TO: BOARD OF SUPERVISORS
(in its capacity as Governing Board of the Contra Costa County Fire Protection District)

FROM: John Cullen, County Administrator

DATE: July 22, 2008

SUBJECT: OPEB – Revised Fire Management Resolution – No. 2008/359

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATIONS:

1. ACKNOWLEDGE May 6, 2008 action of the Board of Supervisors adopting health care changes for unrepresented employees and appointed and elected officials and for persons who retired from classifications that were unrepresented at the time of retirement, appointed, or elected; and

2. ADOPT Resolution No. 2008/359 (Attached) to supersede Resolution No. 2008/218 (Fire Management Resolution) regarding compensation and benefits for Contra Costa County Fire Protection District Unrepresented Fire Safety Management Employees and certain retirees, to reflect health care changes as recommended by the County Administrator.

FISCAL IMPACT:
The result of the recommendations herein, if implemented, will have significant future impact on the County’s and Fire District’s overall fiscal stability and ability to deliver services.

BACKGROUND:
On May 6, 2008 the Board of Supervisors accepted a report from the County Administrator containing recommendations on health care changes for unrepresented employees and appointed and elected officials and for persons who retired from classifications that were unrepresented at the time of retirement, appointed, or elected; and draft information on the 2008 Other Post Employment Benefits (OPEB) actuarial valuation. The information regarding the 2008 actuarial valuation included an assumption involving changes to health care benefits that were recommended for elected and appointed officials, for unrepresented employees and for persons who retired from classifications that were unrepresented at the time of retirement.

The Board of Supervisors accepted the report and adopted the County Administrator’s recommendations for health care changes.

CONTINUED ON ATTACHMENT: X YES

RECOMMENDATION OF COUNTY ADMINISTRATOR ___ RECOMMENDATION OF BOARD COMMITTEE ___

APPROVE ___ OTHER ___

SIGNATURE(S):

ACTION OF BOARD ON: ___ APPROVE AS RECOMMENDED ___ OTHER ___

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED ____________________________

JOHN CULLEN, CLERK OF THE BOARD OF SUPERVISORS AND COUNTY ADMINISTRATOR

BY ____________________________, DEPUTY

CONTACT: Lisa Driscoll (335-1023)

CC: All County Departments
The adopted changes covered County elected and appointed officials, management, and unrepresented employees, and persons who retired from classifications that were unrepresented, appointed or elected, and who are not safety employees and not covered by CalPERS health plans. This action and a companion action concerning the County are intended to make similar health care changes applicable to County and Fire District elected and appointed safety officials, management and unrepresented safety employees, and persons who retired from safety classifications that were unrepresented at the time of retirement, and who are covered by CalPERS health plans. In addition, today’s actions are intended to address dual coverage between County and Board governed special district health plans, including CalPERS health plans, as to all elected and appointed officials, management and unrepresented employees and persons who retired from classifications that were unrepresented.

Summary of Changes to the ‘Fire Management Resolution’ (Resolution 2008/359)

Resolution 2008/359 supersedes and replaces Board of Supervisors Resolution No. 2008/218, which was adopted on April 15, 2008 (the “Fire Management Resolution”). The following revisions are made to Section 2. Health, Dental and Related Benefits of the Fire Management Resolution:

1. Beginning on January 1, 2010, the Fire District health care premium subsidy for unrepresented safety employees, officials and retirees who receive health care coverage from CalPERS is set at the calendar year 2008 dollar amount, or the CalPERS statutory minimum employer monthly premium subsidy, whichever is greater.

2. Beginning on January 1, 2010, the Fire District dental care premium subsidy for unrepresented safety employees, officials and retirees who receive health care coverage from CalPERS is set at the calendar year 2009 dollar amount.

3. A new dental care tier is established for unrepresented safety employees and safety officials hired, appointed, or elected after December 31, 2008 who receive health care coverage through CalPERS. These employees and officials will have access to Fire District dental plans while employed. The Fire District may provide less of a monthly dental premium subsidy for these employees and their eligible family members than it provides for those persons hired, appointed, or elected before January 1, 2009. Separate dental rate pools are established for these employees and officials during employment and as retirees. Upon retirement, these employees and officials will have access to Fire District dental plans, but no Fire District premium subsidy will be paid for any dental plan. Retirees and eligible family members will participate at their own expense.

4. After December 31, 2008, employees and retirees, and dependents of employees and retirees, can no longer have dual coverage in two County/District health or dental plans, including CalPERS plans. This provision will apply to County and District employees and retirees who have spouses or partners who are either County or District employees or who have retired either from the County or from a Board governed special district such as the Contra Costa County Fire Protection District.

5. For purposes of determining who may be enrolled as a dependent on the health or dental plan, the definition of eligible family member has been modified for consistency with Internal Revenue Service Publication 501.

6. A new section has been added to reference employees’ ability to participate in the Premium Conversion Plan which allows payment of health and dental premiums with pre-tax dollars.

These changes will continue the process of reducing our OPEB liability, reducing overall health care cost growth, and reducing health care cost growth for the County and Board governed special districts. The recommendations have no immediate impact, in order to allow the County, Fire District and individuals time to plan for the future. The goal remains reducing the overall cost growth of benefits prior to 2010 in order to preserve a balance between providing sound health care coverage for our employees and retirees and maintaining vital County and Fire District programs and services.
Impact of Recommendations on Liability

Assuming adoption of the County Administrator’s recommendations on this item and the companion item regarding proposed changes as to CalPERS covered unrepresented safety employees and appointed and elected officials and persons who retired from safety classifications that were unrepresented at the time of retirement, appointed, or elected, the current projected valuation of $1.7 billion total liability and $130 million annually required contribution (ARC) would be reduced by $4,285,000 (36%/64% County/District share) and $237,000 (48%/52% County/District share) respectively.

