

**CORONA
SUPERVISORS
ASSOCIATION**

**COMPREHENSIVE
MASTER
MEMORANDUM
OF
UNDERSTANDING**

July 1, 2009 – June 30, 2015

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ARTICLE I - RECOGNITION:

WHEREAS, the City of Corona, California represented by its Management Negotiator (hereinafter referred to as City), and the Corona Supervisors Association, represented by themselves (hereinafter referred to as CSA), have met and conferred in good faith regarding those matters provided for in Section 3500 *et. Seq.* of the California Government Code; and

WHEREAS, the CITY and CSA, as a result of meetings and discussions, have reached an understanding concerning certain said matters and have prepared a written memorandum of understanding (MOU) for submission to the City Council or the City of Corona for its determination.

NOW, THEREFORE, THE CITY AND CSA jointly submit the following:

ARTICLE II - BEGINNING OF NEGOTIATIONS:

The City and members of CSA agree to meet for the purpose of beginning negotiations no later than two months prior to the expiration of this MOU.

ARTICLE III - ASSOCIATION ACTIVITIES:

Section 3.1 - Association Dues Check-Off and Hold Harmless Clause:

If authorized in writing by a member by unrevoked assignment on file with the Human Resources Department of the City, the City will deduct from the member's biweekly wages a sum equal to the member's dues or service charge and insurance premiums.

The amount to be deducted shall be certified to the Human Resources Department of the City thirty (30) days prior to the effective date by the exclusive representative. No deductions will be made when the salary, after taxes, retirement, garnishments or other deductions authorized by the member or required by law is insufficient to pay said dues, etc. The exclusive representative agrees to defend, indemnify and hold the City harmless against any and all claims, suits, orders, or judgments brought or issued against the City as a result of any action taken or not taken by the City under this provision.

Section 3.2 - Use of City Equipment and Facilities:

CSA will be allowed to use City office equipment for CSA business, subject to reasonable approval of the Employee Relations Officer (City Manager). Additionally, CSA will be allowed the use of City meeting rooms for membership meetings, as available.

Section 3.3 - Grievances:

Members of the CSA's Board of Directors and its officers, not to exceed three, may be allowed reasonable time away from their City duties to expeditiously investigate and assist in the process of grievances without loss of pay. At the time a grievance is filed, an appropriate CSA Board member will be assigned for representation.

Section 3.4 - Meet and Confer:

The City will provide up to two hours per month beginning five months before the end of this MOU for a specified seven members of CSA to prepare for meet and confer activities. A list of the seven members shall be provided to the Human Resources Department. Additionally, permission for the allocated time shall be requested from the appropriate department head and such permission shall be granted promptly unless such absence would cause undue interruption of work.

Section 3.5 - Notification Regarding Reclassification:

In any case, when the City determines to reclassify the position classification of an Association member in a manner which will decrease the number of Association members who are represented or eligible for membership by CSA, City shall notify CSA in writing of the change at least thirty (30) days prior to the proposed effective date of the change.

ARTICLE IV - BENEFITS:

Section 4.1 - Deferred Compensation:

The City shall deposit into the City of Corona Deferred Compensation Plan account of each member at the end of each quarter, based on the calendar year, an amount equal to that deposited by the member, not to exceed \$1,900 per year. This contribution will be paid to a single provider only; it cannot be split between providers.

All CSA members have agreed to waive the \$1,900 yearly match contribution to each member's Deferred Compensation account for calendar years 2013, 2014, and 2015. The City will pay the match for any year in which any other City of Corona employee association receives an increase in base salary or benefits (excluding items previously deferred), during these same years. The Deferred Compensation match benefit (\$1,900 per year) shall be reinstated beginning January 1, 2016 and thus will be recognized as part of any continuation of this contract beyond June 30, 2015.

Tier II and Tier III association members hired on or after January 1, 1999, shall receive an additional payment into their deferred compensation plan account of \$150.00 per quarter. The Association member must select one provider for this payment.

Tier II and Tier III members will receive an additional \$150.00 of Deferred Compensation per quarter which will be placed in a Retirement Healthcare Savings Account. Employees may elect either the ICMA VantageCare Plan or the Nationwide PEHP.

The City shall establish the following terms and conditions by which Association members may take out loans against the Association member's deferred compensation savings:

- A. Loans shall be available for all purposes. Loans can range between \$1,000 and \$50,000, depending upon plan regulations.
- B. Participants shall receive one loan per calendar year and may have only one outstanding loan at a time.
- C. Loans for a principal residence shall be repaid in substantially equal installments of principal and interest, at least monthly, over no more than 15 years.
- D. If there is a default, the outstanding loan balance will be reported as a distribution in addition to the amount of cash distributed from the plan.

Arrangements for such loans must be initiated by the Association member and made directly with their deferred compensation provider. Such loans are contingent upon the benefit being offered by the Association member's selected deferred compensation plan provider.

Section 4.2 - Flexible Benefit Allowance:

The City will provide an annual allowance in the amount of \$1,500.00 to active employees that are members of the Corona Supervisors Association ("Member"). This allowance is to be used for the purchase of nontaxable benefits and/or taxable benefits offered under the City of Corona Section 125 Cafeteria Plan ("Cafeteria Plan").

