

City Proposal # 1 June 3, 2015

MEMORANDUM OF UNDERSTANDING

City of Rancho Palos Verdes

and

Rancho Palos Verdes Employees Association

Expires on June 30, 2018

Comment [PJB1]: The City proposes an MOU with a term which begins on the first date of the pay period following City Council approval and expires June 30, 2018.

RPVE ASSOCIATION / CITY
MEMORANDUM OF UNDERSTANDING

TABLE OF CONTENTS

Comment [PJB2]: The table of contents will be updated following completion of the negotiations process.

| <u>ARTICLE</u> | <u>PAGE</u> |
|---|-------------|
| I. TERM..... | 1 |
| II. DEFINITION OF TERMS..... | 1 |
| III. MANAGEMENT RIGHTS..... | 4 |
| IV. REGULAR COMPENSATION, PERFORMANCE EVALUATIONS COMPENSATION..... | 4 |
| V. OVERTIME COMPENSATION..... | 6 |
| VI. RESTRICTED FRINGE BENEFITS..... | 7 |
| VII. INCENTIVE PROGRAM..... | 11 |
| VIII. EMPLOYEE EXPENSES..... | 11 |
| IX. PROBATIONARY PERIOD AND PROCEDURES..... | 12 |
| X. LEAVES..... | 13 |
| XI. LAYOFF..... | 20 |
| XII. SCHEDULES, HOURS, ATTENDANCE AND BREAKS..... | 20 |
| XIII. GRIEVANCE PRODECURES..... | 21 |
| XIV. DISCIPLINE PRODECURES..... | 24 |
| XV. MISCELLANEOUS PRODECURES..... | 29 |
| XVI. ADMINISTRATIVE INSTRUCTIONS AND DEPARTMENT POLICIES AND PROCEDURES..... | 30 |
| XVII. WRITTEN NOTICE..... | 30 |
| XVIII. OUTSIDE EMPLOYMENT..... | 31 |
| XIX. AGENCY SHOP..... | 31 |
| XX. SEVERABILITY..... | 31 |
| XXI. JOB DESCRIPTION..... | 31 |
| XXII. SHARED FULL TIME POSITIONS..... | 31 |
| XXIII. INTERNET USE AND ELECTRONIC MAIL..... | 33 |
| <u>EXHIBITS</u> | |
| A. LIST OF CLASSIFICATIONS IN BARGAINING UNIT..... | 35 |
| B. CITY SALARY SCHEDULE..... | 36 |
| C. AGENCY SHOP AGREEMENT..... | 37 |

MEMORANDUM OF UNDERSTANDING

City of Rancho Palos Verdes and Rancho Palos Verdes Employees Association

Pursuant to the requirements of the Meyers-Milius-Brown Act (“MMBA,” commencing at California Government Code § 3500) the City of Rancho Palos Verdes (“City”) has recognized the Rancho Palos Verdes Employees Association (“RPVEA”) as the majority or exclusive representative, as those terms are interchangeably used under the MMBA, in a unit of non-management, full-time employees in the classifications listed on Exhibit “A” to this MOU.

I. Term

~~This Memorandum of Understanding (“MOU”) represents the wages, hours and other terms and conditions of employment in effect when RPVEA requested and was granted recognition by the City Council. Those items that are mandatory subjects of bargaining under the applicable legal standards will remain in effect until revised by the parties or otherwise changed as permitted under the applicable legal standards.~~

This Memorandum of Understanding (“MOU”) will be effective from the first date of the pay period following City Council approval and will expire on June 30, 20184, otherwise expressly provided in this MOU.

Comment [PJB3]: This paragraph is no longer necessary.

II. Definition of Terms

A. Whenever used in this MOU, the following terms shall have the meanings set forth below:

1. CITY: The City of Rancho Palos Verdes.
2. CITY MANAGER: The duly appointed City Manager of the City of Rancho Palos Verdes or his/her designee.
3. CLASSIFICATION: A position or positions assigned to the same job title.
4. COMPETITIVE SERVICE: The competitive service established by Section 2.46.040 of the Rancho Palos Verdes Municipal Code.
5. CONTINUOUS EMPLOYMENT/SENIORITY: Total full-time spent in the employ of the City, including all days of attendance at work, and approved leaves of absence whether paid or non-paid (however, for non-paid leaves of absence in excess of thirty days do not result in the accrual of seniority), but shall not include unauthorized absences, time spent between employment with the City, suspensions or layoffs of more than thirty (30) days.
6. DAY: Unless otherwise indicated, day means calendar day.

7. DEMOTION (Disciplinary): A change in employment status from one classification to another having a lower rate of pay and/or change in duties which are allocated to a class having a lower maximum rate of pay for disciplinary reasons. A disciplinary demotion may be temporary or permanent.

8. DISMISSAL: The discharge of the employee from City service for disciplinary reasons. Discharge and dismissal are used interchangeably in this MOU.

9. EMPLOYEE: A competitive service employee as defined in Municipal Code Section 2.46.040 and compensated through the City payroll who ~~is either: 1) regularly scheduled to work forty (40) or more hours per week; or, 2) who shares an existing full-time position with another employee so that the combination of hours that each employee works totals forty (40) or more hours per week, and who has successfully completed the probationary period as hereinafter provided in these Rules.~~ Employee also does not include elective officials, members of appointed boards, commissions, and committees, City Council-appointed City officers, independent contractors, part-time employees, temporary employees, emergency employees, management employees or volunteers.

Comment [PJB4]: The City proposes to eliminate job sharing.

10. EVALUATION DATE: The date in which an employee is scheduled to receive his/her performance review.

a) The date on which a probationary employee has completed not less than ~~twelve (12) six (6)~~ months of service within a job classification,

b) The date on which a regular employee has completed one (1) year of service within a job classification after completing probation and annually thereafter.

c) The evaluation date shall be adjusted as required for any break in service, ~~or adjusted in accordance with the merit increase schedule outlined in Rule V.~~

Comment [PJB5]: There is no merit increase schedule outlined in Rule V.

11. EXEMPT EMPLOYEE: An employee whose duties and salary exempt him/her from the overtime pay provisions of the federal Fair Labor Standards Act (FLSA).

12. MANAGEMENT EMPLOYEE or MANAGER: The Deputy City Manager and Department Heads as defined in the Management Employee Personnel Rules or so designated either in a class specification or by the City Manager. Such employees are not in this bargaining unit.

13. NONEXEMPT EMPLOYEE: An employee who is subject to the overtime pay ~~and compensatory time off~~ provisions of the federal Fair Labor Standards Act.

Comment [PJB6]: Whether the parties agree to comp time or not, as a definition, referencing comp time is unnecessary.

14. PERSONNEL OFFICER: The City Manager shall serve as the Personnel Officer as outlined in Municipal Code Section 2.46.030.
15. PROBATIONARY EMPLOYEE: An employee who is employed with the City during his/her initial-hire, transfer or promotional probationary period, or extension thereof.
- a) An initial-hire probationary employee is an employee who (1) is serving a probationary period, and (2) has not previously been employed by the City, or (3) has previously been employed by the City but who is re-employed after a break in service.
 - b) A transfer probationary employee is a City employee who has been transferred to an equivalent job classification in a different department and who is serving a probationary period.
 - c) A promotional probationary employee is a City employee who has been promoted to a higher job classification requiring different skills and who is serving a probationary period.
16. PROBATIONARY PERIOD: A period of time not less than ~~twelve six~~ (126) months of service, ~~as defined in Municipal Code Section 2.46.070~~, which is an integral part of the examination, recruiting, testing and selection process of employment. During the probationary period, an employee is required to demonstrate his/her fitness for the position to which he/she is tentatively appointed, including promotional or transfer appointments, by actual performance of the duties of the position.
17. REDUCTION IN PAY (Discipline): A change in the salary of an employee to a lower rate within the same salary range for disciplinary reasons.
18. RULES: The Competitive Service Employee Personnel Rules.
19. SUSPENSION (Disciplinary): The temporary separation of the employee from City service without pay for disciplinary purposes for a period not to exceed thirty (30) days per occurrence.
20. TERMINATION: The cessation of employment with the City for non-disciplinary reasons such as, but not limited to, layoff, resignation, or failure to successfully complete the initial-hire probationary period.
21. VERBAL REPRIMAND: An oral warning that may be given to the employee in the event that a deficiency in performance or conduct is not of sufficient magnitude to warrant a more formal disciplinary action.
22. WRITTEN REPRIMAND: A written statement relating to an action or omission which meets the grounds for disciplinary action, indicating that there is

cause for dissatisfaction with the employee's services and that further disciplinary measures may be taken if the cause is not corrected.

23. WORK DAY: Any day, Monday through Friday, except holidays, when City Hall administrative offices are open for business.

24. WORK WEEK: A regular schedule of forty (40) hours in a seven day period, the scheduling of which may vary from time to time based on the workforce needs of the City as determined by the City Manager. For overtime calculation purposes, the "workweek" is defined as the seven (7) day 168 hour regularly recurring period for each employee. For employees who work the 9/80 work schedule, their workweek shall begin exactly four hours after their start time on the day of the week which is their alternating regular day off (typically Friday). For employees who work a work schedule other than a 9/80, their workweek shall begin at 12:00 a.m. on Sunday through 11:59 p.m. on the following Saturday.

III. Management Rights

The City, through the City Council, possesses the sole right to operate the City and all management prerogatives remain vested with the City through the City Council and City Manager. In this context, except as specifically limited by express provision of this MOU, all management prerogatives, powers, authority and functions, whether heretofore exercised, and regardless of the frequency or infrequency of their exercise, shall remain vested exclusively with the City. It is expressly recognized that these rights, include, but are not limited to, the right to hire, direct, assign or transfer an employee or probationary employee; the right to lay off employees or probationary employees; the right to determine and change staffing levels and work performance standards; the right to determine the content of the workday, including without limitation, workload factors; the right to determine the quality and quantity of services to be offered to the public, and the means and methods of offering those services, the right to contract or subcontract City functions, including any work performed by employees or probationary employees; the right to discipline employees, including the right to reprimand, suspend, reduce in pay, demote and/or terminate employees; the right to relieve employees or probationary employees of duty, demote, dismiss or terminate employees or probationary employees for non-disciplinary purposes; the right to consolidate City functions; the right to determine City functions; the right to implement, modify and delete rules, regulations, resolutions and ordinances; the right to establish, change, combine wages or eliminate jobs, job functions and job classifications; the right to establish or change wages and compensation; the right to introduce new or improved procedures, methods, processes or to make technological changes; and the right to establish and change shifts, schedules of work, and starting and quitting times.

IV. Regular Compensation, Performance Evaluations

Employee cCompensation shall be ~~set forth determined from in the a~~ salary schedule of ranges ~~established by Resolution of the City Council, as listed on in~~ Exhibit "B" to this

~~MOU. Each range spread shall be approximately thirty percent (30%) from the bottom of the range to the top of the range. During the annual budget deliberations, the City Council shall establish a pool of funds to be used by the City Manager for employee merit increases if general fund reserves are estimated to be sufficient to cover the cost associated with such a merit pool. Employees' compensation may be adjusted based on negotiated modifications as well as movement on the range based on the principal of merit which will be determined at the discretion of the City Manager.~~

Comment [PJB7]: This will be included in the MOU when we are done with negotiations and the Association will get to review it prior to the parties reaching a tentative agreement.

~~During the term of this MOU either party may reopen negotiations on the topic of compensation. The Association shall not be precluded from proposing compensation modifications retroactive to July 1, 2012. This reopener obligates both parties to agree to negotiate on the topic of compensation if requested by the other side.~~

Comment [PJB8]: The City proposes to eliminate the merit pool.

~~On the first day of the pay period following City Council approval of the MOU, employees shall receive a one half percent (.5%) base salary increase.~~

Comment [PJB9]: This language is outdated.

~~On the first day of the pay period following July 1, 2016, employees shall receive a one half percent (.5%) base salary increase.~~

~~On the first day of the pay period following July 1, 2017, employees shall receive a one half percent (.5%) base salary increase.~~

Comment [pjb10]: The City offers to increase all employees in the bargaining unit whose base salaries are below the 75th percentile of the base salaries of the survey agencies in the class and comp study to the 75th percentile of base salary.

