Regular Employees

Any regular employee shall have the right of appeal from any disciplinary action under this Rule. Such appeal must be filed in writing with the City Manager within five (5) working days of the date of service of the notice of such disciplinary action. Failure to file an appeal within such period constitutes a waiver of the right of appeal.

The City Manager or his/her designee shall conduct a hearing as provided in this Rule, unless otherwise provided in an applicable memorandum of understanding or required by law. Except in the case of danger to the public well-being, the employee's safety or other employees' safety, no discipline shall be imposed prior to the completion of the appeals process.

G. Appeal Hearing and Procedures – Regular Employees

(1) Hearing Officer Selection

The employee (or his/her representative) and the City, within five (5) calendar days of the filing of the appeal, shall jointly pick a hearing officer to hear the appeal. If the parties are unable to agree on a hearing officer within this time frame, the employee (or his/her representative) and the City shall jointly request a list of names of five (5) neutrals from the California State Mediation and Conciliation Service. Within five (5) calendar days after receiving the list of neutrals, the employee (or his/her representative) and the City shall select a hearing officer from that list by alternately striking names from the list. The first option to strike shall be determined by lot.

(2) Cost of Hearing

The cost of the services of the Hearing Officer shall be split by the parties unless otherwise required by law.

(3) Scheduling the Hearing

The hearing shall, when practicable, be held within twenty (20) calendar days of the selection of the hearing officer.

(4) Continuance of Hearing

The hearing officer may continue the hearing either for convenience of the City or upon written application of the appellant, for a reasonable period from the receipt of request for extension. Written notice of the time and place of the hearing, and any continuance thereof, shall be provided to the appellant.

(5) Conduct of Hearing

Such hearing shall be conducted in accordance with the provisions of Section 11513 et seq. of the Government Code, except that the appellant and other persons may be examined as provided in Section 19580 of the Government Code, and the parties must submit all proper and competent evidence against, or in support of, the causes. The hearing officer shall determine the need for counsel and the procedures under which the hearing will be conducted. Such procedures shall comply with the state law and the provisions of this Rule. The hearing shall be closed except to necessary parties unless the appellant or employee organization requests, in writing, that the hearing be open to the general public. All witnesses, except the appellant and a City representative, shall be excluded from the open hearing process.

(6) Advisory Opinion

The opinion of the hearing officer shall be rendered within fifteen (15) calendar days of the hearing, or within a reasonable time thereafter, and shall be advisory only to the City Manager. In the event that the discipline was imposed by the City Manager, the hearing officer's opinion shall instead be advisory to the City Council, which shall make the final decision

Nothing in these Rules shall be construed as to bind the City, City Manager or City Council, or a Court of law to any opinion of the neutral hearing officer. If subsequent court proceedings are initiated, the decision of the City Manager or City Council shall be entitled to a presumption of correctness pursuant to *Fukuda v. City of Angels* (1999) 20 Cal.4th 805.

H. Decision – Regular Employees

(1) City Manager

The City Manager shall render a written decision within five (5) work days after receiving the advisory opinion of the hearing officer. The City Manager's decision shall be final and conclusive and shall be the findings of the City. A copy of such decision shall be forwarded to the appellant.

(2) City Council

In the event the discipline was imposed by the City Manager, the City Council shall consider the advisory opinion of the hearing officer and shall render a final and conclusive findings of the City within fifteen (15) calendar days of the receipt of the hearing officer's advisory opinion.

(3) Failure of Employee to Appear at the Hearing

Failure of the employee to appear at the hearing shall be deemed a withdrawal of his/her appeal and the action of the City Manager or Department Head shall be final.

(4) Representation

The employee must appear in person at the hearing and may be represented by counsel or another representative.

(5) Notice to Witnesses

The City Manager shall cause issuance of subpoenas for the appearances of witnesses for the employee upon his/her written request and at the employee's cost consistent with the requirements of Government Code sections 11450.05 et seq. The City Manager may require such cost to be prepaid and the same shall be limited to the fee and mileage of witnesses as set forth in Government Code section 11450.40. City employees will be allowed to attend as a witness without a loss in compensation.

I. Categories of Discipline

(1) Major Discipline:

(a) Reduction in Salary

The employee is placed at a lower salary step within the current salary range as a result of disciplinary action.

(b) Demotion

The employee is moved from one class to another class having a lower maximum rate of pay as a result of disciplinary action.

(c) Administrative Leave (with pay)

Employees placed on Administrative Leave from municipal service shall forfeit all rights, privileges with the exception of salary, and Group Health and Life Insurance benefits.