The Member shall have the opportunity to make an election as to the allocation of the allowance during Open Enrollment for the upcoming plan year. Benefits available under the Cafeteria Plan are as follows:

- Health, dental or vision insurance
- Reimbursement of eligible medical expenses
Effective January 1, 2013, the maximum that can be allocated to the Health Care Spending Account for the reimbursement of eligible medical expenses will be \$2,500, this is inclusive of any portion of the City-provided annual allowance of \$1,500 that is allocated for such reimbursements.
- Reimbursement of eligible dependent care expenses
- Taxable cash payment

Upon the conclusion of the Open Enrollment period, the Member's election shall not be subject to change during the plan year. Any amounts remaining in the reimbursement accounts after the expiration of the reimbursement periods shall be forfeited. Please see the Cafeteria Plan for further details.

If a member fails to make an election during Open Enrollment, the allowance shall automatically be allocated to the Health Care Spending Account. This default allocation shall not be subject to change.

During the first year of employment, the annual allowance for new employees shall be equal to \$125.00 times the number of whole months during which the Member will be employed with the City during the calendar year. New members of CSA, who have been employed by the City in another unit, shall only be eligible for the greater flexible benefit allowance (i.e., either CSA or the former unit) during that transitional year. The total aggregate amount credited for any one employee, under this section during any one calendar year shall not exceed the total allowance for the unit with the higher allowance during that calendar year.

All CSA members have agreed to waive the \$1,500 annual Flexible Benefit Allowance for calendar years 2013, 2014, and 2015. The City will pay all CSA members the \$1,500 Flex Benefit Allowance for any year in which any other City of Corona employee association receives an increase in base salary or benefits (excluding items previously deferred) during these same years. The Flexible Benefit Allowance (\$1,500 per year) shall be reinstated January 1, 2016 and thus will be recognized as part of any continuation of this contract beyond June 30, 2015.

Section 4.3 - Insurance:

4.3.1 Medical Insurance:

- (A) Tier I Employees: The City agrees to provide a monthly medical insurance allowance ("**Medical Allowance**") to Members hired prior to January 1, 1999 to be used for the purpose of purchasing mandatory health coverage under PEMHCA for the Member and his or her eligible dependents. The Medical Allowance shall consist of the following: (1) a base contribution rate according to the current CalPERS schedule ("**Base Contribution Rate**"), plus (2) an amount equal to the difference between the Base Contribution Rate and the actual monthly premium for the medical insurance plan selected by the Member during the PEMHCA open enrollment period. The Medical Allowance will be made available through the Cafeteria Plan. Notwithstanding the preceding, the Medical Allowance will be no greater than the monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate). If a Member enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the capped amount.

- (B) Tier II Employees: The City agrees to provide a Medical Allowance to Members hired on or after January 1, 1999 to be used for the purpose of purchasing mandatory health coverage offered through PEMHCA for the Member and his or her eligible dependents. The Medical Allowance shall consist of the following: (1) the Base Contribution Rate, plus (2) an amount equal to the difference between the Base Contribution Rate and the monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the “Other Southern California Counties” rate). The Medical Allowance will be made available through the Cafeteria Plan. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. If a Member enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Medical Allowance.
- (C) Tier III Employees: The City agrees to provide, effective July 1, 2013, a Medical Allowance to Members hired on or after January 1, 2013, to be used for the purpose of purchasing mandatory health coverage offered through PEMHCA for the Member and his or her eligible dependents. The Medical Allowance will be made available through the Cafeteria Plan. The Medical Allowance shall be equal to that of the lowest cost PERS eligible plan at the family rate. The excess of the Medical Allowance remaining after purchase of mandatory health coverage through PEMHCA, if any, may **NOT** be allocated toward the purchase of other Cafeteria Plan benefits and may **NOT** be taken as a taxable cash payment. If a Member enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the Maximum Allowance.

4.3.2 Medical Insurance Opt Out:

Subject to meeting the requirements set forth below, and in lieu of receiving the Medical Allowance, a Member may elect to receive a monthly allocation to the Cafeteria Plan according to the following schedule:

- a) \$770.00 for Family
- b) \$592.00 for Employee + 1
- c) \$296.00 for Employee Only

The amount of the monthly allocation shall be based on the alternative coverage in which the Member is enrolled. Said amount may be allocated toward the purchase of other Cafeteria Plan benefits or may be taken as a taxable cash payment, in accordance with the terms of the Cafeteria Plan. In order to qualify for this election, the Member must meet all of the following requirements:

1. Provide satisfactory written proof of health insurance coverage for the Member and the Member’s eligible dependents, if any;
2. Sign a waiver of City offered health insurance coverage and an agreement to hold the City harmless for any consequences, whatsoever, that result from the waiver of City offered health insurance coverage; and
3. Sign a statement acknowledging that the Member and the Member’s eligible dependents will not be allowed to re-enroll in the health insurance coverage offered by the City until the next open enrollment period, and that re-enrollment will be subject to all conditions imposed by the insurance provider at the time of reenrollment. However, in the event of a HIPAA or COBRA “qualifying event” such Member would be allowed to re-enroll in health insurance effective the beginning of the following month without having to wait for the next open enrollment period.

If a member who is currently Opting Out fails to make an election for Opt Out during Open Enrollment, the employee will be enrolled in a health insurance plan, employee only coverage, as determined by the City. This default allocation shall not be subject to change.