This offer is contingent reaching a TA in these negotiations as well as accepting the classification study performed by Koff and Associates.

A. Initial Employment

The rate of compensation for initial employment in any classification shall be determined by the City Manager at his/her sole discretion based upon the experience, education, skills and ability of the employee.

B. Performance Evaluation

A probationary employee shall receive a probationary performance evaluation during his/her probationary period. If the employee is rejected from probation prior to receiving the evaluation, the rejection cannot be challenged for failure to receive an evaluation. Both parties acknowledge the benefit of receiving an evaluation during probation, especially if there are areas of concern which the evaluation can help to correct. -at the conclusion of the probationary period, or any extension thereof. Each regular employee shall receive a performance evaluation after completing one (1) year of service within a job classification and annually thereafter. The evaluation date shall be adjusted as required by any break in service of a combined total of 80 hours of leave (with the exception of vacation) and if the employee is transferred or promoted in which case, the one year period starts on the employee's first day in his/her new position.

C. Merit Advance within a Range

The only reason for advancement within a range shall be meritorious performance in an employee's assigned duties:

1. Except as allowed in this section, probationary employees will not be eligible for merit advancement at the conclusion of the probationary period.
2. Meritorious performance shall be determined by the overall rating on the employee's performance evaluation.
3. Merit increases shall be based on meritorious service and granted at the discretion of the City Council who shall then give the City Manager the authority to work with the Department Heads to determine the specific merit increases if applicable only if sufficient funding is available within the City Manager's merit pool. ~~Granted~~ Any increases provided shall be effective on ~~the same day in which date~~ the employee's evaluation date is due/falls, whether or not the ~~performance~~ evaluation is given to the employee conducted on the evaluation date.

~~4. An employee may be advanced within his/her range, in accordance with the merit pay program, as determined annually by the City Manager.~~

~~All proposed advancements shall be recommended by the Department Head and approved by the City Manager before becoming effective. The City Manager shall make a final determination on all proposed merit increases based upon the overall rating on the employee's evaluation, the Department Head's recommendation and the funds available in the City Manager's merit pool.~~

~~5.4.~~ When an employee demonstrates exceptional ability and proficiency, such employee may be advanced within his/her range with the approval of the City Manager, in his/her sole discretion, ~~within available funding, following recommendation by the Department Head,~~ without regard to the minimum length of service provisions contained in this section. ~~Such a~~ Advancements ~~under this section~~ shall not change the employee's regular evaluation ~~date~~.

Comment [PJB11]: Proposal re merit pool.

D. Promotional Advancement

When an employee is promoted from employment in one classification to employment in a classification assigned a higher salary range, advancement shall be to a level within the higher classification as will accord such employee an increase of at least five percent (5%) over his/her current rate of compensation, provided that the salary does not exceed the maximum amount of compensation within the new salary range.

E. Acting Pay

An employee who, by written assignment by his/her Department Head or the City Manager, performs the duties of a position with a higher salary classification than that in which he/she is regularly employed, shall receive compensation specified for the position to which he/she is assigned if he/she performs the duties for a period of one (1) calendar month or more. The employee shall be compensated at a level within the higher

classification as will accord such employee an increase of at least ~~five~~5 percent (5%) over his/her current rate of compensation, provided that the salary does not exceed the maximum amount of compensation within the new salary range. Such compensation shall be retroactive to the first day of the assignment through the duration of the assignment.

F. Top of the Range

In no case shall an employee's regular salary exceed the maximum of the range established by Resolution of the City Council.

V. Overtime Compensation

A. Work Schedule

When necessary to perform work, ~~nonexempt employees and nonexempt probationary~~ employees may be required to work at a time other than during, or in excess of, forty (40) hours in the work week.

1. Overtime shall be defined as actual time worked (not including any leave time) any combination of actual hours worked and paid leave, which exceeds forty (40) hours in any work week.

Comment [PJB12]: City proposal to no longer count leave as hours worked for purposes of overtime.

2. Work in excess of forty (40) hours in the workweek requires written approval of the nonexempt employee's Department Head or the City Manager. Whenever possible, the employee shall obtain the Department Head's or the City Manager's written approval in advance.

~~2.3.~~ An employee, with his/her supervisor's approval may flex his/her time (i.e., work on different hours of the day or move hours from one day to the next for flexibility). Flexing time is not permitted on the alternating regular day off for employees who work the 9/80 work schedule. Flexing is permitted for the convenience of the employee and shall not result in additional overtime costs.

B. Overtime Compensation

~~Nonexempt employees and nonexempt probationary e~~Employees shall receive overtime compensation or compensatory time off in accordance with the ~~federal~~ Fair Labor Standards Act (FLSA). Accordingly, nonexempt employees and nonexempt probationary employees shall be paid one and one-half (1 ½) times their regular rate of pay or receive compensatory time off at one and one half (1 ½) hours for all hours worked in excess of forty (40) in their defined FLSA work week. Exempt employees are not eligible to receive overtime or compensatory time.

Comment [PJB13]: The City will identify those classifications it believes are exempt from overtime.

C. Compensatory Time

Nonexempt employees and ~~nonexempt probationary employees~~ may elect to be credited with compensatory time off in lieu of paid overtime at the time such overtime is recorded.

Such compensatory time shall be at the rate of one and one half (1 ½) hours for each hour of overtime worked. ~~No employee may accrue more than more than forty (40) hours (26.66 hours of work at time and one half) of C~~compensatory time may ~~off. not be accumulated to exceed forty (40) hours.~~

Comment [pjb14]: The City acknowledges the Association's proposal to increase the comp time accrual cap to 80 hours. The City is still considering the proposal.

1. The taking of all compensatory time off shall first be approved by the ~~nonexempt employee's or nonexempt probationary~~ employee's Department Head or the City Manager and shall be granted in accordance with the work force needs of the City and the ~~FLSA federal Fair Labor Standards Act.~~ Employees must provide reasonable notice of at least ten (10) days to take compensatory time. If reasonable notice is provided, the leave cannot be denied unless it would be unduly disruptive as defined by the FLSA. If a request for compensatory time is made with less than ten (10) days' notice, it may still be granted within the discretion of the employee's Department Head or City Manager.

~~2. Compensatory time may be used for medical appointments.~~

~~3. Compensatory time may be used for pregnancy disability leave and other leave provided pursuant to the federal and California family and medical leave statutes.~~

~~4.2.~~ Upon termination or dismissal from employment, ~~nonexempt employees and nonexempt probationary~~ employees shall be paid for accumulated compensatory time per the FLSA. up to a maximum amount which may be accumulated under the provisions of this MOU, in accordance with federal and state law.

Comment [pjb15]: The City acknowledges the Association's proposals on standby, on-call pay, pay for performance, and release time for association business.

June 3 – those proposals are rejected.

VI. Restricted Fringe Benefits

During the term of this MOU, no changes shall be made to the Restricted Fringe Benefits currently offered by the City. Costs associated with these plans are subject to change at any time without notice to the employer. ~~The City also provides insurance programs as mandated by state and federal regulations for employees covered by this MOU. For example, the City provides workers' compensation and unemployment insurance to all employees in accordance with California law.~~

Comment [PJB16]: This language is unnecessary and misleading.

A. Health Insurance

On the first day of the month following the first day of employment, all employees are eligible to participate in the City's group medical, dental, vision and employee assistance program (EAP) insurance plans. The City will pay the monthly insurance premium costs for all full-time employees and 50% of the cost for all eligible dependents. ~~It is the employee's responsibility to notify the City Manager's Office within thirty (30) days of the following changes in eligibility:~~

- ~~• Change in marital status~~
- ~~• Birth of a child~~

- ~~Legal adoption of a child~~
- ~~Dependent status change~~

Comment [PJB17]: It is a COBRA event. This makes no sense in an MOU. It applies to employees after they leave the City.

Employees selecting the ~~high deductible~~ preferred provider organization (PPO) plan option with health savings account (HSA) will receive City contributions to the HSA toward the PPO deductible in an amount established by resolution of the City Council paid at intervals as established by the City. The current annual HSA payment is \$3,000 for employee only and \$6,000 for employee plus one dependent or family, with contributions to the HSA made on approximately January and ~~July~~ April 1.

Full-time employees providing proof of medical coverage comparable to City health insurance coverage (it must be group health insurance, not an individual plan) may decline City coverage and receive an in-lieu payment ~~in an amount established by resolution of the City Council. That amount is~~ of fifty-percent (50%) of the lowest plan available to employees.

Comment [PJB18]: This is to comply with the ACA

Comment [PJB19]: This is to take the discretion away from the City Council.

B. ~~Post-Retirement Health Savings~~ Account Plan

~~Employees shall be enrolled in the retirement health savings account upon completion of probation. Employees may also participate in the Post-Retirement Health Savings Plan.~~ The Plan is funded via a one percent (1%) employee deduction and a matching City contribution (for fiscal year ~~15-16~~ 13-14 in the amount of ~~\$55.64~~ \$54.81 per month.) The City contribution will be increased annually by the increase in the CPI-U each fiscal year for the Los Angeles area (March to March).

~~C. COBRA~~

~~The City currently falls under the mandates of the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1986, as amended in 1988. If an employee or dependent loses covered group health plan coverage under COBRA qualifying circumstances, they may be eligible for continuation coverage, as provided under COBRA. Election of continuation coverage must be timely made, typically within 60 days of termination. To maintain coverage, the City must be reimbursed for the costs of insurance plus an administrative fee of 2% no later than the first of each month preceding coverage or as otherwise provided by COBRA.~~

Comment [PJB20]: This is the law and it changes. There is no need to keep this in the MOU.

~~D.C.~~ Employee Assistance Program

The City's Employee Assistance Program can refer employees to qualified professional counselors who can help the employee and their eligible family member resolve personal problems that can affect their health, family life, abilities and desire to excel at work.

~~E.D.~~ Section 125 Flexible Benefits Plan

On the first day of the month following six full months of employment, employees can elect to enroll in the City's flexible Benefits Plan. The Section 125 plan allows employees to withhold a portion of their paycheck on a pre-tax basis. The money is then

used to pay for health expenses not covered by their respective insurance providers or for reimbursement of the employee's dependent care expenses, such as day care, throughout the year. Employees should calculate their deductions and track their expenses carefully, as ~~some any unused portion at the end of the year is~~ of the unused amount may be forfeited.

~~F.E.~~ Life Insurance

Employees are eligible for life insurance on the first of the month following their first day of employment with the City. The City pays the entire premium on a life insurance policy with a benefit of twice the employee's annual salary, up to a maximum benefit of \$350,000.

~~G.F.~~ Accidental Death and Dismemberment

Employees are eligible for AD&D insurance on the first day of the month following their first day of employment with the City. The City pays the entire premium on an AD&D insurance policy. The benefit amount is based on the actual loss, up to a maximum benefit of \$350,000.

~~H.G.~~ Short Term Disability Insurance

All employees are required to participate in the California State Disability Insurance (SDI) program, which provides partial salary replacement benefits when an employee is disabled due to a non-work related illness or injury. The program is funded by employee payroll deductions from the employee's bi-weekly paycheck until a cap established by the State is reached. The benefits and terms are established by the State.

~~H.H.~~ Long Term Disability Insurance

On the first day of the month following six full months of employment, eligible employees are covered by the City's long term disability insurance program, which provides partial salary benefits when an employee is disabled due to a non-work related illness or injury. The City pays the employee's entire premium. Long term disability insurance does not become effective until an eligible employee has been unable to work for more than 90 days. Benefits are provided at a rate of 66.6667% of an employee's monthly earnings, up to a maximum benefit of \$10,000 per month.

~~J.I.~~ California Public Employees' Retirement System (CalPERS)

Eligible employees are automatically enrolled as members of the City's retirement system. The retirement plan is provided under contract with CalPERS. The City pays the employer portion of the CalPERS contribution, (eight percent (8%) for employees subject to the 2.5% @ 55 formula below and seven percent (7%) for employees subject to the 2% @ 60 formula below) as determined by CalPERS. The employee pays the employee portion, as determined by statute and CalPERS contract. In the event of any conflict between this summary and either the City's contract with CalPERS or law, the contract or law, as applicable, will prevail.