<table>
<thead>
<tr>
<th>Partial Pre-Funding</th>
<th>Before Recommendations</th>
<th>After Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Liability</td>
<td>$1,736,915,000</td>
<td>$1,732,630,000</td>
</tr>
<tr>
<td>Normal Cost</td>
<td>71,741,000</td>
<td>71,647,000</td>
</tr>
<tr>
<td>30 Year Amortization of UAAL</td>
<td>57,897,000</td>
<td>57,754,000</td>
</tr>
<tr>
<td>ARC</td>
<td>$129,638,000</td>
<td>$129,401,000</td>
</tr>
</tbody>
</table>

Summary of OPEB Liability Changes

If adopted, the recommended changes in this item and the companion item represent a $4.3 million or .25% reduction to total liability and a $237 thousand or .18% reduction in the annually required contribution. At the Board’s adopted 40% funding target, these changes reduce the County’s $54 million ‘gap’ to approximately $53.7 million. Continued negotiation towards countywide health care cost containment strategies and the redirection of designated future resources are key to resolving the OPEB dilemma. The Board of Supervisors continues to make progress towards a solution for one of the biggest fiscal challenges the County is likely to face.

Next Steps

1. Continue employee and retiree information sessions;
2. Continue meeting & conferring as labor contracts expire; and
3. Continue community education and outreach on our efforts to achieve our goals.

Detailed information on the Board’s actions, including all of the County’s OPEB reports, is available on the County’s web-site at www.cccounty.us.
THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
Acting solely in its capacity as the Governing Board of the
Contra Costa County Fire Protection District

Adopted this Order on ________________________, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SUBJECT: Compensation and Benefits for Contra
Costa County Fire Protection District
Unrepresented Fire Safety Management
Employees

) RESOLUTION NO. 2008/359

The Contra Costa County Board of Supervisors acting solely in its capacity as governing Board of the Contra Costa County Fire Protection District RESOLVES THAT:

Effective upon adoption by the Board of Supervisors, and continuing to June 30, 2010, and until further Order of the Board, the Board adopts the following program of compensation and benefits for Contra Costa County Fire Protection District Unrepresented Safety Management employees. Except for Section 3 of Resolution No. 2002/615, this Resolution supersedes all previous resolutions providing compensation and benefits for the employees in classifications listed below, including but not limited to Resolution No. 2008/218.

<table>
<thead>
<tr>
<th>Job Code</th>
<th>Job Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPBI</td>
<td>Assistant Fire Chief-Exempt</td>
</tr>
<tr>
<td>RPBA</td>
<td>Assistant Fire Chief-Group I</td>
</tr>
<tr>
<td>RJGA</td>
<td>Fire Marshal</td>
</tr>
<tr>
<td>RPA1</td>
<td>Fire Chief-Contra Costa</td>
</tr>
<tr>
<td>RWHA</td>
<td>Fire Training Chief</td>
</tr>
<tr>
<td>RJHC</td>
<td>Supervising Fire Inspector</td>
</tr>
</tbody>
</table>

Unless expressly provided otherwise, this Resolution is subject to the provisions of appropriate Administrative and Personnel Bulletins, the 1937 County Employees Retirement Act, the County Salary Regulations, and the County Personnel Management Regulations.

Unrepresented safety management employees include employees in classified, exempt, and project classifications. This Resolution is organized in two parts to distinguish those general Fire District benefits provided to unrepresented safety management employees (Part I) and those benefits provided exclusively to the Fire Chief (Part II).

Unless otherwise expressly provided, compensation and benefits under this Resolution are authorized only for permanent and project employees who work full time or part time, twenty (20) or more hours per week.

Orig Dept.: Human Resources Department - Lori Gentles (335-1766)
cc: County Administrator's Office
    County Counsel - Vickie L. Dawes
    Auditor-Controller - Elizabeth Verigin
    Contra Costa County Employees' Retirement Association

RESOLUTION NO. 2008/359
I. BENEFITS FOR UNREPRESENTED SAFETY MANAGEMENT EMPLOYEES IN THE CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT

1. Leaves With and Without Pay:

1.10 Holidays: The District will observe the following holidays during the term covered by this Resolution:

   New Year’s Day     Labor Day
   Martin Luther King Jr. Day   Veteran’s Day
   Washington’s Birthday   Thanksgiving Day
   Memorial Day           Day after Thanksgiving
   Independence Day       Christmas Day

Such other days as the Board of Supervisors may designate by Resolution as holidays.

1.11 Definitions:

Regular Work Schedule: The regular work schedule is eight (8) hours per day, Monday through Friday, inclusive, for a total of forty (40) hours per week.

Flexible Work Schedule: A flexible work schedule is when an employee is regularly scheduled to work other than eight (8) hours per day between Monday and Friday, inclusive. The 9/80 schedule and the 4/10 schedule are two (2) examples of flexible work schedules.

Workweek for Employees on Regular and 4/10 Schedules: For employees on regular and 4/10 work schedules, the workweek begins at 12:01 a.m. on Monday and ends at twelve midnight on Sunday.

Workweek for Employees on 9/80 Schedules: For employees on 9/80 schedules, the workweek begins on the same day of the week as the employee’s 8 hour work day and regularly scheduled 9/80 day off. The start time of the workweek is 4 hours and one (1) minute after the start time of the 8 hour work day. The end time of the workweek is 4 hours after the start time of the 8 hour work day. The result is a workweek that is a fixed and regularly recurring period of seven consecutive 24-hour periods (168 hours).

RESOLUTION NO. 2008/359
1.12 **Holidays:** Employees on regular or flexible work schedules are entitled to observe a holiday (day off work), without a reduction in pay, whenever a holiday is observed by the District. Any holiday observed by the District that falls on a Saturday is observed on the preceding Friday and any holiday that falls on a Sunday is observed on the following Monday.