4.3.3 Retiree Medical Insurance:

- (A) Tier I Retirees: The City agrees to provide a monthly medical insurance premium payment ("**Premium Payment**") to Members hired prior to January 1, 1999, who retire from the City of Corona under the CalPERS system ("**Tier I Retiree**") for the purpose of purchasing health coverage under PEMHCA for the Tier I Retiree and his or her eligible dependents. The Premium Payment shall be payable in the following form: (1) Base Contribution Rate payable to CalPERS, and (2) a reimbursement to the Tier I Retiree of the monthly premium for the medical insurance plan actually paid by the Tier I Retiree ("**Reimbursement**"). The Reimbursement shall include reimbursement for premiums paid to Social Security for health insurance through Medicare once a year at the end of the year. Notwithstanding the preceding, Tier I Retirees that retire on or after January 1, 2006 shall only be entitled to a Premium Payment which is equal to or less than the monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate) and the Medicare reimbursement. If a retiree enrolls in a more expensive plan, he or she will be responsible for payment of any premium in excess of the capped amount.

The City hereby affirms its intent to protect the retirement health benefits of Tier I Retirees, who remain continuously employed by the City. These Tier 1 Retirees shall be entitled to a Premium Payment equal to (1) the Base Contribution Rate payable to CalPERS and (2) the Reimbursement, for the purpose of purchasing health coverage offered through PEMHCA for the Tier I Retiree and his or her eligible dependents. Notwithstanding the preceding, Tier I Retirees that retire on or after January 1, 2006 shall only be entitled to a Premium Payment which is equal to or less than the monthly premium for the second highest PERS family plan at the PERS-designated classification for Riverside County (currently the "Other Southern California Counties" rate).

Affirm Tier 1 Lifetime Health Benefit by implementing an employee and retiree medical insurance premium contributions agreement to provide a mechanism that provides additional assurance that Tier 1 lifetime health benefits will not be revoked or negotiated away by future members of management, union representatives or City Councils.

- (B) Tier II and Tier III Retirees: Members hired on or after January 1, 1999, who retire from the City of Corona under the CALPERS system ("**Tier II and III Retiree**"), shall be entitled to a partial payment of the premium for the health insurance plan in which they are enrolled payable by the City of Corona to CalPERS in the amount equal to the Base Contribution Rate only. Tier II Retirees shall not be reimbursed or otherwise receive payment from the City for health insurance premiums in excess of said Base Contribution Rate. The City will not reimburse Tier II and Tier III Retirees for premiums paid to Social Security for health insurance through Medicare.

4.3.4 Tier I Retiree Health Alternative:

In lieu of receiving the Premium Payment, a Tier I Retiree shall have the option of receiving an annual \$6,000 contribution, at a rate of \$500 per month, paid to a City-provided health care reimbursement plan on behalf of such Tier I Retiree for the purpose of receiving reimbursements of qualifying health care expenses under Sections 105(b) and 213(d) of the Internal Revenue Code. To receive this benefit, a Tier I Retiree must forfeit participating in any of the health benefit plans available to retirees of the City of Corona for the plan year in which such Tier I Retiree elects to receive the contribution.

Tier I Retirees needing to re-enroll as a result of a COBRA or HIPPA “qualifying event” may do so on the first day of the month following that event, while those choosing to re-enroll in the absence of a HIPPA “qualifying event” may re-enroll during the next open enrollment period, unless the Tier I Retiree has never participated in a CalPERS health plan. Tier II and Tier III Retirees shall not be eligible for this alternative.

4.3.5 Family Medical Leave Act / California Family Rights Act:

The City will pay to PERS the medical insurance premiums normally paid on behalf of that member, for up to 12 weeks, when a member qualifies for an unpaid leave of absence in compliance with the Family Medical Leave Act (FMLA) and / or the California Family Rights Act (CFRA).

4.3.6 Medicare Contribution:

The City agrees to pay the Association member’s portion of the mandatory Medicare Contribution of 1.45% for all Association members.

4.3.7 Short-Term Disability Insurance:

The City shall provide a short-term insurance plan to each association member, who for reasons of their own medical disability commences a medical leave of absence. This insurance plan shall contain of the following provisions:

- Benefit level shall be 55% of basic monthly earnings less other income benefits.
- 90 day benefit period (Includes 7 calendar day benefit waiting period).
- Monthly maximum benefit of \$10,000.
- Ability to utilize annual leave or frozen sick leave to supplement disability payments.

Discretionary Authority: For this item, it should be noted that in making any benefits determination under the policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

Leave under this section shall be administered in accordance with administrative policy 200.40, Leave of Absence under the Family Medical Leave Act, California Family Rights Act, and California Pregnancy Disability.

4.3.8 Long-Term Disability Insurance:

NOTE: It is the intent of the City of Corona to fully comply with the Family and Medical Leave Act of 1993 and California Family Rights Act of 1995. Nothing in this agreement is intended to restrict Association members’ rights under either Act.

The City shall provide a long-term insurance plan to each association member, who for reasons of their own medical disability commences a medical leave of absence. This insurance plan shall contain of the following provisions:

- Benefit level shall be 66 2/3% of basic monthly earnings;
- Maximum monthly benefit (\$10,000.00)
- Elimination Period (Waiting period): 90 days
- Ability to utilize annual leave or frozen sick leave to supplement disability payments.

Discretionary Authority: For this item, it should be noted that in making any benefits determination under the policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

4.3.9 Life Insurance & Accidental Death and Dismemberment:

The City shall provide life insurance coverage for Association members equal to five and one-half times the member's annual basic earnings to a maximum of \$750,000. The City shall provide accidental death and dismemberment policy in an amount up to the Association members (potential) life insurance benefit.

Association members should refer to the carrier's Certificate of Coverage for details.

Discretionary Authority: For this item, it should be noted that in making any benefits determination under the policy, the carrier shall have the discretionary authority both to determine eligibility for benefits and to construe the terms of the policy.