1. Current employees who entered CalPERS membership under the City's plan prior to October 6, 2012 ~~are will continue to be~~ subject to the City's formula of 2.5% @55 with final compensation determined by the average of the 12 highest paid consecutive months (single highest year).
2. New Employees first entering membership under the City's plan on or after October 6, 2012 who are not new members under (3) below ~~are will be~~ subject to the second tier benefit formula of 2% @60 based on the average monthly pay rate for the 36 highest paid consecutive months (3 year final compensation).
3. Pursuant to the Public Employees' Pension Reform Act of 2012 (PEPRA), on and after January 1, 2013 "new members," as defined under PEPRA, will be subject to the reform tier benefit formula of 2% @62 based the average monthly pay rate for the 36 highest paid consecutive months (3 year final compensation) and other PEPRA required terms. In addition, new members will be required to pay one half (1/2) of the total normal cost rate for their pension benefit. That rate is determined by CalPERS and will be communicated to the Association (and as it is adjusted in the future) once it is known by the City. As defined by PEPRA, a "new member" is:
 - a) An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who was not a member of any other public retirement system prior to that date.
 - b) An individual who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was a member of another public retirement system prior to that date, but who was not subject to reciprocity, as provided under PEPRA.
 - c) An individual who was an active member in a retirement system and who, after a break in service of more than six months, returned to active membership in that system with a new employer.

K.J. Deferred Compensation

In addition to the City's CalPERS retirement program, the City's deferred compensation program (457 plan) allows employees to save and invest a portion (up to the maximum permitted by law) of their salary today on a tax-deferred basis, in order to supplement their future retirement benefits. All employees are eligible to participate in the program.

L.K. Tuition Reimbursement

The City provides a tuition reimbursement program to encourage employees to pursue professional growth and development through accredited academic coursework. All employees who have completed probation are eligible to participate in the program. The course must be related to work within city government and class time must not interfere with the employee's normal duties, unless specifically authorized by the City Manager. A passing grade, or a certificate of completion for courses that do not bear credit, is

required to receive payment. The maximum amount of reimbursement in a fiscal year shall not exceed \$500 per employee participating in the program and is subject to final authorization by the City Manager. The total amount of funds available for the tuition reimbursement program is established each year by the City Council as part of the City's operating budget.

~~M.L.~~ Workers' Compensation and Unemployment Insurance

1. Coverage: The City provides workers' compensation and unemployment insurance to all employees, in accordance with California law.
2. On-the-Job Injuries: All injuries suffered during working hours must be reported, in writing, immediately to the Department Head or City Manager. Unless there is an emergency, a City referral form must be obtained from the Personnel office before visiting a doctor. Upon returning to work from all on-the-job injuries, employees and probationary employees must have an approved return to work certificate signed by the attending doctor.

VII. Incentive Program

A. From time to time, the City Manager may grant an incentive pay award to any employee or probationary employee in recognition for extraordinary work.

1. The City Manager shall determine the amount of incentive pay per employee award. However, in no case shall the incentive pay exceed five percent (5%) of an employee's base salary.
2. Employees or probationary employees shall be limited to no more than two (2) incentive pay awards in a twelve (12) month period.

~~The total amount of funds available for the incentive program is established each year by the City Council as part of the City's operating budget.~~

Comment [PJB21]: The City does not want to create a budget for this.

VIII. Employee Expenses

A. Mileage and Parking Expenses

An employee or probationary employee who is required to use his/her private automobile for City assignments (i.e., is asked to do so, or is given permission to do so) shall be reimbursed for mileage at the current standard mileage rate set by the Internal Revenue Service and actual parking expenses. Mileage will not be paid for home to work travel even if the employee is requested to report to a different location than his/her regular work location on a particular day.

1. All claims for mileage and parking reimbursement shall first be approved in writing by the employee's or probationary employee's ~~supervisor, d~~Department ~~h~~Head or the City Manager, and shall be filed on forms and in accordance with the procedures established by the City Manager.

2. Employees and probationary employees using their private automobile for City business shall supply the Personnel Officer with a Certificate of Insurance stating that their private automobile is covered by public liability and property damage insurance of not less than the amount required in the procedures established by the City Manager, established in coordination with the City's liability coverage pool.

IX. Probationary Period and Procedures

A. Objective of the Probationary Period

The probationary period shall be regarded as part of the selection and evaluation process. The City shall closely observe the probationary employee's work performance during the probationary period.

B. Duration of the Probation Period

All initial-hire and promotional appointments shall be tentative and subject to a probationary period of not less than ~~twelvesix~~ (126) months actual service. The City Manager may extend a probationary period up to ~~twelvesix~~ (126) additional months of actual service. Wherever possible, the City Manager shall give the probationary employee written notice of the extension of the probationary period ten (10) days before its expiration. The written notice shall state the reason for the extension. Failure to give the probationary employee notice of the extension prior to the expiration of the initial probationary period shall automatically extend the period. The length of the automatic extension without a written notice shall not exceed a period of over thirty (30) days.

Comment [PJB22]: City proposal

C. Termination of Initial Hire Probationary Employee

During or at the conclusion of the initial-hire probationary period, or any extension thereof, the City Manager, after consultation with the probationary employee's ~~D~~epartment ~~h~~Head, where practical, may terminate an initial hire probationary employee without cause, and without a hearing or right of appeal.

D. Procedures: Regular Appointment Following Probationary Period

The City Manager shall be notified in writing two (2) weeks prior to the expiration of any probationary period. After consultation with the probationary employee's ~~d~~epartment ~~h~~Head and immediate supervisor, the City Manager shall determine whether:

1. The initial-hire probationary employee shall become a regular employee;
2. The initial-hire probationary employee shall be terminated or discharged;
3. The transfer probationary employee's transfer shall be confirmed;
4. The transfer probationary employee's transfer shall be rejected;

5. The promotional probationary employee's promotion shall be confirmed;
6. The promotional probationary employee's promotion shall be rejected, or
7. The employee's initial, transfer or promotional probationary period shall be extended.

E. Rejection Following Transfer or Promotion

Any probationary employee rejected during or at the conclusion of a probationary period following a transfer or promotional appointment shall be reinstated to the classification from which the employee was transferred or promoted unless (a) charges are filed and the employee is dismissed from employment in the manner provided in this MOU, (b) there is no vacancy in such position, or (c) the employee is terminated from employment due to a layoff or other basis. If there is no vacancy, the employee may request to be placed on a reemployment list.

X. Leaves

1. Time spent by an employee on an approved paid leave shall not be construed as a break in service or employment, and rights accrued at the time the leave is granted shall be retained by the employee. Additionally, a leave of absence, with pay or without pay, granted to any employee shall not create a vacancy in the position. For the duration of any such leave of absence, the duties of the position may be performed by another employee from the competitive service on an acting assignment, an independent consultant or a temporary employee, provided that any person so assigned shall possess the minimum qualifications for such position.

2. Except as otherwise permitted by law, all requests for leave shall be in writing, and shall be sent to the ~~employee's supervisor or department head-City Manager or his/her designee~~. The request shall include the expected start and end dates of the leave, and any medical certifications required by the provisions of this MOU or City Policy. An employee shall provide as much advance notice of the need for leave as practicable. Generally, when the need for the leave is foreseeable, the employee shall try to provide at least ten (10) days notice prior to the commencement of the leave. Failure to provide advance notice of the need for leave may be grounds for delaying the start of the leave.

A. Vacation Leave

1. Employees are entitled to accrue paid vacation leave under the following schedule:

| <u>Length of Employment</u> | <u>Vacation Accrual Rates</u> | <u>Maximum Accumulation</u> |
|--|-------------------------------|-----------------------------|
| Beginning of 1 st month through 2 years | 6.67 hours per month | 160 hours |

| <u>Length of Employment</u> | <u>Vacation Accrual Rates</u> | <u>Maximum Accumulation</u> |
|--|--|--|
| Beginning of 3 rd year through 5 years | 8 hours per month | 192 hours |
| Beginning of 6 th year through 15 years | 10 hours per month | 240 hours |
| Beginning of 16 th year and more | 8 additional hours per year for each year of service up to a maximum of 160 hours per year | Twice the annual accrual not to exceed 320 hours (i.e. 256, 272, 288, 304 or 320 hours, as applicable) |

2. After completion of the initial-hire probationary period, the employee will be credited with vacation leave earned during the probationary period. The employee shall be entitled to take such leave upon the completion of the initial-hire probationary period or extension thereof. However, an initial-hire probationary employee may utilize accrued vacation leave prior to the completion of the probationary period with the written approval of the City Manager.

3. Vacation leave may be accumulated to a maximum of two years' worth of accrued vacation leave. For specific amounts, see table above. Once an employee reaches the maximum vacation leave which may be accumulated, the employee shall cease to accrue any further vacation leave until the amount accumulated falls below the maximum.

4. The scheduling of vacation leave must be approved in advance by the employee's Department Head or the City Manager. Employees shall submit a written request to schedule vacation leave to the employee's Department Head or the City Manager within a reasonable amount of time prior to the desired date and may be granted in accordance with the work force needs of the City.

5. Employees will have the option to be paid for vacation leave that exceeds the maximum allowed by this MOU if a requested vacation leave is received and denied by the employee's Department Head and the City Manager due to the work force needs of the City, not less than thirty (30) days prior to exceeding the maximum accrual.

6. Employees shall not be granted, and accordingly are not entitled to take, vacation leave in advance of its accrual.

7. Upon termination or dismissal from employment, employees and probationary employees shall be paid for accumulated vacation leave up to a maximum amount which may be accumulated pursuant to this MOU.

8. Vacation leave may be used for medical appointments, pregnancy disability leave and leave pursuant to the federal and California family and medical leave statutes.

B. Sick Leave

1. Employees and probationary employees earn paid sick leave at the rate of eight (8) hours for each full calendar month of continuous employment with the City including time served in probationary status.
2. Probationary employees are eligible to use paid sick leave during their probationary period.
3. Unused sick leave may be accumulated to a maximum of seven hundred twenty (720) hours.
4. In order to receive paid sick leave, an employee or probationary employee must notify his/her supervisor at the earliest possible time, generally before 8:30 a.m. on the day that the leave will be used. Such notice shall provide the fact and the reason for the leave and duration of the leave. The employee must either speak to his/her supervisor or leave him/her a message if a voicemail is reached. In addition, if voicemail is reached, the employee should follow up the voicemail with either an email or text message (if the employee's supervisor's cell phone is known) informing the supervisor that he/she will be absent for the day on sick leave. Failure to provide reasonable notice will be cause for denial of sick leave with pay for the period of the absence. Written verification of the cause of absence may be required by the Department Head or City Manager.
5. Employees and probationary employees shall not be granted, and accordingly are not entitled to take, paid sick leave in advance of its accrual.
6. Employees and probationary employees who use more than twenty-seven (27) consecutive sick hours shall be required to furnish a physician's certificate stating that the employee is able to safely return to work. A physician's certification may be requested if a supervisor has reason to believe that sick leave is being abused. Regardless of the length of the sick leave used, the supervisor has the authority to determine if the employee is abusing the sick leave benefit.
7. Sick leave may be used for medical appointments, pregnancy disability leave, leaves provided pursuant to the federal and California family and medical leave statutes and to care for an employee's spouse, child(ren), parent(s) or spouse's child(ren) or parent(s) or registered domestic partner due to illness. For leave to care for one of the foregoing relatives with an illness, the employee is permitted to use up to one half of one year's annual accrued sick leave in accordance with Labor Code section 233. In addition, an employee's first three days of sick leave use per fiscal year may be used for the sickness of a grandparent, step parent, sibling or grandchild.
8. Upon termination or dismissal from employment, employees and probationary employees shall not be granted, and accordingly are not entitled to be paid for accumulated sick leave.

Comment [PJB23]: This is to comply with the provisions of AB 1522.

~~9. This section shall be interpreted and applied in a manner consistent with applicable federal and California law.~~

Comment [PJB24]: This is simply stating we will comply with the law.

C. Wellness Leave

Employees and probationary employees are eligible to earn four and one half (4 ½) hours of paid wellness leave for ten (10) consecutive weeks of perfect attendance without using any sick leave time.

