

City of Oakland - IAFF Local 55 Side Letter Agreement to:

Article 3. Insurance Programs Section 3.7 Health Reimbursement Arrangement

1. HEALTH REIMBURSEMENT ARRANGEMENT COVERAGE

Section 3.7 of the MOU will be modified as follows:

Health Reimbursement Arrangement.

Effective no later than midnight March 31, 2015, the City shall offer a Health Reimbursement Arrangement Plan ("HRA") for all unit members enrolled in the City of Oakland's medical insurance plan or another employer sponsored group medical insurance plan. Employees enrolled in another employer sponsored group medical insurance plan shall be required to provide proof of eligibility on an annual basis in accordance with the requirements of the Benefits Division of the Department of Human Resources Management. No later than midnight March 31, 2015, the City shall contribute a one-time, lump sum, non-recurring, and non-pensionable payment of one thousand dollars (\$1,000.00) into each full time active unit member's HRA account who was hired on or before March 27, 2015.

The HRA will permit qualified withdrawals for both active and separated account holders. Access to reimbursement under the HRA plan shall become effective no later than April 1, 2015, the date the plan becomes active. Funds in a unit member's HRA plan will be available for reimbursement of eligible medical care expenses defined under Internal Revenue Code Sections 105 and 106. The City and Local 55 agree that the City's contributions to the HRA plan are available only to active unit members who receive medical coverage through an Affordable Care Act (ACA) compliant medical plan.

Participating unit members shall be responsible for paying all member related HRA fees. Further, the parties agree that the HRA plan must comply with all applicable current and future Internal Revenue Service (IRS) regulations.

2. CURRENT EXCESS VACATION

In a one-time, non-precedential agreement, effective with the full ratification of this agreement (IAFF and City Council), employees with excess vacation balances exceeding two (2) times the employee's annual vacation accrual rate as of the first pay period in June 2015 shall cash out all excess vacation hours that exceed two times an employee's annual vacation accrual, which shall occur in the first pay period of June 2015.

3. FUTURE EXCESS VACATION

On an annual basis, effective each year in the first pay period in June and beginning in June 2016, any employee enrolled in the HRA who has any unused vacation from that year's vacation draw shall have 100% of their unused vacation from that year deposited into the HRA. This includes any unused vacation due to medical leave or industrial injury or illness.

4. VACATION USAGE, POLICY UPDATE:

a. Cash out Eliminated

Except as provided in Section 2 above, vacation cash out is eliminated. This change in policy does not affect an employee's right to cash out accrued vacation at the time of separation from employment.

b. Minimum Vacation Draw

During the vacation draw, an employee may draw their entire vacation allotment or withhold up to two shifts to be drawn later in the year in accordance with departmental policy.

c. Vacation Requests Beyond Vacation Draw

An employee can request from the department to use the remaining two shifts in accordance with policy, in one or two shifts of vacation, either separately or consecutively, and if granted, then no vacation leave will be transferred to the HRA that year.

d. Employees Assigned to a Forty Hour Work Week

Employees scheduled to work a forty (40) hour work week may use their entire annual vacation accrual less forty-eight (48) hours within the fiscal year in which the vacation time is accrued, and may request from the department to use the remaining 48 hours as vacation leave. If granted, then no vacation leave will be transferred to the HRA that year.

5. COMPLETE AGREEMENT

The parties agree this agreement is complete and once fully ratified becomes part of the current labor agreement.


Dan Robertson, President
IAFF Local 55

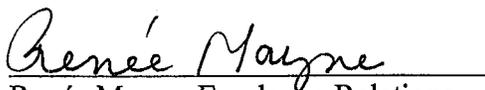
Date 11 MARCH 2015


Zac Unger, Vice President
IAFF Local 55

Date 11 March 2015


John Flores, Interim City Administrator
City of Oakland

Date 3/11/2015


Renée Mayne, Employee Relations
Director, City of Oakland

Date 3/11/2015