1.13 **Holidays – Flexible Work Schedules:** When a holiday falls on the regularly scheduled day off of any employee who is on a flexible work schedule, the employee is entitled to take the day off, without a reduction in pay, in recognition of the holiday. These employees are entitled to request another day off within the same work week in recognition of their regularly scheduled day off. The requested day off must be within the same work week as the holiday and it must be pre-approved by the employee's supervisor. If the day off is not approved by the supervisor, it is lost. If the approved day off is a nine (9) hour workday, the employee must use one (1) hour of non-sick-leave accruals. If the approved day off is a ten (10) hour workday, the employee must use two (2) hours of non-sick-leave accruals. If the employee does not have any non-sick-leave accrual balances, leave without pay (AWOP) will be authorized.

1.14 **Holidays – Part-Time Employees:** Permanent, part-time employees are entitled to observe a holiday (day off work) in the same ratio as the number of hours in the part-time employee’s schedule bears to forty (40) hours.

1.15 **No Overtime Pay, Holiday Pay, or Comp Time:** Employees are not entitled to receive overtime pay, holiday pay, overtime compensatory time, or holiday compensatory time. Employees who are unable or not permitted to observe a holiday (take the day off), are authorized to receive overtime pay ONLY IF the employee is on the Overtime Exempt Exclusion List (see Section 9.10).

1.16 **Personal Holiday Credit:** Employees are entitled to accrue two (2) hours of personal holiday credit each month. This time is prorated for part-time employees. No employee may accrue more than forty (40) hours of personal holiday credit. On separation from District service, employees are paid for any unused personal holiday credits at the employee’s then current rate of pay, up to a maximum of forty (40) hours.
1.17 **Vacation**: Employees are entitled to accrue paid vacation credit not to exceed the maximum cumulative hours as follows:

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Monthly Accrual Hours</th>
<th>Maximum Cumulative Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 11 years</td>
<td>10</td>
<td>240</td>
</tr>
<tr>
<td>11 years</td>
<td>10-2/3</td>
<td>256</td>
</tr>
<tr>
<td>12 years</td>
<td>11-1/3</td>
<td>272</td>
</tr>
<tr>
<td>13 years</td>
<td>12</td>
<td>288</td>
</tr>
<tr>
<td>14 years</td>
<td>12-3/2</td>
<td>304</td>
</tr>
<tr>
<td>15 through 19 years</td>
<td>13-1/3</td>
<td>320</td>
</tr>
<tr>
<td>20 through 24 years</td>
<td>16-2/3</td>
<td>400</td>
</tr>
<tr>
<td>25 through 29 years</td>
<td>20</td>
<td>480</td>
</tr>
<tr>
<td>30 years and up</td>
<td>23-1/3</td>
<td>560</td>
</tr>
</tbody>
</table>

1.18 **Sick Leave**: Employees are entitled to accrue paid sick leave credit in accordance with the provisions of the County Salary Regulations and District Personnel Bulletin No. 21 (Sick Leave Policy) adopted on August 10, 1995, as periodically amended.

1.19 **Part-Time Employees**: Part-time employees are entitled to accrue paid vacation and sick leave credit on a pro-rata basis.

1.20 **Family Care Leave**: The provisions of Section 1006.3 of the Contra Costa County Personnel Management Regulations and Resolution No. 94/416, as amended, relating to Leaves of Absence and Family Care Medical Leave apply to all employees covered by this Resolution.

1.21 **Leave Without Pay - Use of Accruals**: The provisions of Section 1006.6 of the Contra Costa County Personnel Management Regulations, as amended, relating to use of accruals while on leave without pay, apply to all employees covered by this Resolution.

2. **Health, Dental and Related Benefits:**

2.A. **Health Plans**

2.10 **Health Plan Coverages**: Group health benefits through the California Public Employees' Retirement System (CalPERS) are provided for all permanent full-time employees.
The CalPERS health care program, as regulated by the Public Employees’ Medical and Hospital Care Act (PEMHCA), regulations issued pursuant to PEMHCA and the administration of PEMHCA by CalPERS, controls on all health plan issues, including but not limited to eligibility, benefit levels, benefit plans, minimum premium subsidies, and costs.

2.11 Contra Costa Health Plan (CCHP): Because CCHP has met the minimum standards required under PEMHCA and is approved as an alternative CalPERS plan option, employees and COBRA counterparts may elect to enroll in CCHP under the CalPERS plan rules and regulations.

2.12 Health Plan Monthly Premium Subsidy: The District’s subsidies to the CalPERS monthly health plan premiums are as provided below. The employee must pay any Health Plan premium costs that are greater than the District’s subsidies identified below.

a. District Monthly Premium Subsidy Through December 31, 2009. Through December 31, 2009, the District will pay a monthly premium subsidy for the CalPERS health plan chosen by the employee in an amount not to exceed eighty-seven percent (87%) of the PERS Bay Area/Sacramento Kaiser premium at each level (employee only, employee + one, employee + two or more).

b. District Premium Subsidy On and After January 1, 2010. Beginning on January 1, 2010, and for each calendar year thereafter, the District will pay a monthly premium subsidy for each CalPERS health plan chosen by the employee that is equal to the actual dollar monthly premium subsidy that was paid by the District for calendar year 2009 for that plan, or the CalPERS statutory minimum employer monthly premium subsidy, whichever amount is greater. In no event will the subsidy paid by the District be more than 100% of the premium cost. The amount of the District subsidy that is paid for employees and eligible family members will thereafter be a set dollar amount and will not be a percentage of the CalPERS Bay Area/Sacramento Kaiser premium. If CalPERS changes the plans it offers, then District’s premium subsidy for the new plan(s) will not exceed the actual dollar equivalent of eighty-seven percent (87%) of the PERS Bay Area/Kaiser premium at each level (employee only, employee + one, employee + two or more) as of December 31, 2009.
2.13 **Retirement Coverage:** Government Code section 22892 applies to all employees covered by this Resolution.