4.3.10 Retiree Life Insurance:

The City shall provide a Life Insurance policy in the amount of \$50,000.00 to all employees, for Tiers, I, II, and III, who retire from the City of Corona. This Life Insurance Policy shall remain in force until the retiree reaches the age of 70.

4.3.11 Employee Assistance Program (EAP):

The City will provide an Employee Assistance Program to all employees free of charge. This counseling service will provide immediate 24-hour assistance in crisis situations, as well as counseling and referral services for employees and immediate family members who are experiencing personal, marriage, family, work, substance abuse, or financial problems.

Section 4.4 - Public Employees Retirement System (CalPERS):

The City agrees to provide a retirement plan provided through the California Public Employees Retirement System (CalPERS). This plan will provide the following:

4.4.1 Formula and Contribution Rates for Tier I and Tier II Employees:

Formula: 2.7 % at Age 55 CalPERS Benefit Formula—Local Miscellaneous Member (Government Code § 21354.5), effective July 1, 2004.

Member contribution rates:

- (A) Tier I Employees - Employees hired prior to January 1, 1999, the City agrees to pay the current CalPERS normal contribution on behalf of each Association member, said standard contribution being eight percent (8%). Such payments shall be reported as normal contributions and shall be credited to member accounts. It is acknowledged that such payment shall be considered taxable income for IRS purposes to the member at time of withdrawal or retirement. It is recognized this contribution does not affect an Association member's base pay. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolution to remove employer paid member contributions (EPMC), and thus the City will no longer pay the eight percent (8%) EPMC and will no longer report the value of the eight percent (8%) EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this MOU. Effective October 19, 2013, Tier I employees shall pay the eight percent (8%) normal member CalPERS contribution.

- (B) Tier II Employees - Employees hired on or after January 1, 1999, shall pay 3% of the Association member portion of the CalPERS retirement contribution. It is acknowledged that payment by the City for the City's portion of the Association member contribution (generally expected to be 5%) shall be considered taxable income for IRS purposes to the member at time of withdrawal or retirement. It is recognized this contribution does not affect an Association member's base pay. Notwithstanding the foregoing, effective October 19, the City shall adopt the appropriate CalPERS resolution to remove employer paid member contributions (EPMC), and thus the City will no longer pay the five percent (5%) EPMC and will no longer report the value of the five percent (5%) EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this MOU. Effective October 19, 2013, Tier II employees shall pay the eight percent (8%) employee CalPERS contribution.
- (C) Association members may purchase CalPERS service credit for military service, service prior to membership, etc. at their sole and entire expense, in accordance with Government Code § 21024.

4.4.2 Formula and Contribution Rates for Tier III Employees:

Formula: 2% at age 62 CalPERS Benefit Formula – Local Miscellaneous Member, Tier III, applicable to “New Members” defined as those employees hired on or after January 1, 2013 who have never been a member of any public retirement system prior to January 1, 2013, or who were members of any other public retirement system prior to January 1, 2013 that were not subject to reciprocity; or were members prior to the effective date and had a break in service in excess of six months unless previously employed by the City if they remained CalPERS members.

Tier III – New Members, Mandatory Employee Contribution, Pensionable Compensation Limit, and Final Compensation Formula as required by Assembly Bill 340 (2012):

- (A) **Mandatory Employee Contribution:** New Members are required to pay for a portion of the cost of the 2 percent at 62 retirement formula. This mandatory employee contribution is not a fixed amount. Rather, it will be set by CalPERS based on the following formula. The mandatory employee contribution will be equal to the greater of fifty (50%) percent of the total normal costs attributable to the 2 percent at 62 benefit plan, rounded to the nearest quarter of 1 percent, or the current contribution rate of similarly situated employees. The City will inform New Members of the actual mandatory employee contribution when CalPERS informs the City of the rate. This mandatory employee contribution will be deducted from the New Member's paycheck.
- (B) **Pensionable Compensation Limit:** As of January 1, 2013, the compensation of New Members reported to CalPERS to be used in calculating retirement benefits will be capped at \$136,440, an amount that will be subject to annual adjustment by CalPERS.
- (C) **Final Compensation Formula:** Final Compensation will be determined using the highest three (3) year average of pensionable compensation.

4.4.3 Additional Benefits:

- § 20042. “Final Compensation”—One Year—Local Member
Final Compensation determined by “Highest Single Year of Service”
*For Tier I and Tier II members only.

- § 20691. Employer Payment of Member Contributions
Until October 18, 2013, the City shall implement Government Code § 20636(c) (4) pursuant to § 20691 and pay and report Employer Paid Member Contributions (EPMC) currently paid by the City as income. *For Tier I and Tier II members only. Notwithstanding the foregoing, effective October 19, 2013, the City shall adopt the appropriate CalPERS resolution to remove employer paid member contributions (EPMC), and thus the City will no longer pay any EPMC and will no longer report EPMC as additional compensation for retirement purposes, and the preceding language shall be treated as deleted in its entirety and not made a part of this MOU.
- § 20903. Additional Service Credit (Golden Handshake)—Local Member
Two Years Additional Service Credit
- § 21022. “Public Service”—Layoff Period—Local Member (Any and all associated costs are borne by the member electing to purchase the service credit).
- § 21024. “Public Service”—Military Service—Local Member
Military Service Credit as Public Service (Any and all associated costs are borne by the Member electing to purchase the service credit).
- §21548 Pre-Retirement Option 2W Death Benefit
(Benefit to be provided commencing the first full pay period after September 7, 2013)
- § 21574. 1959 Survivor Allowance—Fourth Level—Local Member
The City will authorize an increase of the PERS 1959 Survivor Benefit from Level Three to Level Four effective February 4, 2006, with the difference in costs to be paid by the Association member (contingent on PERS contractual requirements).
- § 22825.6 Medical contribution for Retirees

Effective June 30, 2009, the City will provide Post-Retirement Survivor Benefits (Government Code § 21624, 21626, and 21628) to Association members (Re-opener contingent on State legislation pertaining to PERS retirement benefits).