1. Prospectively, the ten (10) week period shall be calculated from June 2, 1991.
2. A maximum of nine (9) hours of wellness leave may be accumulated.
3. Upon termination or dismissal from employment, employees and probationary employees shall not be granted, and accordingly are not entitled to be paid for wellness leave.
4. Wellness leave may be used for pregnancy disability leave and leaves provided under the federal and California family and medical leave statutes.

D. Bereavement Leave

Paid bereavement leave shall not be considered accrued leave which an employee or probationary employee may use at his/her discretion, but is granted by reason of the death of a member of the employee's or probationary employee's immediate family, consisting of an employee's or probationary employee's spouse registered domestic partner and employee's or probationary employee's or their spouse's child, parent, sibling, stepparent, stepchild and grandparent. An employee or probationary employee may take a maximum of three (3) working days of bereavement leave each time a death occurs within an employee's or probationary employee's immediate family. In order to receive paid bereavement leave, the employee or probationary employee must notify his/her Department Head or the City Manager at the earliest possible time, generally before 8:30 a.m. on the day that the leave is first requested. In the event the employee or probationary employee must travel out of state in connection with the bereavement, the employee or probationary employee shall be allowed two (2) additional working days of bereavement leave for each incident.

E. Jury Duty

1. Employees and probationary employees called for jury duty shall give the Department Head or City Manager reasonable advance written notice of the his/her obligation to serve.
2. Employees and probationary employees will be paid their regular wages, less jury duty pay (other than mileage or subsistence allowances) or may elect to forfeit the jury duty warrant to the City and receive full City wages.

3. Written evidence of jury duty attendance shall be presented to the Personnel Officer.

4. Employees and probationary employees shall continue to report to work on those days when excused from jury duty, and on which the employee or probationary employee can work at least four (4) hours during his/her regular workday.

F. Leave of Absence without Pay

The City Manager, after consultation with the employee's or probationary employee's Department Head, may grant an employee or probationary employee leave of absence without pay for a period not to exceed four (4) months in accordance with the work force needs of the City. Additionally, the City Manager may apply such conditions as he/she deems warranted in the best interest of the City. No such leave shall be granted except upon written request of the employee or probationary employee. Leave under this section shall only be granted to an employee or probationary employee under circumstances where the employee or probationary employee is not otherwise eligible for pregnancy disability leave or family and medical leave as provided under applicable law and Sections 8 (Pregnancy Disability Leave) and 11 (Family and Medical Leave) of the Personnel Rules. Approval shall be in writing and a copy filed with the Personnel Officer.

1. A leave of absence without pay shall not be construed as a break in service or employment, however, paid leave benefits, increases in salary, and other similar benefits shall not accrue (including accrual of seniority) to a person granted such leave during the period of absence.

2. Use of a leave of absence without pay for a purpose other than that requested may be cause for forfeiture of reinstatement rights. Failure on the part of an employee or probationary employee on leave to report to work promptly at its expiration may be cause for discharge.

3. An employee or probationary employee reinstated after a leave of absence without pay shall receive that same pay rate step in the salary range that he/she received when the leave of absence began. Time spent on such leave without pay shall not count towards service for increases within the salary range, and the employee's or probationary employee's evaluation date shall be set forward one (1) month for each thirty (30) consecutive days taken.

4. The City shall maintain group health insurance coverage for an employee or probationary employee (including dependent coverage) while the employee or probationary employee is taking a medical leave of absence under this section at the level and under the conditions coverage would have been provided by the City if the employee or probationary employee had not taken such leave. In the event an employee or probationary employee does not return to work following the

leave, the City reserves the right to recover the premiums or other sums the City paid for group health insurance coverage during the period of the leave.

5. The employee or probationary employee is responsible to pay the entire cost of all applicable health and life insurance premiums and other insurance premiums (such as long term disability and accidental death and dismemberment) during a non-medical leave of absence without pay that exceeds thirty (30) days. In addition, in advance of taking the leave, the employee or probationary employee must make written arrangements with the Finance Department to pay for the costs of such coverage. Premiums shall be paid within the time specified by the City or as otherwise required by the applicable insurance or benefit program.

6. If the leave of absence without pay was for medical reasons, prior to resuming regular duties, an employee or probationary employee shall furnish the Personnel Officer a physician's certificate stating that the employee is able to return to work.

G. Military Leave

Military leave and military spouse leave shall be granted in accordance with applicable federal and California law.

H. Paid Holiday Leave

1. Subject to the restrictions described below, nonexempt employees and nonexempt probationary (new-hire, transfer and promotional) employees shall receive paid leave at his/her straight hourly rate for the following designated City holidays:

- a) The last Monday in May;
- b) July 4th;
- c) The first Monday in September
- d) The fourth Thursday in November
- e) The day after the fourth Thursday in November
- f) The period between and including December 24 and January 1 (Saturdays and Sundays or other non-work days excepted); and
- g) One day as a floating holiday, which shall be designated yearly by the City Manager.

2. Exempt employees and exempt probationary employees shall receive paid leave for the designated City holidays outlined above. At his/her discretion, the

City Manager may grant extra compensation or in lieu time off to exempt employees and exempt probationary employees who are required to work on a holiday.

3. If July 4th falls upon a Saturday, the Friday before is the observed holiday, and if the date falls upon a Sunday, the Monday following is the observed holiday.

4. In order to be eligible for holiday pay, an employee or probationary employee must work the last scheduled workday before and the first scheduled workday after the holiday unless the employee or probationary employee is taking approved paid leave.

5. If a holiday falls during an employee's or probationary employee's approved vacation leave period, the employee or probationary employee shall be paid for the holiday and shall not be charged with a vacation day for the day the holiday is observed.

6. If a holiday falls during an employee's or probationary employee's approved sick leave period, the employee or probationary employee will be paid for the holiday and will not be charged with a sick day for the day the holiday is observed.

7. Employees and probationary employees on non-paid leave of absence for any reason are ineligible for holiday benefits for holidays that are observed during the period they are on a non-paid leave of absence.

8. Regardless of the number of hours worked during the work week, nonexempt employees and nonexempt probationary employees who work on a designated City holiday shall be paid their regular hourly rate and one and one half (1 ½) times their regular hourly rate of pay for all hours worked on the holiday or receive credit for the equivalent number of hours worked of compensatory time off at one and one half (1 ½) hours of compensatory time off for all hours worked on the holiday.

9. Upon termination or dismissal from employment, employees and probationary employees shall not be granted, and accordingly are not entitled to be paid for a floating holiday.

I. Family and Medical Leave

Family and medical leave will be granted in accordance with the City's Family and Medical Leave Policy and applicable law.

J. Catastrophic Leave

Employees in the unit shall be permitted to donate accrued vacation or compensatory time off to other members of the bargaining unit who have exhausted all paid leaves, who

have been granted an unpaid leave and who need to continue to be absent from work because of a catastrophic injury or illness. The value of the leave will be determined based on the donating employee's compensation. It will then be converted to vacation hours for the donee's use based on the donee's rate of pay. For example, if an employee who earns \$40 per hour donated 10 hours of vacation to an employee who earns \$30 per hour, the donee would receive \$400 divided by \$30 or 13.333 hours of vacation.

Comment [pjb25]: This is in response to the Association's proposal on catastrophic leave.

~~J.K.~~ K. Other Leaves

The City Manager shall grant such other leaves as are required by law. Except as otherwise provided by law or by circumstances beyond the employee's control, employees shall request such leave and obtain approval in advance. All such leaves shall be unpaid, unless otherwise required by law or this MOU, but employees may use otherwise applicable paid-leave benefits to remain in paid status. No employee may receive an unpaid leave of absence unless and until he/she exhausts all accrued leaves.

XI. Layoff

Whenever in the judgment of the City Council it becomes necessary in the interest of economy, because the necessity for a position no longer exists or other legitimate purpose, the City Council may abolish any position in the competitive service; and the employee or probationary employee holding such position or employment may be laid off without taking disciplinary action and without the right of appeal. Except as otherwise determined by the City Council, the City Manager, when it becomes necessary in the interest of economy, because the necessity for a position no longer exists or for other legitimate purpose, may abolish any position or employment in the Competitive Service and may lay off an employee holding such position or employment without taking disciplinary action and without right of appeal.

A. The order of the layoff of employees and/or probationary employees shall be established by seniority in the employee's classification.

B. Employees or probationary employees to be laid off shall be given at least ten (10) working days prior notice, equivalent pay if laid off immediately, or a combination of notice and pay totaling ten (10) working days if laid off with less than ten (10) working days notice.

C. An employee, promotional probationary employee, or transfer probationary employee who is subject to layoff may request a reduction to a lower job classification within the same occupational series in the layoff unit provided the employee, promotional probationary employee or transfer probationary employee possesses seniority, an acceptable performance and attendance record, and has the ability to perform the remaining work available without further training. The reduction shall be made only in cases where there is a vacant position in the layoff unit.

D. The names of employees and probationary employees laid off or demoted in lieu of layoff shall be placed on re-employment lists for those job classifications requiring

basically the same qualifications, duties and responsibilities of the class from which the layoff or demotion in lieu of layoff was made.

E. Re-Employment List

Names of persons laid off or demoted in lieu of layoff in accordance with these procedures may be carried on a re-employment list(s), prepared and maintained by the Personnel Officer, for a period of six (6) months, unless extended by the City Manager at his/her sole discretion.

1. Persons who refuse re-employment shall be removed from the list.
2. Persons who are appointed to permanent positions of the same level, whether in the City or another agency, as that which was demoted or laid off shall be removed from the list.
3. Persons who fail to respond to a notice of re-employment mailed to the last known address within ten (10) working days from the date in which the notice was mailed shall be removed from the list.

Comment [pjb26]: This was moved from the miscellaneous article.

XII. Schedules, Hours, Attendance and Breaks

A. Work Schedule

The work schedule at City Hall is a 9/80 schedule. Employees work a 9-hour day, 7:30 AM to 5:30 PM, Monday through Thursday. Staff is divided into two teams, the “A” Team and the “B” Team, which alternate working every other Friday. For employees who work the 9/80 work schedule, their workweek shall begin exactly four hours after their start time on the day of the week which is their alternating regular day off (typically Friday). During their Fridays “on,” employees work an 8-hour day, from 7:30 AM to 4:30 PM. City Hall offices remain open with at least one person in each department on duty to answer questions and to receive visitors. It is up to each Department Head to decide how best to divide his or her staff so that sufficient staff coverage is available on Fridays.

When a team’s Friday “off” falls on a City Holiday, that team takes the prior work day off instead. For example, if Christmas Eve falls on a Friday, the team that would have had that Friday off takes the Thursday off instead. At the beginning of each calendar year, the “A” and “B” Teams alternate which one takes the first Friday of the year off following the return to work from the City’s Winter Holiday Break. Employees are generally not allowed to switch Fridays, however, the Department Head may grant permission to do so, but only if to do so would not cause the employee to earn overtime as a result of the switch, if circumstances warrant and the staffing needs of the Department can still be met. An employee’s supervisor and/or Department Head shall set the hourly work schedule and work day for that employee. In the absence of other arrangements, working hours are 7:30 AM to 5:30 PM, Monday through Thursday and 7:30 AM to 4:30 PM every other Friday, with one hour for lunch.

1. Lunch. Lunch periods for office employees should be scheduled between 11:00 AM and 2:00 PM and are ~~generally expected to be~~ limited to one hour, except when City business is conducted during that time period. Department Heads have the responsibility for scheduling lunch periods for their employees.

2. Breaks. The City allows every employee to take two 15 minutes break periods per day. Breaks for office employees are not to be taken outside the Civic Center area without permission of the Department Head. In addition, eating food in the public areas is generally not accepted. Employees in the field may suit the time of work break to the situation at hand, recognizing that they are City representatives in all daily activities. Scheduling of breaks will be at the discretion of the Department Head.

B. Attendance

~~Regular and prompt attendance is an important aspect of every employee's job. When compelling personal reasons necessitate absence from work, the employee shall request permission from your manager/supervisor in advance. If illness or other type of emergency causes an unscheduled absence, employees must notify their supervisor and/or Department Head as soon as possible on the first day of absence and thereafter on a daily basis, unless directed otherwise by their supervisor and/or Department Head.~~

Comment [pjb27]: This paragraph is unnecessary

Failure of an employee, who is absent without leave, to return to work within 24 hours of notice to return, or failure to request leave of absence within the same period, shall be cause of disciplinary action, which may lead to discharge. Employees who leave during work hours without first notifying and receiving prior approval from their supervisor or Department Head of their whereabouts are subject to appropriate disciplinary action.