2.14 **Premium Payments:** Employee participation in any health plan is contingent upon the employee authorizing payroll deduction by the District of the employee's share of the premium cost. If an employee's compensation in any month (including during a leave of absence) is not sufficient to pay the employee share of the premium, the employee must pay the difference to the Auditor-Controller. The responsibility for this payment rests solely with the employee.

### 2.B. Dental and Life Insurance Plans

2.15 **Dental Program:** Every permanent employee may participate in any available County Group Dental Plan. The District may change dental plan providers at any time during the term of this resolution.

2.16 **Dental Plan Premium Subsidy:**

a. **District Premium Subsidy Through December 31, 2009.** Through December 31, 2009, the District's monthly premium subsidies for dental plan premiums are as set forth below. These premium subsidies are provided only for permanent full-time employees. The employee will pay any dental plan costs that are greater than the District's premium subsidies set forth below.

   1. **Dental with Health Plan:** The District premium subsidy for those enrolled in a CalPERS Plan other than the CCHP alternative will be seventy-eight percent (78%) of the monthly dental plan premium. The District premium subsidy for those enrolled in the CalPERS Plan CCHP alternative will be ninety-eight percent (98%) of the monthly dental plan premium.

   2. **Dental Only:** Employees who elect dental coverage and who receive no health coverage from the District, including from CalPERS, will pay one cent ($.01) per month for dental only coverage.

b. **District Premium Subsidy On and After January 1, 2010.** Beginning on January 1, 2010, and for each calendar year thereafter, the District will pay a monthly premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that was paid by the District for calendar year 2009. The amount of the District subsidy that is paid for employees and eligible family members will thereafter be a set dollar...
amount and will not be a percentage of the premium charged by the dental plan. If the District contracts with another dental plan, the District will determine the monthly dollar premium subsidy that it will pay to that dental plan for employees and their eligible family members.

c. In no event will the subsidy paid by the District for any dental plan be more than 100% of the premium cost.

d. Employees Hired On or After January 1, 2009. The District may provide less of a monthly subsidy for dental coverage for employees hired on or after January 1, 2009, and their eligible family members. If the District does not provide any monthly premium subsidy to these employees, the District will allow these employees and their eligible family members to participate in the District dental plans by paying the full premium cost of the chosen dental plan.

e. Calculation of Premiums.

1. For employees and retirees (and their eligible family members) who are hired by the District prior to January 1, 2009, the monthly premium cost for each dental plan will be determined by combining the actual premium cost for employees (and eligible family members) and the actual premium cost for retirees (and eligible family members). This will establish a single premium for each dental plan without separating employees from retirees.

2. For employees and retirees (and their eligible family members) who are hired by the District on and after January 1, 2009, the monthly premium cost for each dental plan will be determined by separating the actual premium cost for employees (and eligible family members) from the actual premium cost for retirees (and eligible family members). This will establish separate premiums for each dental plan for these employees and retirees.

2.17 Retirement Coverage:

a. Upon Retirement:

1. Upon retirement and for the term of this resolution, employees and their eligible family members may remain in their District dental plan, but without District-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the District contracted dental plans, or if while on authorized leave of absence
without pay, they have retained continuous coverage during the leave period. The District will pay the dental plan monthly premium subsidies set forth in Section 2.16, subsection a., for retirees and their eligible family members until December 31, 2009. Beginning on January 1, 2010, the District will pay the same monthly premium subsidies for dental plans for retirees and their eligible family members as set forth in Section 2.16, subsection b.

2. For employees hired on or after January 1, 2009 and their eligible family members, no monthly premium subsidy will be paid by the District for any dental plan after they separate from District employment. However, any such employee who retires under the Contra Costa County Employees’ Retirement Association ("CCCERA") may retain continuous coverage of any District dental plan, provided that (i) he or she begins to receive a monthly retirement allowance from CCCERA within 120 days of separation from District employment and (ii) he or she pays the full premium cost under the chosen dental plan without any District premium subsidy.

2.18 **Life Insurance Benefit Under Health and Dental Plans:** For employees who are enrolled in a District sponsored health or dental plan as either the primary insured or a dependent, term life insurance in the amount of ten thousand dollars ($10,000) will be provided by the District.

2.19 **Supplemental Life Insurance:** In addition to the life insurance benefits provided by this resolution, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Employees may subscribe for an amount not to exceed five hundred thousand dollars ($500,000), of which one hundred thousand dollars ($100,000) is a guaranteed issue, provided the election is made within the required enrollment periods.

2.20 **Premium Payments:** Employee participation in any health, dental, or life insurance plan is contingent upon the employee authorizing payroll deduction by the District of the employee’s share of the premium cost. The District’s subsidy to the dental and life insurance premium is payable monthly. If an employee’s compensation in any month (including during a leave of absence) is not sufficient to pay the employee share of the premium, the employee must pay the difference to the Auditor-Controller. The responsibility for this payment rests solely with the employee.
2.21 **Extended Coverage:**

a. An employee on approved leave without pay for more than thirty (30) days may continue his/her dental/life insurance coverage provided that the employee pays his/her share of the monthly premium during said leave.

b. An employee who separates from District employment is covered by his/her District dental plan through the last day of the month in which he/she separates. Employees who separate from District employment may continue Group dental plan coverage to the extent provided by the COBRA laws and regulations.

2.22 **Family Member Eligibility Criteria:** The following persons may be enrolled as the eligible Family Members of a medical or dental plan Subscriber:

a. The Subscriber’s Legal Spouse.

b. The Subscriber’s Qualified Domestic Partner.

c. Children of the Subscriber, the Subscriber’s Spouse, or the Subscriber’s Qualified Domestic Partner who are unmarried and are:

1. Under 19 years of age.

2. Age 19 and over, who are dependent qualifying children as defined by the Internal Revenue Service in Publication 501.

3. Age 19 and over, disabled and incapable of sustaining employment due to a physical or mental disability that existed prior to the child’s attainment of age 19, and who are qualifying dependent children as defined by the Internal Revenue Service in Publication 501.