Section 4.5 - Tuition Reimbursement:

The City of Corona recognizes the value of an educated workforce and encourages Association members to pursue the goal of higher education. The City has adopted a plan to provide financial reimbursement for tuition and textbooks for job-related college courses. This is a plan in which the City participates with the Association member in financing specific job-related courses leading to an appropriate degree or certificate. Association members are to use their off-duty hours in the pursuit of higher education.

4.5.1 Pre-Approval:

CSA members must apply for and receive written approval from their supervisor and Human Resources prior to enrolling in classes at an institution with full accreditation status granted by an institutional or specialized accrediting body recognized by the U.S. Department of Education or the Council for Higher Education Accreditation.

4.5.2 Reimbursable Costs:

The costs eligible for reimbursement are limited to tuition and books. The time invested in the pursuit of education is the Association member's responsibility and the City shall not be responsible for any compensation or reimbursement not delineated in this policy.

4.5.3 Administration:

This policy will be administered by the Human Resources Department. An employee who voluntarily leaves employment with the City of Corona within one year of receiving reimbursement under this policy shall be required to repay the city for all amounts received for Tuition Reimbursement during the 12 months preceding the employee's termination date.

4.5.4 Procedure:

1. Reimbursement will be for formal education completed through an accredited college or university that leads to a job-related degree or certificate. Prior approval must be obtained by completing the College Tuition & Textbook Reimbursement Request available from Human Resources and a plan indicating the requisite course work leading to the degree or certificate approved by the educational institution.

(The request will be submitted through the Association member's Department Head for recommendation and to the Human Resources Director for approval. The Human Resources Director shall review and pre-approve requests for job relatedness and his/her decision shall be final).

Only those Association members currently employed will be reimbursed under this policy.

2. The City will reimburse eligible Association members for completion of job related formal education leading to a job-related degree or certificate at a rate equivalent to the California State Universities fee schedule for tuition. The cost of required textbooks will be reimbursed.
3. An Association member receiving funds for tuition and books paid for from other sources, including, but not limited to: grants, scholarships, and veteran's educational benefits, shall first apply (deduct) the amount of those funds to the amount being reimbursed by the City. Supplies, optional textbooks, parking fees, lab fees, student fees, health fees, and all other fees are not reimbursable under this policy.
4. Upon satisfactory completion of the course, Association member must attach an official grade report and relevant receipts/bills to the request and submit it to the Human Resources Department for approval. Reimbursement will be made as soon as practical following receipt of the request in the Finance Department.
5. Association members must attain a grade of "C" or better for undergraduate courses and a grade of "B" or better for graduate courses. Those undergraduate courses taken for "credit" will be reimbursed so long as units are accrued at the rate of a "C" grade for undergraduate courses.
6. City vehicles will not be authorized for transportation to and from courses. Additionally, there will be no reimbursement for mileage accumulated on an Association member's personal vehicle for transportation to and from these courses.

ARTICLE V - HOLIDAYS:

Section 5.1 - Holiday Schedule:

The following Holidays are established and shall be observed by all Association members:

1. January 1st , New Year's Day
2. Third Monday in January, Martin Luther King Jr. Day
3. Third Monday in February, President's Day
4. Last Monday in May, Memorial Day
5. July 4, Independence Day
6. First Monday in September, Labor Day
7. November 11, Veteran's Day
8. Fourth Thursday in November, Thanksgiving Day
9. Friday immediately after Thanksgiving Day
10. December 24, Christmas Eve
11. December 25, Christmas Day
12. December 31, New Year's Eve
13. Every day appointed by the President, or Governor or Mayor, with the consent of the City Council, except for every day on which an election is held throughout the State.

If a holiday falls on a Sunday, the Monday following is observed. If a holiday falls on a Saturday, the preceding Friday is observed.

Shift employees shall observe Holidays on their actual occurrence. A "shift employee" is an Association member that usually rotates working hours and days on different "shifts" throughout the year. A shift employee may remain on the same schedule or change schedules at different times during the year. Shift employees are found only in departments that work more than one shift during a 24-hour period.

Section 5.2 - Annual Leave Accrual Rates for Holidays:

Association members under his section shall observe the Holiday or shall accrue eight (8) hours if the Holiday falls on a **regularly scheduled non-work day**. For pay and accrual purposes, a "Holiday" is eight (8) hours.

Section 5.3 - Overtime Compensation for Holidays:

Association members who work a Holiday that falls on a **regularly scheduled workday or non-work day** shall be compensated at time and one-half for hours actually worked on the holidays designated in this section and shall accrue eight (8) hours of Annual Leave. Hours worked at time and one-half will be considered in addition to the Association member's regular hours.

ARTICLE VI - REDUCTION IN WORK FORCE:

Section 6.1 - Layoff Policy:

For purposes of this Article VI, "non-safety supervisory persons" shall mean an Association member who:

- a) Holds the title of "supervisor" or the equivalent; or
- b) Supervises at least two other full-time employees in their daily functions; or
- c) Evaluates the performance of and effectively recommends the disciplinary action of two or more full-time subordinate employees.