In addition, an employee or probationary employee who is absent from work voluntarily or involuntarily for more than nine (9) hours without written authorization and who does not present a written explanation acceptable to the City Manager as to the cause of the employee's absence, shall be considered as having voluntarily resigned from the City employment as of the last day worked.

XIII. Grievance Procedures

A. Purpose of Grievance Procedure

The grievance procedure shall be used to resolve employee or probationary employee complaints concerning the express terms and condition of employment with the City. Except for oral warnings and written reprimands, the grievance procedure shall not be used for resolving any complaint concerning disciplinary action.

Except as otherwise provided in this MOU, the grievance procedure may be utilized to resolve alleged:

- (1) Improper application of rules, regulations and procedures;

- (2) ~~Alleged violations of this MOU Unfair treatment, including coercion, restraint and reprisal;~~
- (3) ~~Improper procedures utilized in employee layoff;~~
- (4) Discrimination because of race, color, religion, creed, sex, sexual orientation, pregnancy, national origin, ancestry, age (40 and over), marital status, disability, alienage, citizenship status or medical condition (cancer-related); or because of any other statutorily or constitutionally impermissible basis.
- (5) Any manner affecting an employee's or probationary employee's:
 - a. Work schedule;
 - b. Fringe benefits;
 - c. Holidays;
 - d. Vacation;
 - e. Sick Leave;
 - f. Retirement;
- (6) Any other matter regarding the terms and conditions of employment.

Comment [PJB28]: Covered by # 2

B. Informal Discussion of Grievance

1. When an employee or probationary employee has a grievance, the employee or probationary employee shall first informally discuss the matter with the employee's or probationary employee's immediate supervisor within five (5) working days from the date of the incident or decision generating the grievance. If, after a discussion with the immediate supervisor, the grievance has not been satisfactorily resolved, the employee or probationary employee shall have the right to informally discuss the grievance with the supervisor's immediate superior. The informal discussion with the supervisor's immediate superior shall occur within ten (10) working days from the date of the incident or decision generating the grievance. If, after such a discussion, the grievance has not been satisfactorily resolved, the employee or probationary employee shall have the right to file a formal grievance.

2. If an employee's or probationary employee's grievance is with his/her immediate supervisor or the supervisor's immediate superior, and such employee or probationary employee reasonably believes that such grievance will not be resolved at that level, he/she may proceed to the next step of the grievance procedure.

C. Formal Grievance Procedure

The formal grievance procedure shall be used to resolve an employee's or probationary employee's grievance not satisfactorily resolved by informal discussion or otherwise allowed by this Rule.

1. An employee or probationary employee shall have the right to present a formal grievance in writing to the City Manager within fifteen (15) working days from the date of the incident or decision generating the grievance. All formal grievances shall state the reasons for the complaint and the employee's suggested solution.
2. A formal grievance shall be timely presented to the City Manager. When the employee or probationary employee presents a formal grievance to the City Manager, the City Manager shall discuss the grievance with the employee or probationary employee. Within fifteen (15) working days after receipt of the formal grievance, the City Manager shall render a written decision. The decision of the City Manager shall resolve the grievance and no further review of the subject matter of the grievance shall be permitted.

D. General Procedures

1. The employee or probationary employee and the City have the right to representation at any step in the grievance process.
2. Any grievance not filed or taken to the next step by the employee or probationary employee within the specified time limits shall be deemed settled on the basis of the last decision, and not subject to further reconsideration. By mutual agreement and for good cause, reasonable extensions of time may be given in writing to the employee or probationary employee by the City Manager at any step in the grievance procedure.
3. An employee or probationary employee who has filed a grievance shall suffer no discrimination for filing the grievance.

XIV. Discipline Procedures

A. Cause for Discipline

Each of the following constitutes cause for discipline of any employee. It is the intent of these procedures to include as a cause for discipline any action or non-action by an employee which impedes or disrupts the performance of the City and its organizational component units, is detrimental to employees or public safety, violates properly established rules and procedures or adversely affects the reputation of the City, its officers or employees. Examples of causes for discipline include, but are not limited to:

1. Any violation of any written rule or regulation promulgated by City related to conduct or performance.

2. Fraud in securing appointment.
3. Incompetence.
4. Inefficiency.
5. Neglect of duty.
6. Dishonesty, ~~or lying to a supervisor or superior~~
7. Violation of any law relating to conflicts of interest, whether contractual or financial.
8. Use, possession, purchase, sale, manufacture, distribution, transportation or dispensation of controlled substances or alcohol while on duty or on City premises, except for the use of prescribed controlled substances (1) as directed by the licensed health care provider prescribing controlled substances and in accordance with the manufacturer's directions, and (2) in a manner not otherwise in violation of these procedures.
9. The use of any substance, controlled or purchased over-the-counter, which impairs the employee's performance of his/her duties.
10. Unexcused absences.
11. Conviction of a felony or conviction of a misdemeanor involving moral turpitude, including but expressly not limited to, any conviction for any offense set forth in the City of Rancho Palos Verdes Policy for conducting Criminal Background Checks and Securing Received Criminal History Information. A plea or verdict of guilty or nolo contendere to a charge of a felony or any offense involving moral turpitude is deemed to be a conviction within the meaning of this section.
12. Defrauding the City by making a false claim for compensation, benefits or reimbursements.
13. Making a false Workers' Compensation Claim against the City.
14. Improper political activity which prevents the employee or other employees from the efficient performance of employment with the City, or which has a disruptive effect on the efficiency or integrity of the City service of the department in which such employee is employed.
15. Failure or refusal to cooperate with supervisory personnel or other employees.
16. Misuse or misappropriation of City property or funds.

17. Gambling for money or articles of value on City property or during working hours.
18. Tardiness.
19. Abuse of sick leave privileges.
20. Excessive absenteeism, which impairs the City's ability to provide services or function effectively or efficiently.
21. Refusal to take and subscribe any oath or affirmation which is required by law in connection with his/her employment.
22. Refusing to report on official call of emergency.
23. Violation of departmental rules and regulations.
24. Intentionally misrepresenting information or facts in any statement, declaration or affidavit duly required of an employee.
25. Failure or refusal to carry out a lawful order or directive of a supervisor.
26. Asking, receiving or agreeing to receive any bribe, gratuity or reward of any kind upon any understanding that any employee's action shall be influenced thereby, or shall be given in any particular manner, or upon any particular question or matter upon which any employee may be required to act in the employee's capacity; or attempting by menace, deceit, suppression of truth, or any corrupt means to influence any employee to commit any act, conduct or omission which is clearly inconsistent, incompatible, in conflict with, or inimical to the best interests of the City.
27. Failure to observe or comply with safe working standards, to endanger, to injure, or to damage public property or the private property of any employee or member of the public through negligent, improper or careless conduct or use of equipment; or to permit such actions on the part of any employee under his/her supervision or control.
28. Conduct disrespectful to the public, elected and appointed City officials, supervisors, superiors, Department Heads, City Manager, Deputy City Manager or members of City boards and commissions.
29. Failure to report any criminal conviction and/or arrest pending final adjudication as required by the City of Rancho Palos Verdes Policy for Conducting Criminal Background Checks and Securing Received Criminal History Information.
- ~~29-30.~~ Any other reason which demonstrates misconduct or performance deficiencies of the employee.

In the event that the City imposes disciplinary action for cause, including but not limited to any of the above acts or omissions, the employee shall have the right to contest or seek review of the disciplinary action or the basis thereof, in accordance with procedures set forth in this MOU.

B. Types of Disciplinary Action

Disciplinary actions include reprimands, suspensions, demotions, reductions in pay and dismissal, as defined below:

1. Verbal Reprimand. An oral warning that may be given to the employee in the event that a deficiency in performance or conduct is not of sufficient magnitude to warrant a more formal disciplinary action. A written record may be made of such conferences and placed in the employee's personnel file with a copy provided to the employee. Verbal reprimands are not subject to appeal. However, the employee has the right to place in his/her personnel file a written response or rebuttal to any written record of verbal reprimand, provided that such response or rebuttal is submitted for inclusion in the file within thirty (30) days of the employee's receipt of the written record.
2. Written Reprimand. A written statement relating to an action or omission which meets any of the grounds for disciplinary action listed in these procedures, indicating that there is cause for dissatisfaction with the employee's services and that further disciplinary measures may be taken if the cause is not corrected. The written statement shall be placed in the employee's personnel file, with a copy provided to the employee. Written reprimands are not subject to appeal. However, the employee has the right to place in his/her personnel file a written response or rebuttal to any written statement, provided that such response or rebuttal is submitted for inclusion in the personnel file within thirty (30) days of the employee's receipt of the written statement.
3. Suspension. The temporary separation of the employee from City service without pay for disciplinary purposes for a period not to exceed thirty (30) days per occurrence.
4. Demotion. A change in employment status from one position to another having a lower rate of pay and/or change in duties which are allocated to a class having a lower maximum rate of pay for disciplinary reasons. The disciplinary demotion may be temporary or permanent.
5. Reduction in Pay. A change in the salary of an employee to a lower rate within the same salary range for disciplinary reasons.
6. Dismissal. The discharge of the employee from City service for disciplinary reasons. Discharge and dismissal are used interchangeably in these procedures.

C. Disciplinary Procedures

1. When an employee is to be suspended, demoted, reduced in pay or dismissed, a preliminary written notification shall be provided to the employee. The written notice shall include:

- a) The charges against the employee and reasons for the proposed disciplinary action to be taken;
- b) The proposed disciplinary action to be taken;
- c) Copies of the charges and materials on which the proposed action is based; and,
- d) A statement advising the employee that, before any proposed disciplinary action takes effect, the employee or his/her representative has the right to respond orally or in writing within five (5) working days from the employee's receipt of the written notice. If the employee chooses to respond orally, a meeting (i.e., a Skelly meeting) will be scheduled to allow the employee to present his/her response to the proposed discipline.

2. Within ten (10) working days after the employee has had the opportunity to respond, the employee shall be notified in writing of any disciplinary action to be taken and the effective date of such disciplinary action.

D. Appeal of Disciplinary Action

1. An employee who has been suspended, demoted, reduced in pay or dismissed for disciplinary reasons may appeal the disciplinary action.

2. In order to appeal the disciplinary action, the employee must file a written notice of appeal with the City Manager for a hearing within ten (10) working days after having been furnished with a copy of the notice of disciplinary action.

E. Time of Hearing

The hearing on the employee's appeal shall be conducted within ninety (90) days after the employee's filing of the written notice of appeal with the City Manager. The time limit may be extended by the City Manager for good cause and by agreement of the employee and the City Manager.

F. Hearing Procedure

The following procedure shall govern hearings on appeals of disciplinary action:

1. The City Manager may conduct the hearing or the City Manager may designate any third party to conduct the hearing. If the City Manager files the written statement to discipline an employee ~~who~~ works directly for the City

Manager, ~~then~~ the Deputy City Manager may conduct the hearing or the Deputy City Manager may designate any third party to conduct the hearing.

2. Hearings shall be conducted in the manner most conducive to determination of the truth, and the City Manager shall not be bound by technical rules of evidence. Decisions made shall not be invalidated by informality in the proceedings.

3. The City Manager shall make arrangements to have the hearing transcribed or recorded to preserve the proceedings and testimony. The employee may obtain a copy of the transcript or recording upon written request.

4. The City Manager shall determine the relevancy, weight and credibility of all testimony and evidence.

5. The City Manager shall base his/her findings and decision on the preponderance of the evidence presented.

6. The Department Head shall have the burden of proof. Each side will be permitted an opening statement and closing argument. The Department Head shall first present its witnesses and evidence to support the charges and disciplinary action. The employee shall then present his/her witnesses in defense. The Department Head may thereafter present witnesses and evidence in rebuttal.

7. Each side will be allowed to examine and cross-examine witnesses. All witnesses shall testify under oath. The City Manager may question any witness.

8. Both the Department Head and the employee may be represented by a designee or by legal counsel. The City Manager may obtain the legal advice of the City Attorney in performing the function of the hearing officer.