4. Children who may qualify as “dependent children” include natural children, step-children, adopted children, and any children specified in a Qualified Medical Child Support Order or similar court order.
2.C. General Provisions

2.23 Rate Information: The County-Benefits Service Unit will make dental plan rate information and, to the extent possible, CalPERS health plan rate information available to employees and departments, upon request. In addition, the County Benefits Service Unit will publish and distribute to employees and departments information about rate changes as they occur during the year.

2.24 Dual Coverage:

a. On and after January 1, 2009, each employee and retiree may be covered only by a single District health (or dental) plan, including a CalPERS plan. For example, a District employee may be covered under a single District health and/or dental plan as either the primary insured or the dependent of another District employee or retiree, but not as both the primary insured and the dependent of another District employee or retiree.

b. On or after January 1, 2009, all dependents may be covered by the health and/or dental plan of only one spouse or one domestic partner. For example, when both husband and wife are District employees, all of their eligible children may be covered as dependents of either the husband or the wife, but not both.

c. For purposes of Section 2.24, only, “District” includes the County of Contra Costa, the Contra Costa County Fire Protection District, and all other special districts governed by the Board of Supervisors.

2.25 Catastrophic Leave Program: All employees are included in the District’s Program and may designate a portion of their accrued vacation, administrative leave or personal holiday credit to be deducted from existing balances and credited to a specific eligible employee. To utilize this program, all recipient requests must be submitted to the Fire Chief for review and recommendation to the County Administrator. The County Administrator will make final decision as to approval or denial of the request to use accruals in the Catastrophic Leave Bank.

2.26 Health Care Spending Account: After six (6) months of permanent employment, employees may elect to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a pre-determined amount of money from their pay, not to exceed five
thousand dollars ($5,000) per year, of before tax dollars, for health care expenses not reimbursed by any other health benefits plan. HCSA dollars can be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. Any unused balance is forfeited and cannot be recovered by the employee.

2.27 **PERS Long-Term Care:** The District will deduct and remit monthly premiums to the PERS Long-Term Care Administrator for employees who are eligible and voluntarily elect to purchase long-term care at their personal expense through the PERS Long-Term Care Program.

2.28 **Dependent Care Assistance Program:** The District offers the option of enrolling in a Dependent Care Assistance Program (DCAP) designed to qualify for tax savings under Section 129 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to set aside up to five thousand dollars ($5,000) of annual salary (before taxes) per calendar year to pay for eligible dependent care (child and elder care) expenses. Any unused balance is forfeited and cannot be recovered by the employee.

2.29 **Premium Conversion Plan:** The District offers a Premium Conversion Plan (PCP) designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to use pre-tax dollars to pay health and dental premiums.

2.30 **Prevailing Section:** To the extent that any provision of this Section (Section 2. Health, Dental and Related Benefits) is inconsistent with any provision of any other District or County enactment or policy, including Administrative Bulletins, County Salary Regulations, and County Personnel Management Regulations, or any other resolution or order of the Board of Supervisors, acting in its capacity as the Governing Board of the Contra Costa County Fire Protection District, the provisions of this Section (Section 2. Health, Dental and Related Benefits) will prevail.

3. **Mileage Reimbursement:** The District will pay a mileage allowance for the use of personal vehicles on District business at the rate allowed by the Internal Revenue Service (IRS) as a tax deductible expense, adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the IRS, whichever is later.

4. **Retirement Benefits:**
4.10 Contribution: Pursuant to Government Code Section 31581.1, the District will pay fifty percent (50%) of the retirement contributions normally required of employees. Such payments are for the period of March 16, 2000 to December 31, 2000. Effective January 1, 2001, pursuant to the United States Code, Title 26, Subtitle A, Chapter 1, Subchapter D, Part 1, Subpart B, Section 414 (h) (2), the following Retirement Contribution Procedure is implemented:

a. The employee’s base pay is increased by 3.9%. This amount is one-half (½) the average retirement percentage rate paid by members (not including cost-of-living program contribution).

b. The employee is responsible for one hundred percent (100%) of the normal contribution required of the employee. The contribution is deducted from the employee’s earnings pretax based on the individual employee’s retirement contribution percentage, based on age of entry into the retirement system.

c. Employees are responsible for payment of the employee’s contribution for the retirement cost-of-living program as determined by the Board of Retirement of the Contra Costa County Employees’ Retirement Association without the District paying any part of the employee’s share. The District will pay the remaining one-half (½) of the retirement cost-of-living program contribution.

4.11 Enhanced Retirement Benefits: The retirement formula of “3 percent at 50” applies to employees in the following classifications:

- Fire Chief-Contra Costa (RPA1)
- Assistant Fire Chief-Exempt (RPB1)
- Assistant Fire Chief-Group I (RPBA)
- Fire Marshal (RJGA)
- Fire Training Chief (RWHA)
- Supervising Fire Inspector (RJHC)

The cost-of-living adjustment (COLA) to the retirement allowances of these employees will not exceed three percent (3%) per year. The final compensation of these employees will be based on a twelve (12) month salary average. Each employee will pay nine percent (9%) of his/her retirement base to pay part of the employer’s contribution for the cost of these enhanced safety retirement benefits. Such payments will be made on a pre-tax basis in accordance with applicable tax laws. "Retirement base" means base salary and other payments, such as salary differential and flat rate pay allowances, used to compute retirement deductions.
4.12 **Employees with More Than 30 Years of Continuous Service as Safety Members:** Beginning on January 1, 2008 and pursuant to Government Code section 31664.1, current and future employees in classifications that are governed by this Resolution and designated by the Contra Costa County Employees' Retirement Association as safety members with credit for more than thirty (30) years of continuous service as safety members, will not make payments from their retirement base to pay part of the employer's contribution towards the cost of the enhanced safety retirement benefit.