(2) Minor Discipline:

(a) Verbal Reprimand

Employees receiving an oral reprimand may have it noted in their departmental record by the Department Head. Oral reprimands are not subject to appeal.

(b) Written Reprimand

Employees receiving a written reprimand shall have a copy of the reprimand filed in their permanent personnel record for future reference. An employee's permanent personnel record is his/her personnel jacket maintained in the Personnel Office, except that records for non-sworn Police Department Employees may be maintained in the departmental personnel file. Employees who receive written reprimands may attach written responses or rebuttals to the reprimand which shall also become part of the employee's official personnel file. Written reprimands are not subject to appeal.

J. Releasing Information

The City will comply with state laws regarding public disclosure of disciplinary personnel actions.

SECTION 4

Grievance Procedures

A. Purpose

This grievance procedure is intended to promote improved employer-employee relations by affording employees, individually or through recognized employee organizations, a systematic means of obtaining further consideration of workplace issues within the scope of this grievance provision after every other reasonable effort has failed to resolve them. Grievances shall be heard and resolved as quickly, informally, and as near to the point of origin as possible.

B. Definition of Grievance and Matters Subject to Procedure

A "grievance" is an alleged violation or improper application of these Rules, or other official City policies or departmental rules and/or a current memorandum of understanding, affecting the status or working conditions of City employees, filed by one or more employees, or PUMA.

Any City employee, or PUMA, shall have the right to present a grievance under this Rule concerning matters for which an appeal or grievance procedure is not

otherwise provided, or an appeal or grievance is not otherwise prohibited, under other official City policy or procedure.

C. Informal Grievance Procedure

An employee must first attempt to resolve a grievance or complaint through discussion with his/her immediate supervisor within fifteen (15) calendar days from the date when the grievant knew, or reasonably should have known, of the occurrence of the event giving rise to the grievance. If, after such discussion, the employee does not believe the problem has been satisfactorily resolved, he/she shall have the right to discuss it with his/her supervisor's immediate superior, if any. Every effort should be made to find an acceptable solution by informal means at the most immediate level of supervision.

If the employee is not in agreement with the decision reached through such discussion, he/she shall then have the right to file a formal grievance in writing within ten (10) calendar days after receiving the informal decision of his/her superior or superiors. An informal grievance shall not be taken above the Department Head level.

D. Formal Grievance Procedure

The formal grievance procedure after exhaustion of the informal grievance procedure shall proceed as follows:

(1) Department Review

The grievance shall be presented in writing to the employee's Department Head who shall discuss the grievance with the employee, his/her representative, if any, and with other appropriate persons. The Department Head shall render his/her decision and comments in writing and return them to the employee within fifteen (15) calendar days after receiving the grievance. If the employee does not agree with the decision reached, or if no answer has been received within fifteen (15) calendar days, he/she may present the grievance in writing to the City Manager. Failure of the employee to take further action within ten (10) calendar days after receipt of the decision, or within a total of twenty-five (25) calendar days if no decision is rendered, will constitute withdrawal of the grievance.

(2) City Manager Review

Upon receiving the grievance, the City Manager or his/her designated representative shall discuss the grievance with the employee, his/her representative, if any, and with all other appropriate persons. The City Manager may designate a fact-finding committee or an officer not in the normal line of supervision, to advise him/her concerning the grievance. The City Manager shall render a decision in writing to the employee

within twenty (20) calendar days after receiving this grievance. The decision of the City Manager shall be final.

(3) Conduct of Grievance Procedure

The time limits specified above may be extended to a definite date by mutual agreement of the employee and the reviewer concerned in writing.

The employee may request the assistance of another person in preparing and presenting his/her grievance at any level of review.

Employees shall be free from reprisal for using the grievance procedure.

SECTION 5

Layoff Procedures

Subject to state and federal law, an employee may be laid off under this Section by the Personnel Officer for the following reasons: a shortage of work; lack of funds; material change in duties or organization; in the interest of economy; to reduce the staff of any City function; or in return of another City employee occupying the same position from a leave of absence. The order of separation due to a layoff shall be based upon class, type of appointment and seniority.

A. Seniority List

The Personnel Officer shall establish seniority lists by classification based on employees' lengths of service in that classification. Such lists shall be established on a departmental basis.