9. The City Manager shall, if requested by either side, subpoena witnesses and/or require the production of documents or other material evidence.

10. The City Manager may, during a hearing, grant a continuance for any reason believed to be important to the reaching of a fair and proper decision.

11. Within thirty (30) days after the conclusion of the hearing, the City Manager shall prepare and serve on both sides a written decision setting forth the charges found to be sustained, and the reasons therefore, and the propriety of the disciplinary action imposed. The City Manager may sustain, reject or modify the disciplinary action imposed. If the City Manager ~~rejects or modifies sustains~~ the ~~discipline~~employee, all or part of any loss of the employee's full compensation may be ordered restored.

G. Finality of City Manager's Decision

The decision of the City Manager shall be final and conclusive.

H. Judicial Review

Any legal action to challenge any decision of the City Manager must be filed in a court of competent jurisdiction no later than ninety (90) days following the date the City Manager's written decision becomes final as provided in California Code of Civil Procedure Section 1094.6.

XV. Miscellaneous Procedures

A. Transfers

Transfers are permitted, subject to written consent of the Department Heads involved and the City Manager. Such changes are authorized only from one (1) position to another in the same class or to a position in another class having the same maximum salary limit and involving the performance of similar duties and requiring substantially the same qualifications.

B. Reclassification

The duties of positions that have changed materially may be allocated to a more appropriate class by the City Manager. An incumbent meeting the new qualifications of the reclassified position shall move with the position.

~~C. Re-Employment List~~

~~Names of persons laid off or demoted in lieu of layoff in accordance with these procedures may be carried on a re-employment list(s), prepared and maintained by the Personnel Officer, for a period of six (6) months, unless extended by the City Manager at his/her sole discretion.~~

- ~~1. Persons who refuse re-employment shall be removed from the list.~~
- ~~2. Persons who are appointed to permanent positions of the same level, whether in the City or another agency, as that which was demoted or laid off shall be removed from the list.~~
- ~~3. Persons who fail to respond to a notice of re-employment mailed to the last known address within ten (10) working days from the date in which the notice was mailed shall be removed from the list.~~

Comment [PJB29]: This was moved to the layoff article.

~~D.C.~~ Reinstatement

With the written approval of the City Manager, a former employee or probationary employee may be reinstated (1) to his/her former position, if vacant; or, (2) to a vacant position in the same comparable class; provided that the employee or probationary employee left the City's employ less than one (1) year prior to seeking reinstatement. The City Manager may require that a reinstated employee or probationary employee serve an initial-hire probationary period.

E.D. Dress

Dress should be appropriate for the position held and tasks to be completed. If a uniform is required, it should be well maintained and work correctly. "Friday" dress may be business casual as long as clean and neat-appearing and responsive to the employee's daily schedule of business contacts.

XVI. Administrative Instructions and Departmental Policies and Procedures:

A. Administrative Instructions: Without limiting the application of other Administrative Instructions, unless otherwise inconsistent with this MOU or the law, all employees are subject to the Employee Handbook dated February 2004 and Administrative Instructions 2-02 (Office Procedure), 2-03 (Workers' Compensation Claims Procedures), 2-05 (Attendance), 2-09 (Gifts), 2-11 (Tuition Reimbursement Program), 2-12 (Outside Employment), 2-13 (Pets), 2-14 (Bulletin Boards), 7-01 (Safety Program), 8-01 (Use of City Vehicles), 8-02 (Use of Employee Vehicle for City Business), 8-05 (Computer Network Use), 8-07 (Electronic Mail and Internet Use) to the extent such instructions are not inconsistent with this MOU. Copies of the current Employee Handbook dated February 2004 and the current Administrative Instructions are available in the Administrative Instruction Manual and from the Human Resources Office.

B. Departmental Policies and Procedures: Where a department or work group has adopted employment and workplace policies, procedures or other instructions, employees within that group are subject to those policies, procedures and instructions. This includes, but is not limited to Department of Planning, Building and Code Enforcement Department Procedures Manual.

XVII. Written Notice

Any written notice required to be given by the provisions of this MOU, unless herein otherwise specifically provided, may be given either by personal service ~~or~~ by mail or by email. Employees are required to provide an email address where they may receive communication from the City and will be expected to review such email. In the case of service by mail, the notice must be deposited in the United States mail, in a sealed envelope, with postage prepaid; addressed to the person on whom it is to be served; at the address in any notice given by him/her of his/her last known address, and, if there be no last known address, then addressed to him/her at the City (if still associated with the City in some capacity). Service by mail shall be deemed complete at the time of the deposit in the mail. Service by email shall be deemed complete at the time the City sends the email to the employee.

XVIII. Outside Employment

Employees and probationary employees shall be allowed to engage in employment other than their job with the City, with the understanding that City employment is the highest priority and such employment does not interfere with the performance of assigned duties and does not constitute a conflict of interest. The employee or probationary employee

must notify the City Manager in writing regarding their outside employment. Within his/her discretion, the City Manager may deny the employee to right to engage in the outside employment if the City Manager concludes that it will interfere with the employee's ability to effectively perform his/her job.

XIX. Agency Shop

The Agency Shop Agreement between the City and RPVEA is attached as Exhibit "C" and applies to all unit members as provided in its terms.

XX. Severability

If any provisions of this MOU are declared to be illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of the MOU will continue in full force and effect.

XXI. Job Description

Class Specifications: The classification plan shall consist of job specifications, which shall set forth a descriptive title, typical duties and responsibilities, essential functions of the position, and the training, experience, and other qualifications necessary or desirable for the effective performance of each position within a classification.

~~XXII. Shared Full Time Positions:~~

~~From time to time, the City Manager may allow two (2) qualified employees to share the duties and responsibilities associated with one (1) existing full-time position. The employees sharing the full-time position shall have the same job title and shall be employed in the same department. The City Manager shall have the ability to discontinue a shared full-time position at any time and without any right of appeal. Participation is contingent upon the two (2) employees entering into an agreement with the City at the time of appointment, which sets forth the rules and procedures of the job sharing agreement. The agreement shall include, but is not limited to, the minimum length of the commitment to job share by the employees, the weekly schedule or regular number of hours to be worked by each employee (generally, each employee shall work twenty (20) hours per week or a combination of forty (40) hours per week, although alternative schedules may be approved by the City Manager), the minimum amount of notice required from the employee to terminate job sharing, and the procedure to be followed if the shared position is discontinued by the City Manager. The employees that share full-time positions shall be subject to these Rules, except that employment benefits shall be applied as follows:~~

~~OVERTIME COMPENSATION: Shared position employees shall not be eligible to receive overtime compensation unless they individually work more than forty (40) hours a week. The number of hours worked in any given week shall not be calculated as an aggregate of both employees' hours worked.~~

~~COMPENSATORY TIME: Shared position employees shall not be eligible to receive compensatory time in lieu of paid overtime unless they individually work more than forty (40) hours a week. The number of hours worked in any given week shall not be calculated as an aggregate of both employees' hours worked.~~

~~VACATION LEAVE: Each shared position employee is entitled to accrue paid vacation leave as a percentage of that employee's total number of hours worked each month, based on the following schedule:~~

| Length of Continuous Employment | Vacation Accrual Rates |
|---|--|
| Beginning of 1st month through 2 years | 3.85% of the hours worked per month |
| Beginning of 3rd year through 5 years | 4.62% of the hours worked per month. |
| Beginning of 6th year through 15 years | 5.77% of the hours worked per month |
| Beginning of 16th year and more | 4 additional hours per year for each year of service up to a maximum of 80 hours per year |

~~Each shared position employee may accumulate a maximum of two (2) years' worth of accrued vacation leave. The maximum of two (2) years' worth of accrued vacation leave shall be calculated by taking the employee's then applicable schedule or regular number of hours, extended forward over two years. The employee's then applicable vacation rate from the above schedule shall be applied to determine the maximum vacation leave which may be accumulated. Once an employee reaches the maximum vacation leave which may be accumulated, the employee shall cease to accrue any further vacation leave until the amount accumulated falls below the maximum. In the event an employee's schedule or regular number of hours is reduced, the City Manager or his/her designee shall grant the employee a reasonable period of time, not to exceed one (1) year, to reduce the employee's accumulated vacation leave below the maximum.~~

~~SICK LEAVE: Each shared position employee shall earn sick leave at the rate of five percent (5%) of the hours that the employee worked for each full calendar month of continuous employment with the City, including time served in probationary status. Unused sick leave may be accumulated to a maximum of three hundred sixty (360) hours.~~

~~ALL OTHER LEAVE: Each shared position employee shall be eligible to use bereavement leave, jury duty, leave of absence without pay, pregnancy disability leave, military leave, paid holiday leave and administrative leave (if applicable); family and medical leave and other leave, as set forth in Rule VII, except that each employee shall only be entitled to use such leave in the amount of hours that the employee normally would have been scheduled to work that day or week, as applicable.~~

~~HEALTH INSURANCE: The City shall pay a proportional share of the medical, dental, vision insurance premiums for the shared position employee and dependent care premium based on the number of hours that the employee worked per week, unless coverage is refused by the employee. If health coverage or dependent coverage is accepted by the employee, they shall pay the remaining balance of any insurance premiums.~~

~~LIFE INSURANCE: The City shall pay the entire premium of the employee's life insurance premium, at twice the employee's annual salary. Annual salary shall be based on the regular number of hours per week each employee is scheduled to work, as adjusted annually, according to the City's normal procedures.~~

~~LONG TERM DISABILITY: The City shall pay the entire premium of the employee's long term disability insurance policy.~~

~~ACCIDENTAL DEATH AND DISMEMBERMENT: The City shall pay the entire premium of the employee's accidental death and dismemberment insurance policy.~~

~~MEDICARE: The City shall pay the federal mandatory contribution for each shared position employee.~~

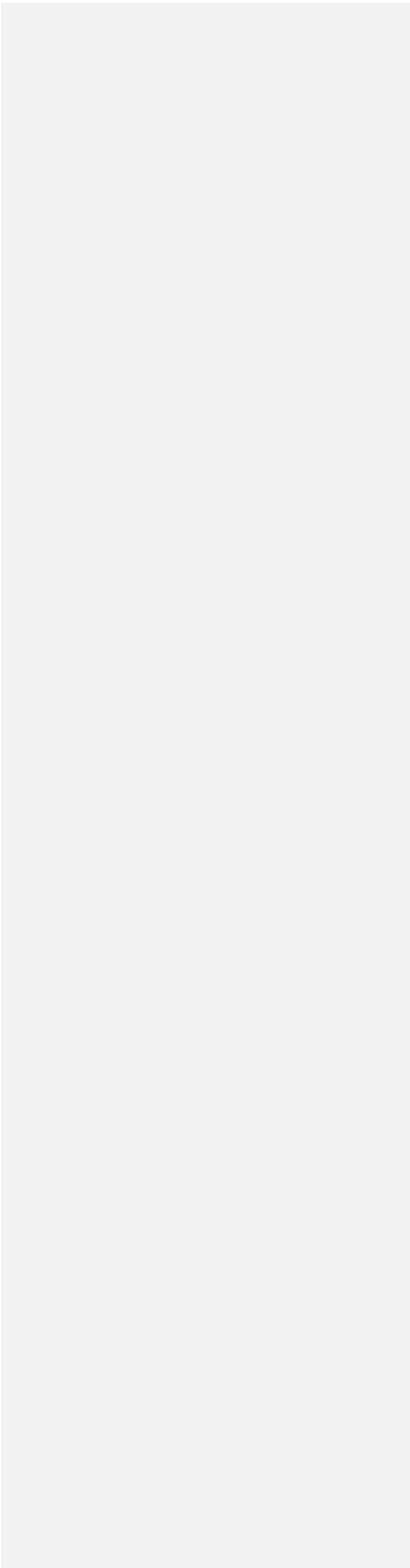
Comment [PJB30]: The City proposes to delete this Section

~~XXIII.~~XXII. Internet Use and Electronic Mail

Employees are allowed to use City computers for legal Internet and electronic mail access. However, personal use is to be kept to a minimum. No employee is allowed to download information from an unknown source. The City ~~of Rancho Palos Verdes~~ reserves the right to review any and all information contained on all City computers and no personal privacy is granted or guaranteed. Employees have no expectation of privacy in information contained in City computers. Any illegal use of the Internet on any City computer may result in disciplinary action, which may include termination.