5. **414H2 Participation:** The District will continue to implement Section 414(h) (2) of the Internal Revenue Code which allows the Auditor-Controller to reduce the gross monthly pay of employees by an amount equal to the employee's total contribution to the County Retirement System before Federal and State income taxes are withheld, and forward that amount to the Retirement System. This program of deferred retirement contribution is universal and non-voluntary, as it is required by law.

6. **Training**

6.10 All full-time employees are eligible for career development training reimbursement not to exceed seven hundred fifty dollars ($750) per fiscal year. The reimbursement of training expenses includes books and is governed by any Administrative Bulletins on Travel or Training.

6.11 **Management Development Policy:** Employees are authorized to attend professional training programs, seminars, and workshops, during normal work hours at the discretion of their Fire Chief, for the purpose of developing knowledge, skills, and abilities, in the areas of supervision, management, and County/District policies and procedures. Up to thirty (30) hours of such training time is recommended annually.

   a. The District is encouraged to provide for professional development training exceeding thirty (30) hours annually for people newly promoted to positions of direct supervision.

   b. Priority is given to professional training programs offered through the County Training Institute. Other related and appropriate training/education resources approved by the District are also allowable.
c. To encourage personal and professional growth, the District provides reimbursement for certain expenses incurred by employees for job-related training (required training and career development training/education). Provision for eligibility and reimbursement is identified in Administrative Bulletin 112.9.

d. The Fire Chief is responsible for authorization of individual professional development reimbursement requests. Reimbursement is through the regular demand process with demands being accompanied by proof of payment (copy of invoice or canceled check).

7. **Bilingual Pay Differential:** A monthly salary differential will be paid to incumbents of positions requiring bilingual proficiency as designated by the Fire Chief and the Contra Costa County Director of Human Resources. The differential will be prorated for employees working less than full time and/or on an unpaid leave of absence during any given month. The differential is one hundred dollars ($100.00) per month.

The designation of positions for which bilingual proficiency is required is the sole prerogative of the District/County, and such designations may be amended or deleted at any time.

8. **Higher Pay for Work in a Higher Classification:** The County Salary Regulations notwithstanding, when an employee is required to work in a higher paid classification, the employee will receive the higher compensation for such work, pursuant to the County Salary Regulations, plus any differentials and incentives the employee would have received in his/her regular position. Unless the Board has by Resolution otherwise specified, the higher pay entitlement will begin on the 41st consecutive hour in the assignment.

9. **Other Terms and Conditions of Employment**

9.10 **Overtime Exempt Exclusion:** Employees in unrepresented classifications are overtime exempt and are not eligible for overtime pay, holiday pay, overtime compensatory time, or holiday compensatory time. Instead, these employees are awarded Annual Management Administrative Leave in recognition of the extra burden their job responsibilities may sometimes place on their work schedules. However, unrepresented employees may be made eligible for overtime pay if their names are placed on the Overtime Exempt Exclusion List by the County Administrator’s Office. Employees on the Overtime Exempt Exclusion List are authorized to receive overtime pay only. These employees are NOT eligible for holiday pay, overtime compensatory time, or holiday compensatory time. Employees on the Overtime Exempt Exclusion List are also NOT eligible
for Annual Management Administrative Leave for the quarter they are on the Overtime Exempt Exclusion List. The policies and procedures for the Overtime Exempt Exclusion List are set forth in the County Administrator's memo of November 6, 2002.

9.11 Overtime: Employees on the Overtime Exempt Exclusion List will be compensated at one and one-half (1.5) times their base rate of pay (excluding differentials) for authorized work exceeding eight (8) hours in a day or forty (40) hours in a week.

9.12 Length of Service Credits: Length of service credit will date from the beginning of the last period of continuous County/District employment, including temporary, provisional and permanent status and absences on an approved leave of absence; except that when an employee separates from a permanent position in good standing and is subsequently re-employed in a permanent County/District position within two (2) years from date of separation, the period of separation will be bridged. Under these circumstances, the service credits will include all credits accumulated at time of separation but will not include the period of separation. The service credits of an employee are determined from employee status records maintained by the Human Resources Department.

9.13 Mirror Classifications: As determined by the Director of Human Resources, employees in unrepresented job classifications that mirror management, represented or unrepresented job classifications may receive the salary and fringe benefits that are received by employees in the comparable mirror classifications.

9.14 Deep Classes: No provision of this Resolution regarding terms and conditions of employment supersedes any provision in any Deep Class Resolution.

9.15 Administrative Provisions: The County Administrator may establish guidelines, bulletins or directives as necessary to further define or implement the provisions of this resolution.

10. Management Longevity Pay:

10.10 Ten Years of Service: Employees who have completed ten (10) years of service for the District are eligible to receive a two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the ten (10) year service award.
10.11 **Fifteen Years of Service:** Employees who have completed fifteen (15) years of service for the District are eligible to receive an additional two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the fifteen (15) year service award. For employees who completed fifteen (15) years of service on or before January 1, 2008, this longevity differential will be paid prospectively only from January 1, 2008.