"Position Classification" within a department shall be determined by salary range and title without reference to job description. Whenever it becomes necessary for economic reasons to reduce the number of non-safety supervisory persons in the employ of the City of Corona, the process cited below shall be applied:

6.1.1 Order of Separation:

No regular full-time Association member shall be separated from any department while there are any non-regular employees (not including federally funded) serving in the same position classification in the affected department. In each department in which there is to be a reduction in force, Association members shall be terminated based upon the following:

1. A listing shall first be compiled of the Association members in the affected class based upon years of service in the class with the least senior heading the list. The listing then shall be divided into subcategories in such a manner that each subcategory shall include only those with a length of service difference of not more than two years; again with the least senior heading the list.
2. Association members in the first subcategory must be laid off before Association members listed in the second category, etc.
3. Within each subcategory Association members are listed by length of service in the class. Then the most proficient Association members are placed at the top of the subcategory and the least proficient Association members are placed at the bottom.
4. Association members are laid off by the rank order established.

Department Heads shall determine the proficiency of Association members evaluating affected Association member's job performance, interpersonal skills, supervisory skills, technical skills and certifications.

6.1.2 Bumping Rights:

The Association member laid off shall be entitled to displace to a position in a class in which he/she formerly held an appointment and in which there is an Association member with less seniority in service in the class and if physically and mentally able to perform the duties of the former class. The Association member displaced shall be considered as laid off for the same reason as the person who displaced him/her and shall in the same manner be eligible to displace a position and class in which he/she formerly held a position. In cases of equal seniority, the more proficient Association member shall be retained.

Time in position as a supervisor shall be counted as time in service in the class.

6.1.3 Notice:

Each Association member laid off shall be given written notice of layoff not less than one month prior to the effective date, or shall be paid severance in the amount of 160 hours (equating to one month) and shall be advised of reemployment status. Employees who have accrued Annual Leave will be permitted to remain in paid status and exhaust all Annual Leave and /or Compensatory time. For the purpose of pay and benefits, all remaining entitlements left as of the date of separation shall be paid out to the employee on their final check. This applies specifically to Frozen Sick (in accordance with the provisions in section 7.2 of this MOU), Annual Leave, and /or Compensatory time (as applicable). Association members laid off or having used bumping rights shall be placed on a reemployment list for the classification held at the time of reduction. The reemployment list shall be maintained with the Association member with the greatest service in the class at the top of the list and others in order of service following.

6.1.4 Reemployment:

If a vacancy in the classification in the affected department exists, the appointing authority shall appoint from the reemployment list. When there is more than one Association member on the reemployment list, the appointing authority shall select from the top two, or if appropriate, three, using seniority and performance evaluation to guide selection and appointment. If no former Association member on the list decides to accept reemployment, the list shall be declared void, and in no case shall be valid for more than two (2) years.

6.1.5 Reduction in Work Force:

The President and Vice President of the Corona Supervisors Association shall be exempt from layoff during the term of this agreement.

Section 6.2 - Furlough:

No reduction of work hours shall be instituted without meeting and conferring with the CSA bargaining representatives.

ARTICLE VII - LEAVES:

Section 7.1 - Annual Leave:

7.1.1 Annual Leave - Program Definition:

Annual Leave is compensated absence, which replaces former Vacation and Sick Leave plans, for those eligible Association members who are absent from duty because of illness, injury, medical or dental care appointments, or personal vacation. Special reference to Workers' Compensation is noted in Item 7.1.8. Special reference to Tier I Annual Leave calculations in Section 7.2.12.

7.1.2 Accrual of Annual Leave Hours:

Full-time Association members: Each biweekly pay period, Annual Leave hours earned are posted to the account of each eligible Association member. Association members shall accrue Annual Leave based on the following formula:

<u>Years of Service</u>	<u>Accrual per Pay Period</u>	<u>Annual Accrual</u>
1-5 years	7.69 hrs.	200 hrs.
6-8 years	8.31 hrs.	216 hrs.
9-15 years	9.23 hrs.	240 hrs.
16 or more years	10.77 hrs.	280 hrs.

Hours Accumulated During Leave: Total Annual Leave granted may not exceed the amount posted to an Association member's account as of the last day worked preceding leave. Annual Leave credits will continue to be added to the Association member's account while the Association member is on paid leave.

7.1.3 Annual Leave During the First Year:

Probationary Employees employed less than one full year shall accrue Probationary Sick Leave at one-half the rate of Annual Leave accrual for a 1-5 year full time regular Association member. Such accrued time may be used only for illness or medical reasons for the member or the member's immediate family. After six (6) months, an employee may use up to one week of "Advanced Annual Leave" for vacation purposes with the permission of his or her supervisor.

Holiday Leave hours earned during the first year of employment are available to be used for any purpose.

7.1.4 Regular Status Upon Completion of Probation:

Notwithstanding the above, upon completion of the probationary period and upon obtaining the status of a full-time regular Association member, an individual shall have credited to his/her Annual Leave Account all unused accrued hours at the 1-5 Association member rate.

7.1.5 Unpaid Leave:

During any period of unpaid leave of forty (40) hours or more, Annual Leave hours are not earned.

7.1.6 Maximum Accumulation:

As of December 31st of each year, an Association member shall have no more than a maximum of 584 hours of Annual Leave.

Annual Leave hours in excess of 584 hours will be converted to the monetary equivalent and placed in a Retirement Healthcare Savings Account on the employee's behalf. Employees may elect either the ICMA VantageCare Plan or the Nationwide PEHP.