Rancho Palos Verdes Employees Association

City of Rancho Palos Verdes



RPVE ASSOCIATION / CITY
MEMORANDUM OF UNDERSTANDING

INDEX

| | <u>Article</u> | <u>Section #</u> | <u>Page #</u> |
|-------------------------------------|----------------|------------------|---------------|
| Accidental Death Insurance | VI | G | 9 |
| Acting Pay | IV | E | 6 |
| Administrative Instructions | XVI | | 30 |
| Agency Shop | XIX | | 31 |
| Attendance | XII | B | 21 |
| Bereavement Leave | X | D | 16 |
| Compensation – Regular | IV | | 4 |
| Compensatory Time | V | C | 7 |
| COBRA | VI | C | 8 |
| Deferred Compensation | VI | K | 10 |
| Definition of Terms | II | | 1 |
| Disciplinary Action | XIV | B | 26 |
| Disciplinary Appeal Process | XIV | D | 27 |
| Disciplinary Procedure | XIV | C | 27 |
| Discipline – Types of | XIV | B | 26 |
| Dress | XV | E | 30 |
| Employee Assistance Program | VI | D | 9 |
| Employee Expenses - Mileage/Parking | VIII | A | 11 |
| Family Medical Leave | X | I | 19 |
| Fringe Benefits | VI | | 7 |
| Grievance Procedure | XIII | | 21 |
| Health Insurance | VI | A | 8 |
| Holiday Leave - Paid | X | H | 18 |
| Incentive Pay Program | VII | | 11 |
| Internet Use & Electronic Mail | | | 33 |
| Job Descriptions | XXI | | 31 |
| Jury Duty | X | E | 16 |
| Leaves – General Provisions | X | | 13 |
| Layoff Process | XI | | 20 |
| Leave of Absence without Pay | X | F | 17 |
| Life Insurance | VI | F | 9 |
| Long-Term Disability | VI | I | 9 |
| Management Rights | III | | 4 |
| Meals & Rest Breaks | XII | A | 20 |
| Merit Advancement | IV | C | 5 |
| Military Leave | X | G | 18 |
| Other Leaves | X | J | 19 |
| | <u>Article</u> | <u>Section #</u> | <u>Page #</u> |

| | | | |
|---|-------|---|----|
| Outside Employment | XVIII | | 31 |
| Overtime Compensation | V | B | 7 |
| Performance Evaluations | IV | B | 5 |
| Post Retirement Health Savings Plan | VI | B | 8 |
| Pregnancy Leave | X | A | 15 |
| Probationary Period | IX | | 12 |
| Probationary Period – Duration | IX | B | 12 |
| Probationary Period – Rejection | IX | E | 13 |
| Probationary Period – Termination | IX | C | 12 |
| Promotional Advancement | IV | D | 6 |
| Reclassification | XV | B | 29 |
| Re-Employment List | XV | C | 29 |
| Regular Appointment Following Probation | IX | D | 12 |
| Reinstatement | XV | D | 30 |
| Retirement Plans - CalPERS | VI | J | 10 |
| Section 125 Flexible Benefit Plan | VI | E | 9 |
| Severability Clause | XX | | 31 |
| Shared Full Time Position | XXII | | 31 |
| Short Term Disability Plan | VI | H | 9 |
| Sick Leave | X | B | 15 |
| Term of Agreement | I | | 1 |
| Top of Range | IV | F | 6 |
| Transfer | XV | A | 29 |
| Tuition Reimbursement | VI | L | 11 |
| Unemployment Insurance | VI | M | 11 |
| Vacation Leave | X | A | 14 |
| Wellness Leave | X | C | 16 |
| Workers' Compensation | VI | M | 11 |
| Work Schedule - Overtime Compensation | V | | 6 |
| Work Schedule | XII | A | 20 |
| Written Notice | XVII | | 30 |

CITY OF RANCHO PALOS VERDES, CALIFORNIA

**Independent Accountants' Report on
Agreed-Upon Procedures Performed with
Respect to the Fiscal Impact Analysis of the
City Council Counter Proposal to the Rancho Palos Verdes
Employees Association**



**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES
PERFORMED WITH RESPECT TO THE FISCAL IMPACT ANALYSIS OF THE
CITY COUNCIL COUNTER PROPOSAL TO THE RANCHO PALOS VERDES
EMPLOYEES ASSOCIATION**

Ms. Kathryn Downs
Acting Director of Finance
of the City of Rancho Palos Verdes
Rancho Palos Verdes, California

We have performed the procedures enumerated below, which were agreed to by the City of Rancho Palos Verdes, California (City) solely to assist you with respect to your evaluation of selected provisions of the Fiscal Impact Analysis of the City Council Counter Proposal to the Rancho Palos Verdes Employees Association (RPVEA). Management is responsible for the analysis and for the assumptions used in the analysis. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The scope of this engagement was limited to performing the agreed-upon procedures as set forth below. Included as Attachment A is the City's Fiscal Impact Analysis of the City Council Counter Proposal to the Rancho Palos Verdes Employees Association's (RPVEA).

The procedures performed and the results of those procedures were as follows:

1. Compare the salary rate, hire date, title, and PERS tier listed on the calculation to the payroll system.

Result: We obtained the analysis from the City listing 45 employees. For each employee, we traced the salary rate and hire date to the ADP Master Control Report. We traced the position codes on the ADP Master Control Report to the ADP Job Title Export. We traced the PERS employee contribution amount (8%, 7%, 6.25%) on the ADP Master Control Report to the PERS tiers (Tier 1, Tier 2, Tier 3) on the analysis. No exceptions were noted.

2. Compare the premium calculation for Accidental Death and Dismemberment, Life & Long Term Disability illustrated on the calculation to sample invoices from the insurance carriers

Result: We obtained an invoice paid by the City for insurance for April 2015. We compared the rates listed on the analysis to the rates on the invoice. No exceptions were noted.

3. Trace the positions listed on the calculation to reports from the Association showing which positions are members.

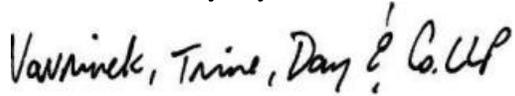
Result: We obtained Resolution 2014-09 adopting the Memorandum of Understanding (MOU) between the City and the RPVEA that expired June 30, 2014. Exhibit A of the MOU lists the positions that are included in the RPVEA. We compared the positions listed on the analysis to the positions listed in Exhibit A of the MOU. No exceptions were noted.

4. Test the mathematical accuracy of the calculation based on the City's assumptions.

Result: We obtained the RPVEA proposal. We also obtained the assumptions used by the City in performing the analysis. We compared the proposal to the inputs used in the analysis. We compared the City's assumptions to the formulas used in the analysis. For each position, we recalculated the estimated costs based on the proposal and the City's assumptions. No exceptions were noted.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the provisions of the Fiscal Impact Analysis of the City Council Counter Proposal to the Rancho Palos Verdes Employees Association proposal, related internal control, compliance with government code, or elements, accounts or items specified above. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the City and is not intended to be, and should not be, used by anyone other than those specified parties.



Rancho Cucamonga, California
June 22, 2015

**CITY OF RANCHO PALOS VERDES
FISCAL IMPACT ANALYSIS OF THE CITY COUNCIL COUNTER PROPOSAL TO
THE RANCHO PALOS VERDES EMPLOYEES ASSOCIATION**