11. **Deferred Compensation Incentive:** The District will contribute eighty five dollars ($85) per month to each employee who participates in the County’s Deferred Compensation Plan. To be eligible for this incentive, the employee must contribute to the deferred compensation plan as indicated below:

<table>
<thead>
<tr>
<th>Employees with Current Monthly Salary of:</th>
<th>Qualifying Base Contribution Amount</th>
<th>Monthly Contribution Required to Maintain Incentive Program Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,500 and below</td>
<td>$250</td>
<td>$50</td>
</tr>
<tr>
<td>$2,501 – 3,334</td>
<td>$500</td>
<td>$50</td>
</tr>
<tr>
<td>$3,335 – 4,167</td>
<td>$750</td>
<td>$50</td>
</tr>
<tr>
<td>$4,168 – 5,000</td>
<td>$1,000</td>
<td>$50</td>
</tr>
<tr>
<td>$5,001 – 5,834</td>
<td>$1,500</td>
<td>$100</td>
</tr>
<tr>
<td>$5,835 – 6,667</td>
<td>$2,000</td>
<td>$100</td>
</tr>
<tr>
<td>$6,668 and above</td>
<td>$2,500</td>
<td>$100</td>
</tr>
</tbody>
</table>

Employees who discontinue contributions or who contribute less than the required amount per month for a period of one (1) month or more will no longer be eligible for the eighty five dollar ($85) District supplement. To reestablish eligibility, employees must again make a Base Contribution Amount as set forth above based on current monthly salary. Employees with a break in deferred compensation contributions either because of an approved medical leave or an approved financial hardship withdrawal will not be required to reestablish eligibility. Further, employees who lose eligibility due to displacement by layoff, but maintain contributions at the required level and are later employed in an eligible position, will not be required to reestablish eligibility.

12. **Annual Management Administrative Leave:**

a. On January 1st of each year, full-time employees will be credited with seventy (70) hours of paid Management Administrative Leave. This time is non-accruable and all balances will be zeroed out on December 31 of each year.
b. Permanent part-time employees are eligible for Management Administrative Leave on a prorated basis, based upon their position hours. Permanent-intermittent employees are not eligible for Management Administrative Leave.

c. Employees appointed (hired or promoted) to unrepresented management positions are eligible for Management Administrative Leave on the first day of the month following their appointment date and will receive Management Administrative Leave on a prorated basis for that first year.

d. Employees on the Overtime Exempt Exclusion List are authorized to receive overtime pay; therefore, their Management Administrative Leave will be reduced by twenty-five percent (25%) each time the employee is on the List. The twenty-five percent (25%) reduction will be deducted from the employee’s current leave balance, but if there is no balance, it will be deducted from future awarded Annual Management Administrative Leave.

13. **Management Life Insurance:** Employees are covered at District expense by term life insurance in the amount of fifty seven thousand dollars ($57,000) in addition to the insurance provided under Section 2.16.

14. **Vacation Buy Back:**

a. Employees may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions: (1) the choice can be made only once in each calendar year; (2) payment is based on an hourly rate determined by dividing the employee’s monthly salary by 173.33; and (3) the maximum number of vacation hours that may be paid in any calendar year is one-third (1/3) of the annual accrual.

b. Where a lump-sum payment is made to employees as a retroactive general salary adjustment for a portion of a calendar year that is subsequent the exercise by an employee of the vacation buy-back provision herein, that employee’s vacation buy-back will be adjusted to reflect the percentage difference in base pay rates upon which the lump-sum payment was computed, provided that the period covered by the lump-sum payment includes the effective date of the vacation buy-back.

15. **Professional Development Reimbursement:** With the exceptions of the Fire Chief and the Assistant Chief(s), employees are eligible for reimbursement of up to six hundred twenty-five dollars ($625) for calendar year 2008 and for each two (2) year period thereafter, for memberships in professional organizations, subscriptions to professional publications, attendance fees at job-related professional development activities, and purchase of job-related computer...
hardware and software (excludes automation connectivity, support, or subscription fees) from a standardized County-approved list or with Fire Chief approval, provided each employee complies with the provisions of the County’s Computer Use and Security Policy adopted by the Board of Supervisors and manuals. In order to receive reimbursement, the employee must have been in an eligible classification when the expense was incurred.

Individual professional development reimbursement requests must be approved by the Fire Chief. Reimbursement will occur through the regular demand process with demands being accompanied by proof of payment (copy of invoice or canceled check).

16. **Sick Leave Incentive Plan:** Employees may be eligible for a payoff of a part of unused sick leave accruals at separation. This program is an incentive for employees to safeguard sick leave accruals as protection against wage loss due to time lost for injury or illness. Payoff must be approved by the Director of Human Resources, and is subject to the following conditions:

a. The employee must have resigned in good standing.

b. Payout is not available if the employee is eligible to retire.

c. The balance of sick leave at resignation must be at least seventy percent (70%) of accruals earned in the preceding continuous period of employment, excluding any sick leave use covered by the Family and Medical Leave Act, the California Family Rights Act, or the California Pregnancy Disability Act.

d. Payout is by the following schedule:

<table>
<thead>
<tr>
<th>Years of Payment Continuous Service</th>
<th>Payment of Unused Sick Leave Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 – 5 years</td>
<td>30%</td>
</tr>
<tr>
<td>5 – 7 years</td>
<td>40%</td>
</tr>
<tr>
<td>7 plus years</td>
<td>50%</td>
</tr>
</tbody>
</table>

e. No payoff will be made pursuant to this section unless the Contra Costa County Employees’ Retirement Association has certified that an employee requesting a sick leave payoff has terminated membership in, and has withdrawn his or her contributions from, the Retirement Association.

f. It is the intent of the Board of Supervisors that payments pursuant to this section preclude County retirement benefits resulting from employment by this County/District governed by the Board.
17. **Video Display Terminal (VDT) Users Eye Examination:** Employees are eligible to receive an annual eye examination on District time and at District expense provided that the employee regularly uses a video display terminal at least an average of two (2) hours per day as certified by the Fire District.

Employees certified for examination under this program must make their request through the Benefits Service Unit of the County Human Resources Department. Should prescription VDT eyeglasses be prescribed for the employee following the examination, the District agrees to provide, at no cost, basic VDT eyewear consisting of a ten dollar ($10) frame and single, bifocal or trifocal lenses. Employees may, through individual arrangement between the employee and the employee’s doctor and solely at the employee’s expense, include blended lenses and other care, services or materials not covered by the Plan.