B. Seniority Score Computation

- (1) Total seniority credits shall be counted from the initial date of hire under any type of appointment, as long as there has been no break in service; otherwise, total seniority credits shall be counted from the first day of employment following the last break in service. Prior layoff does not constitute a break in service.
- (2) One point of seniority credit shall be counted for each qualifying month of service. For other than full-time employment, 160 hours worked shall be equivalent to one month of service and seniority credit shall be given upon the completion of each 160 hours worked.
- (3) Authorized leaves of absence without pay shall not be considered breaks in service, but time spent on such leaves without pay shall not count toward seniority credit unless otherwise required by law.
- (4) No matter what the class is, the service credits will be calculated the same. There will be no preference for special classes.

- (5) When two or more employees have the same total seniority score, the tie shall be broken and preference given in the following order to the employee with the greatest seniority in the class in which layoff is being made; if there is still a tie, the employee with the greatest seniority in the department of layoff; if there is still a tie, the employee whose name is drawn by lot by the Personnel Officer.

C. Order of Separation

- (1) Separation (layoff) of employees shall be in the order in which their names appear on the seniority list for the affected class, with those persons having the least seniority credit being the first separated, except as provided in Subsection (c)(3) immediately below.
- (2) Employees in the same class shall be separated during a reduction in force (layoff) according to the type of appointment under which they serve, in the following sequence: part-time, probationary, permanent.
- (3) The layoff of employees in grant-funded positions shall be guided by pertinent regulations set forth in the grant contract. If a grant does not provide guidelines for layoff, then the layoff of employees occupying all grant-funded positions shall be determined by the availability of the grant funds, except that such employees may be displaced by qualified probationary or permanent employees in the same department who are scheduled for layoff and who have a greater number of seniority credits.

D. Voluntary Demotion in Lieu of Layoff

An employee scheduled to be laid off may voluntarily demote to a lower class when the lower class has similar duties, responsibilities, and requirements as designated by the Personnel Officer, provided that the total seniority credits exceed the total seniority credits of the employee in the lower class. Employees may also be demoted to any previously held position wherein their performance had been judged to be satisfactory, so long as their seniority credit exceeds that of the person occupying that position. To be considered for voluntary demotion in lieu of layoff, an employee must notify the Personnel Officer in writing of this election no later than seven (7) calendar days after receiving notice of layoff.

E. Re-employment

- (1) Re-Employment Lists – By Class

The Personnel Officer shall establish a re-employment list which will be valid for two years from the date of employee layoff and shall pertain to each class in which a layoff occurs. Such lists shall contain the names of permanent employees who were laid off or demoted in lieu of layoff from that class. Names shall be placed on a replacement list in the order of total seniority, with the highest seniority being first on the list. Any remaining benefits at the time of layoff shall be restored upon rehire.

(2) Department Re-employment Lists

A re-employment list shall be established for each department in which a layoff occurs. Such lists shall be prepared in accordance with the procedures set forth in Subsection (e)(1) immediately above. Appointment shall be made from the highest available eligible on the department re-employment list, who has expressed a willingness to accept re-employment. An employee's name shall be removed from the re-employment list if such employee fails to reply to an offer of employment within ten (10) calendar days after receipt of such offer or, after accepting such offer, fails to report for work.

(3) City Re-employment List

A re-employment list shall be established on a City-wide basis. In the absence of a department re-employment list, the City-wide list shall be used to fill vacancies under these procedures. Individual names shall be removed from the City list if such individual rejects or fails to reply to an offer for re-employment within ten (10) calendar days after receipt of the offer or after accepting such offer, fails to report to work. Employees appointed from a City re-employment list may be required to serve a new probationary period. Any employee laid off for a period of six (6) months or longer will be required to meet City job standards.

F. Layoff of Probationary Appointments as a Result of Promotion

If an employee with permanent status is promoted and layoff occurs during the probationary period and such employee is scheduled to be laid off, the employee shall be entitled to return to his/her former position. If layoff occurs in the position (class) to which the employee returned, the procedures established in this Chapter shall apply and shall be followed.

SECTION 6

Reopener for Equity Review

During the term of this agreement, PUMA and the City shall have the right to re-open negotiations on the subject of salary. The City of Hanford is open to meeting during the term of the agreement to discuss potential market adjustments. PUMA will be responsible for compiling data to present and support their market adjustment request(s). Upon a reopener, all other provisions and all other sections of the Compensation and Benefit Summary shall remain in full force and effect.

Agreed upon July 15, 2025

For the City:

_____/s/
Mario Cifuentes
City Manager

_____/s/
Chris Tavaréz
Deputy City Manager

For PUMA:

_____/s/
Brenda García
President

_____/s/
Sarah Cardoza
Vice President