7.1.7 Annual Leave Usage:

- a. Association members must use at least forty (40) hours of Annual Leave during each calendar year.

- b. Department heads are responsible for arranging leave schedules so that adequate personnel are available to carry on necessary City work.
- c. When practicable, Association members should be permitted to schedule annual leave at times most acceptable to the Association member. In large departments, the choice of vacation times should be arranged accordingly to seniority or some equitable method.
- d. Association members desiring to use annual leave time, which has not been previously scheduled, for illness or family emergency, shall report to their department to obtain authorization for the absence. The department head or designee may require the Association member to furnish satisfactory evidence justifying any such request.
- e. Medical examination by the City's examining physician may be requested by the department head, with the approval of the Human Resources Department, after prolonged, serious, or repetitious illness, injury, or major surgery. An Association member's return to duty following illness or injury is subject to the approval of the Human Resources Department based upon medical information supplied by the Association member's physician and/or the City's examining physician.
- f. Annual leave may be used to supplement short and long term disability payments.

7.1.8 Annual Leave - Workers Compensation:

In the event that an Association member files a Workers' Compensation claim that is in dispute and not accepted, that Association members may access their available Annual Leave for the time they are disabled from duty.

7.1.9 Pay in Lieu of Annual Leave (Buy-Back):

Members who elect Annual Leave buy back should have payment calculated at the Association member's base rate as of June 30th of the year of the buy back request. It does not include Frozen Sick Leave accounts.

7.1.10 Annual Leave – Tier I Employees:

Tier I employees Annual Leave calculation will include their base pay rate and their three percent (3%) Off-Salary-Schedule Pay combined.

Buy Back Guidelines:

Annually, during the last 15 days of June, Association members may request that the City buy back Annual Leave from the Association member's account according to the following schedule:

<u>Annual Leave Used During Preceding Fiscal Year</u>	<u>Maximum Buy-Back</u>
40 Hours	120 Hours
60 Hours	140 Hours
80 Hours	160 Hours

Note: If an Association member is out on extended Military Leave, the City will buy back up to 160 hours without the usual requirement that the Association member had used Annual Leave hours during the preceding 12 months.

Payment shall be made on the Thursday after the first payday in July provided:

- The Association member has sufficient hours of earned Annual Leave.
- After the buy-back, there must be eighty (80) hours of earned Annual Leave credits remaining in the Association member's account.

Section 7.2 - Frozen Sick Leave (Former Sick Leave Accounts):

The following guidelines apply to Association members who have Frozen Sick Leave account balances:

7.2.1 Frozen Sick Leave – Definition:

Frozen Sick Leave is former Sick Leave account balances that have been frozen and are held in a separate account. Frozen Sick Leave is not to be added to active Annual Leave, but is held constant until retirement.

7.2.2 Use of Frozen Sick Leave Hours:

Any time off based on a verified "on the job" injury shall be an eligible use of the Frozen Sick Leave account irrespective of the number of hours of accrued Annual Leave that the injured Association member has.

In the case of illness, an Association member may use Frozen Sick Leave under any of the following provisions:

- The Association member's annual leave balance is reduced to eighty (80) hours or less; or
- The Association member has been off "sick" for more than four (4) consecutive workdays or forty (40) hours and has a written confirmation from the Association member's physician. The Association member shall be eligible to use their Frozen Sick Leave account for those days beyond the fourth (4th) consecutive workday or forty (40) hours the Association member misses from work irrespective of the number of hours of accrued Annual Leave that the Association member has. If the Association member has used a total of seventy-five (75) hours of Annual Leave within the preceding 12-month period and has obtained written confirmation from the Association member's physician of an illness, Frozen Sick Leave may also be used for the first four days.

7.2.3 Frozen Sick Leave – Leave Donation

Frozen Sick Leave may not be used to donate hours.

7.2.4 Frozen Sick Leave – Cash Payment Provisions:

Association members who retire, retire due to disability, or are deceased prior to retirement, after a minimum of fifteen (15) years of regular employment, will be paid three percent (3%) of their unused Frozen Sick Leave for each year of service. Payment shall be calculated at the Association member's current hourly rate at the time of payment. Tier I employees payment shall be calculated at employees current hourly base pay rate and the three percent (3%) Off-Salary-Schedule Pay combined. Under no circumstances shall the amount paid exceed the value of the total unused Frozen Sick Leave balance in the Association member's account.

Members who retire, retire due to disability, or are deceased prior to retirement after a minimum of 25 (twenty-five) years of regular employment shall be paid 100% of their unused Frozen Sick Leave.

An Association member has the option of a cash payment or a delay in the date of retirement as the method for receiving unused Frozen Sick Leave.

Employees who are laid off as a result of Reduction in Force, after a minimum of fifteen (15) years of regular employment, will be paid three percent (3%) of their unused Frozen Sick Leave for each year of service. Payment shall be calculated at the employee's current hourly base pay rate at the time of payment plus, for Tier I employees, the three percent (3%) Off-Salary-Schedule Pay. Under no circumstances shall the amount paid exceed the value of the total unused Frozen Sick Leave balance in the employee's account.

A laid-off employee with Frozen Sick Leave who is not eligible to retire will receive a cash payment according to the above terms upon separation.