18. **Long-Term Disability Insurance:** The County will continue in force the Long-Term Disability Insurance program with a replacement limit of eighty-five (85%) of total monthly base earnings reduced by any deductible benefits.

19. **Uniform Allowance:** The monthly uniform allowance for all employees in classes for which a uniform is required shall be fifty dollars ($50) per month.

20. **Fire Management Educational Allowance Program:** Employees in the specified Fire District management classifications who possess the certificates or educational degrees set forth below and/or meet the continuing educational requirements set forth below, are eligible for professional development educational allowances under the conditions set forth below. This program is intended to encourage the professional development of eligible Fire District Management personnel.

Only the following classifications are eligible to participate in this educational allowance program:

- Fire Chief—Contra Costa (RPA1)
- Assistant Fire Chief—Exempt (RPB1)
- Fire Marshal (RJGA)
- Fire Training Chief (RWHA)
- Supervising Fire Inspector (RJHC)

Only the following job-related certificates and degrees are eligible for this program:
a. A Certificate of Achievement in Fire Technology, Business Administration, Management and Supervision, or a related field from an accredited college.

b. An Associated of Arts or Science Degree from an accredited college with a major in Fire Technology, Business Administration, Management and Supervision, or a related field.

c. A Chief Officer Certificate issued by the Office of the State Fire Marshal.

d. A Baccalaureate Degree from an accredited college or university with a major in Business, Public Administration, or a related field.

All allowances will be designated as either temporary or permanent and will be awarded in increments of two and one-half percent (2.5%) times the employee’s base rate of pay. The combined temporary and permanent educational allowances awarded to any employee may not exceed seven and one-half percent (7.5%) times the employee’s base rate of pay.

The following conditions must be satisfied in order to earn the designated allowance:

**Temporary Allowance**

A temporary allowance of two and one-half percent (2.5%) times the employee’s base rate of pay may be awarded for annually completing at least forty (40) hours of pre-approved education or training or at least three (3) pre-approved college semester units (or equivalent quarter units), or a pre-approved combination thereof, in pursuit of any one of the certificates or degrees set forth in options (a) through (d) above or as pre-approved by the Fire Chief.

A temporary allowance is effective for a period of only twelve (12) months, commencing on the first day of the month after proof of completion of course work is received and approved by the Fire Chief or designee. Temporary allowances automatically terminate at the end of month twelve (12).

**Permanent Allowances**

A permanent allowance of two and one-half percent (2.5%) times the employee’s base rate of pay may be awarded for possession of one (1) of the certificates or degrees set forth in options (a) through (d) above. Only one (1) two and one-half percent (2.5%) permanent allowance is available within this category.
In the alternative, a permanent allowance of five percent (5%) may be awarded for possession of those certificates or degrees in the following combinations only: (1) options (b) and (c) or (2) options (a) and (d). An employee receiving the five percent (5%) permanent allowance may not also receive the two and one-half percent (2.5%) permanent allowance.

This program is subject to appropriate administrative guidelines and controls promulgated by the Fire Chief and approved by the Director of Human Resources to ensure that the standards set forth herein are met.

Verification of eligibility must be by the Fire Chief or designee. Payment of any of the allowances set forth herein begins on the first day of the month following the month in which the Fire Chief verifies eligibility for that allowance.

21. **Fire Services Emergency Recall and Standby Differential:** Effective September 1, 2002, each employee assigned to standby and emergency recall duty for a minimum of two (2) weeks each month is eligible for a salary differential in the amount of five percent (5%) times the employee’s base rate of pay. Each employee assigned to standby and emergency recall duty for one (1) week in each four (4) consecutive week period is eligible to receive a differential in the amount of two and one-half percent (2.5%) times the employee’s base rate of pay.

22. **Executive Professional Development Reimbursement:** In lieu of the benefits provided in Section 15, the Fire Chief and Assistant Chief(s) are eligible for reimbursement of up to nine hundred twenty-five dollars ($925) for calendar year 2008 and for each two (2) year period thereafter, for memberships in professional organizations, subscriptions to professional organizations, subscriptions to professional publications, attendance fees at job-related professional development activities, and purchase of job-related computer hardware and software (excludes automation connectivity, support, or subscription fees) from a standardized County-approved list or with Fire Chief approval, provided each employee complies with the provisions of the County’s Computer Use and Security Policy adopted by the Board of Supervisors and manuals. In order to receive reimbursement, the employee must have been in an eligible classification when the expense was incurred.

Individual professional development reimbursement requests must be approved by the Fire Chief. Reimbursement will occur through the regular demand process with demands being accompanied by proof of payment (copy of invoice or cancelled check). Certifications regarding compliance with County’s Computer Use and Security Policy may be required.
II. BENEFITS FOR FIRE CHIEF

As the Chief Officer of the Fire District, the Fire Chief receives the benefits provided under Part I and the following additional benefits:

23. **Executive Automobile Allowance:** Effective the first day of the month following adoption of this resolution by the Board of Supervisors, the Fire Chief is eligible to receive a six hundred dollar ($600) per month automobile allowance, plus mileage for miles driven outside of Contra Costa County, at the rate per mile allowed by the Internal Revenue Service (IRS) as a deductible expense. Receipt of the automobile allowance means that the Fire Chief must furnish a private automobile for District business.

24. **Executive Life Insurance:** In lieu of the insurance provided under Section 13, the Fire Chief is covered, at District expense, by term life insurance in the amount of sixty thousand dollars ($60,000), additional to the insurance provided under Section 2.16.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: ________________________________

____________________________
JOHN CULLEN, Clerk of the
Board of Supervisors and County Administrator

By ______________________________

______________, Deputy

RESOLUTION NO. 2008/359