| Title | Current Salary Rate | Bottom of Current Range | Top of Current Range | Position In Range | 75th Top of Range | Implement 75th Salary Range | New Salary 6/30/2015 | PERS Tier | 0.50% Increase 7/1/2015 | Monthly Rate 7/1/2015 | FY15-16 Budgeted OT Hours | Increased Overtime | Pension Cost | Medicare Cost | Life Insurance Cost | ADD Insurance Cost | LTD Insurance Cost | Total Add Cost FY15-16 | Monthly Rate 7/1/2015 | Increased Overtime | Medicare Cost | Life Insurance Cost | ADD Insurance Cost | LTD Insurance Cost | Total Add Cost FY16-17 | Monthly Rate 7/1/2017 | Increased Overtime | Medicare Cost | Life Insurance Cost | ADD Insurance Cost | LTD Insurance Cost | Total Add Cost FY17-18 |
|----------------------------------|---------------------|-------------------------|----------------------|-------------------|-------------------|-----------------------------|----------------------|-----------|-------------------------|-----------------------|---------------------------|--------------------|--------------|---------------|---------------------|--------------------|--------------------|------------------------|-----------------------|--------------------|---------------|---------------------|--------------------|--------------------|------------------------|-----------------------|--------------------|---------------|---------------------|--------------------|--------------------|------------------------|
| Senior Planner | 8,498 | 6,543 | 8,498 | 100% | 8,730 | 232 | 8,730 | 1 | 42 | 8,772 | 80 | 1 | 2 | 0 | 0 | 0 | 0 | 48 | 8,816 | - | 1 | 0 | 0 | 0 | 49 | 8,860 | - | 1 | 0 | 0 | 0 | 49 |
| Account Clerk | 4,583 | 3,776 | 4,502 | 72% | 4,520 | - | 4,583 | 2 | 23 | 4,606 | 80 | 1 | 2 | 0 | 0 | 0 | 0 | 26 | 4,629 | 1 | 0 | 0 | 0 | 26 | 4,652 | 1 | 0 | 0 | 0 | 27 | | |
| Maintenance Worker II | 4,178 | 3,127 | 4,015 | 71% | 4,092 | 250 | 4,092 | 1 | 21 | 4,493 | 100 | 2 | 2 | 0 | 0 | 0 | 0 | 25 | 4,471 | 2 | 0 | 0 | 0 | 27 | 4,583 | 2 | 0 | 0 | 0 | 27 | | |
| Senior Administrative Analyst | 7,589 | 6,330 | 8,223 | 67% | 7,773 | - | 7,589 | 1 | 38 | 7,587 | - | - | 4 | 1 | 0 | 0 | 0 | 43 | 7,668 | - | 14 | 0 | 0 | 0 | 43 | 7,734 | - | 1 | 0 | 0 | 43 | |
| Executive Staff Assistant | 6,299 | 4,979 | 6,468 | 89% | 6,308 | - | 6,299 | 1 | 31 | 6,330 | - | - | 3 | 0 | 0 | 0 | 0 | 35 | 6,362 | - | 0 | 0 | 0 | 0 | 35 | 6,394 | - | 0 | 0 | 0 | 36 | |
| Assistant Planner | 5,167 | 5,141 | 6,677 | 2% | 6,617 | - | 5,167 | 3 | - | 5,167 | 15 | - | - | - | - | - | - | - | 5,193 | 0 | 0 | 0 | 0 | 0 | 28 | 5,218 | - | 0 | 0 | 0 | 28 | |
| Assistant Engineer | 6,133 | 6,133 | 7,965 | 0% | 7,770 | - | 6,133 | 3 | 31 | 6,163 | 30 | 1 | 2 | 0 | 0 | 0 | 0 | 34 | 6,194 | 1 | 0 | 0 | 0 | 0 | 34 | 6,225 | 1 | 0 | 0 | 0 | 34 | |
| Administrative Analyst II | 6,410 | 4,987 | 7,341 | 62% | 6,945 | - | 6,410 | 1 | 32 | 6,442 | - | - | 3 | 0 | 0 | 0 | 0 | 36 | 6,474 | - | 0 | 0 | 0 | 0 | 36 | 6,506 | - | 0 | 0 | 0 | 36 | |
| Senior Engineer | 9,180 | 7,633 | 9,912 | 68% | 9,666 | - | 9,180 | 1 | 46 | 9,226 | - | - | 4 | 1 | 0 | 0 | 0 | 51 | 9,272 | - | 1 | 0 | 0 | 0 | 52 | 9,318 | - | 0 | 0 | 0 | 52 | |
| Building Inspector II | 6,154 | 5,552 | 7,211 | 36% | 6,319 | - | 6,154 | 1 | 31 | 6,184 | 20 | 0 | 3 | 0 | 0 | 0 | 0 | 35 | 6,215 | 0 | 0 | 0 | 0 | 0 | 35 | 6,246 | 0 | 0 | 0 | 0 | 35 | |
| Recreation Program Supervisor II | 6,814 | 5,247 | 6,814 | 100% | 6,945 | 131 | 6,945 | 1 | 34 | 6,979 | - | - | 3 | 0 | 0 | 0 | 0 | 38 | 7,014 | - | 1 | 0 | 0 | 0 | 39 | 7,049 | - | 1 | 0 | 0 | 39 | |
| Senior Administrative Analyst | 7,588 | 6,330 | 8,223 | 66% | 7,773 | - | 7,588 | 1 | 38 | 7,526 | - | - | 4 | 1 | 0 | 0 | 0 | 43 | 7,664 | - | 1 | 0 | 0 | 0 | 43 | 7,702 | - | 1 | 0 | 0 | 43 | |
| Lead Worker | 4,583 | 4,085 | 5,306 | 41% | 5,624 | 275 | 4,583 | 3 | 23 | 4,681 | 100 | 2 | 1 | 0 | 0 | 0 | 0 | 27 | 4,905 | 2 | 0 | 0 | 0 | 0 | 28 | 4,930 | 2 | 0 | 0 | 0 | 28 | |
| Administrative Staff Assistant | 4,748 | 4,220 | 5,479 | 42% | 5,239 | - | 4,748 | 1 | 24 | 4,772 | 5 | 0 | 2 | 0 | 0 | 0 | 0 | 27 | 4,796 | 0 | 0 | 0 | 0 | 0 | 27 | 4,820 | 0 | 0 | 0 | 0 | 27 | |
| Senior Administrative Analyst | 7,750 | 6,330 | 8,223 | 75% | 7,773 | - | 7,750 | 2 | 39 | 7,789 | - | - | 3 | 1 | 0 | 0 | 0 | 42 | 7,828 | - | 1 | 0 | 0 | 0 | 42 | 7,867 | - | 1 | 0 | 0 | 43 | |
| Administrative Staff Assistant | 4,748 | 4,220 | 5,479 | 42% | 5,239 | - | 4,748 | 3 | 24 | 4,772 | 25 | 0 | 1 | 0 | 0 | 0 | 0 | 26 | 4,796 | 0 | 0 | 0 | 0 | 0 | 26 | 4,820 | 0 | 0 | 0 | 0 | 26 | |
| Permit Technician | 4,854 | 4,227 | 5,488 | 50% | 5,192 | - | 4,854 | 1 | 24 | 4,879 | - | - | 2 | 0 | 0 | 0 | 0 | 27 | 4,902 | - | 0 | 0 | 0 | 0 | 27 | 4,927 | - | 0 | 0 | 0 | 27 | |
| Building Inspector I | 5,200 | 4,958 | 6,437 | 16% | 5,641 | - | 5,200 | 3 | 26 | 5,226 | 20 | 0 | 2 | 0 | 0 | 0 | 0 | 29 | 5,252 | 0 | 0 | 0 | 0 | 0 | 29 | 5,279 | 0 | 0 | 0 | 0 | 29 | |
| Senior Administrative Analyst | 7,333 | 6,330 | 8,223 | 63% | 7,773 | - | 7,333 | 2 | 37 | 7,370 | - | - | 2 | 1 | 0 | 0 | 0 | 40 | 7,407 | - | 1 | 0 | 0 | 0 | 40 | 7,444 | - | 1 | 0 | 0 | 40 | |
| Senior Planner | 6,672 | 6,543 | 8,498 | 7% | 8,730 | 182 | 6,684 | 1 | 33 | 6,687 | - | - | 3 | 0 | 0 | 0 | 0 | 37 | 6,922 | - | 0 | 0 | 0 | 0 | 39 | 6,956 | - | 1 | 0 | 0 | 39 | |
| Maintenance Superintendent | 7,750 | 6,685 | 8,682 | 53% | 9,273 | 528 | 8,278 | 3 | - | 8,278 | - | - | - | - | - | - | - | - | 8,319 | - | 1 | 0 | 0 | 0 | 45 | 8,361 | - | 1 | 0 | 0 | 45 | |
| Accountant | 7,096 | 5,521 | 7,171 | 95% | 6,902 | - | 7,096 | 1 | 35 | 7,131 | 80 | 2 | 3 | 1 | 0 | 0 | 0 | 42 | 7,167 | 2 | 1 | 0 | 0 | 0 | 42 | 7,203 | 2 | 1 | 0 | 0 | 42 | |
| Administrative Analyst II | 6,639 | 4,867 | 7,341 | 71% | 6,942 | - | 6,639 | 1 | 33 | 6,672 | 25 | 1 | 3 | 0 | 0 | 0 | 0 | 38 | 6,705 | 1 | 0 | 0 | 0 | 0 | 38 | 6,739 | 1 | 0 | 0 | 0 | 38 | |
| Planning Technician | 4,583 | 3,678 | 4,774 | 83% | 5,712 | 900 | 5,484 | 3 | - | 5,484 | 5 | - | - | - | - | - | - | - | 5,511 | 0 | 0 | 0 | 0 | 0 | 30 | 5,539 | 0 | 0 | 0 | 0 | 30 | |
| Permit Technician | 5,198 | 4,227 | 5,488 | 77% | 5,192 | - | 5,198 | 1 | 26 | 5,224 | - | - | 3 | - | 0 | 0 | 0 | 29 | 5,250 | - | - | 0 | 0 | 0 | 0 | 29 | 5,277 | - | - | 0 | 0 | 29 |
| Associate Planner | 6,293 | 5,842 | 7,588 | 26% | 7,520 | - | 6,293 | 1 | 31 | 6,324 | 40 | 1 | 3 | 0 | 0 | 0 | 0 | 36 | 6,356 | 1 | 0 | 0 | 0 | 0 | 36 | 6,387 | 1 | 0 | 0 | 0 | 37 | |
| Administrative Staff Assistant | 4,756 | 4,220 | 5,479 | 43% | 5,239 | - | 4,756 | 1 | 24 | 4,779 | - | - | 2 | 0 | 0 | 0 | 0 | 27 | 4,803 | - | 0 | 0 | 0 | 0 | 0 | 27 | 4,827 | - | 0 | 0 | 0 | 27 |
| Permit Technician | 4,375 | 4,227 | 5,488 | 12% | 5,192 | - | 4,375 | 3 | 22 | 4,397 | - | - | 1 | 0 | 0 | 0 | 0 | 24 | 4,419 | - | 0 | 0 | 0 | 0 | 0 | 24 | 4,441 | - | 0 | 0 | 0 | 24 |
| Code Enforcement Officer | 5,737 | 4,925 | 6,396 | 55% | 6,246 | - | 5,737 | 1 | 29 | 5,766 | 20 | 0 | 3 | 0 | 0 | 0 | 0 | 33 | 5,795 | 0 | 0 | 0 | 0 | 0 | 33 | 5,824 | 0 | 0 | 0 | 0 | 33 | |
| Code Enforcement Officer | 5,549 | 4,925 | 6,396 | 42% | 6,246 | - | 5,549 | 1 | 28 | 5,577 | - | - | 3 | 0 | 0 | 0 | 0 | 31 | 5,605 | - | 0 | 0 | 0 | 0 | 0 | 31 | 5,633 | - | 0 | 0 | 0 | 31 |
| Senior Administrative Analyst | 6,219 | 6,330 | 8,223 | 100% | 7,773 | - | 6,219 | 1 | 41 | 6,261 | - | - | 4 | 1 | 0 | 0 | 0 | 46 | 6,302 | - | 1 | 0 | 0 | 0 | 0 | 46 | 6,343 | - | 1 | 0 | 0 | 47 |
| Associate Engineer | 8,750 | 6,815 | 8,849 | 95% | 8,632 | - | 8,750 | 2 | - | 8,750 | - | - | - | - | - | - | - | - | 8,794 | - | 1 | 0 | 0 | 0 | 48 | 8,838 | - | 1 | 0 | 0 | 48 | |
| Associate Engineer | 8,750 | 6,815 | 8,849 | 95% | 8,632 | - | 8,750 | 2 | 44 | 8,794 | - | - | 3 | 1 | 0 | 0 | 0 | 48 | 8,838 | - | 1 | 0 | 0 | 0 | 48 | 8,882 | - | 1 | 0 | 0 | 48 | |
| Senior Planner | 8,497 | 6,543 | 8,498 | 100% | 8,730 | 232 | 8,729 | 1 | 42 | 8,772 | - | - | 1 | 0 | 0 | 0 | 0 | 48 | 8,816 | - | 1 | 0 | 0 | 0 | 49 | 8,860 | - | 1 | 0 | 0 | 49 | |
| Associate Planner | 7,588 | 5,842 | 7,588 | 100% | 7,520 | - | 7,588 | 1 | 38 | 7,588 | 20 | 1 | 4 | 1 | 0 | 0 | 0 | 43 | 7,664 | 1 | 1 | 0 | 0 | 0 | 43 | 7,702 | 1 | 1 | 0 | 0 | 44 | |
| Associate Planner | 6,500 | 5,842 | 7,588 | 38% | 7,520 | - | 6,500 | 2 | - | 6,500 | - | - | - | - | - | - | - | - | 6,533 | - | 0 | 0 | 0 | 0 | 35 | 6,565 | - | 0 | 0 | 0 | 36 | |
| Recreation Program Supervisor II | 6,814 | 5,247 | 6,814 | 100% | 6,945 | 131 | 6,945 | 1 | 34 | 6,979 | - | - | 3 | - | 0 | 0 | 0 | 38 | 7,014 | - | 1 | 0 | 0 | 0 | 39 | 7,049 | - | 1 | 0 | 0 | 39 | |
| Deputy City Clerk | 5,950 | 4,985 | 6,476 | 66% | 5,625 | - | 5,950 | 1 | 30 | 5,980 | 35 | 1 | 3 | 0 | 0 | 0 | 0 | 34 | 6,009 | 1 | 0 | 0 | 0 | 0 | 34 | 6,039 | 1 | 0 | 0 | 0 | 34 | |
| Recreation Services Manager | 7,417 | 6,148 | 7,982 | 69% | 8,135 | 142 | 7,559 | 2 | 37 | 7,596 | - | - | 2 | 1 | 0 | 0 | 0 | 40 | 7,634 | - | 1 | 0 | 0 | 0 | 41 | 7,672 | - | 1 | 0 | 0 | 42 | |
| Maintenance Worker | 4,167 | 3,127 | 4,015 | 70% | 4,092 | 250 | 4,416 | 3 | 21 | 4,437 | 100 | 2 | 1 | 0 | 0 | 0 | 0 | 24 | 4,459 | 2 | 0 | 0 | 0 | 0 | 26 | 4,482 | 2 | 0 | 0 | 0 | 26 | |
| Staff Assistant II / Full Time | 4,361 | 3,674 | 4,772 | 63% | 4,009 | - | 4,361 | 1 | 22 | 4,382 | - | - | 2 | 0 | 0 | 0 | 0 | 24 | 4,404 | - | 0 | 0 | 0 | 0 | 0 | 25 | 4,426 | - | 0 | 0 | 0 | 25 |
| Senior Administrative Analyst | 6,188 | 6,330 | 8,223 | 98% | 7,773 | - | 6,188 | 1 | 41 | 6,229 | - | - | 4 | 1 | 0 | 0 | 0 | 46 | 6,270 | - | 1 | 0 | 0 | 0 | 46 | 6,312 | - | 1 | 0 | 0 | 46 | |
| Senior Engineer | 8,846 | 7,633 | 9,912 | 63% | 9,666 | - | 8,846 | 1 | 44 | 8,890 | - | - | 4 | 1 | 0 | 0 | 0 | 50 | 8,935 | - | 1 | 0 | 0 | 0 | 50 | 8,979 | - | 1 | 0 | 0 | 50 | |
| Senior Account Technician | 5,830 | 4,787 | 6,218 | 73% | 5,733 | - | 5,830 | 1 | 29 | 5,859 | 80 | 2 | 3 | 0 | 0 | 0 | 0 | 34 | 5,888 | 2 | 0 | 0 | 0 | 0 | 35 | 5,918 | 2 | 0 | 0 | 0 | 35 | |
| Staff Assistant II / Full Time | 4,311 | 3,674 | 4,772 | 58% | 4,009 | | | | | | | | | | | | | | | | | | | | | | | | | | | |