Section 7.3 - Executive Leave:

The City will provide executive leave for members of CSA in lieu of other compensation-for overtime except the City will pay time and one-half for hours worked in excess of forty (40) hours per week when paid from special accounts, not general funds. Executive leave shall be made available when a member of the Association has:

- Worked more than shift schedule.
- Performed work above standards (outstanding service and or accomplishment).
- Worked a non-regular shift schedule which is not compensated by "shift differential" pay. Examples include a shift concluding after 6:00 p.m.; a Saturday or Sunday shift.
- "Call Out" assignments not compensated through "call out" pay.
- Off duty preparation and/or training time not covered by other compensation.

Upon written request by the Association member, citing justification, and found justified by the Association member's supervisor and accommodated by the department's schedule, the request will be approved or denied in writing, citing reason(s) for denial.

Granting of this executive leave is discretionary and based upon the above standards. In no case shall a member be granted more than twelve (12) days of executive leave be granted an Association member within any twelve (12) month period without approval of the City Manager.

ARTICLE VIII - NOTIFICATION REQUIREMENT:

The City Human Resources Department will notify CSA of termination or leave of absence of any member.

ARTICLE IX - NO-STRIKE CLAUSE:

During the life of this MOU, CSA will not cause, authorize, advise, or encourage any interruption of work. The term "interruption of work" shall mean any work stoppage or strike (including economic and unfair labor practice strikes) or any intentional slowdown of work. The term "other concerted action" includes picketing or boycott activities by CSA.

There shall be no refusal to work on, handle, or produce any materials or equipment because of a labor dispute. In the event of an interruption of work, CSA agrees to immediately advise all of its members not to participate.

Any Association member found to have engaged in any action prohibited by this article shall be subject to immediate discharge or such other discipline as the City may access. Such discharge or discipline shall not be reviewable through any grievance procedure. The City and CSA agree that the City may withdraw any rights or privileges provided by the City to CSA in the event this provision is violated.

ARTICLE X - OVERTIME:

Section 10.1 Overtime Authorization:

Police Dispatch Supervisors shall be compensated at a rate of time and one-half for all hours worked in excess of forty (40) hours in a week, in lieu of any compensatory time off or Executive Leave. Tier I employee overtime pay rate calculation shall include the three percent (3%) Off-Salary-Schedule-Pay.

Section 10.2 Compensatory Time:

Members of the unit may elect, in lieu of overtime payment, to receive compensatory time off (CTO). CTO will be calculated by the Finance Department at a rate of one and one half hours for each hour for which overtime compensation is required. Tier I employees CTO calculation will include their base pay rate and their three percent (3%) Off-Salary-Schedule Pay combined.

Police Dispatch Supervisors may accrue up to 120 hours of compensatory time off (CTO) consisting of 80 hours of overtime worked, at which time they will receive overtime compensation for any additional hours of work beyond the allowed accrual. CTO balances will not carry over from one year to the next.

If compensation is paid to a unit member for accrued CTO, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives the payment. A member of the unit shall be paid the accrued hours of compensatory time on a designated date in November of each year. Such balance will be the member's accrued hours at the end of the pay period prior to said date in November.

A member of the unit who has requested use of CTO shall be permitted to use such time within the same guidelines used for other approved leaves and / or absences by the department. No minimum of hours shall be required to remain in the CTO bank.

Upon termination of employment, a member will be paid for the unused CTO at the regular rate of pay at the time of payment.

ARTICLE XI - SALARY:

Section 11.1 - Salary Range and Merit Increases:

Each position shall be assigned a salary range. Association members may advance annually within the salary range, except that the City Manager may advance an Association member sooner for meritorious reasons. An Association member who receives an overall performance rating of "Satisfactory" or better from his/her supervisor shall be advanced a minimum of 5%, up to the top of the position's salary range.

Section 11.2 - Benchmark Positions:

The following positions have been designated as benchmark positions for CSA: Accounting Supervisor, Planning Manager, Parks Supervisor, and Library Division Manager. The City and the Association agree to discuss the possibility of establishing new benchmark positions prior to the end of this agreement.

Section 11.3 - Compaction Adjustments:

The salary range for CSA members will at all times be greater than the highest paid non-CSA employee whom they supervise by at least 12.5% exclusive of assignment compensation (base pay only). Compaction is a comparison of range-to-range involving two positions rather than a comparison of a particular pay step of a CSA member and that of his or her non-CSA subordinate.

Compaction relief shall be granted at the time compaction occurs.

Compaction will not result for certification bonuses, educational bonuses, assignment pay or anything other than base pay. Base pay is defined as the rate of pay for a classification as provided in the City's Salary Schedule.

If Compaction adjustments are necessary for one person in a department, all persons holding the same classification within that department shall receive the same Compaction adjustment.

Section 11.4 - Comparable Cities:

The comparable cities list for the purposes of determining total compensation figures shall consist of: Anaheim, Fontana, Fullerton, Moreno Valley, Ontario, Orange, Pomona, Rancho Cucamonga, Riverside, and San Bernardino. The City and the Association agree to discuss the possibility of establishing new comparable cities prior to the end of this agreement.

Section 11.5 - Meet and Confer:

The City and the Association agree to meet and confer regarding "benchmark" positions and "comparative" cities prior to the end of this agreement.

Section 11.6 – Base Pay & Special Compensation Adjustment:

Effective October 19, 2013, base pay shall be increased for Tier I and Tier II employees by at least five percent (5%) by moving each employee's base pay ten (10) steps up on the City's salary grid. The salary ranges for all positions in the CSA will be updated accordingly. In addition, Tier I employees shall also receive the Off-Salary-Schedule Pay provided for in Section 12.8.

ARTICLE XII - SPECIAL COMPENSATION:

Section 12.1 - Certification Pay:

"Certification" is defined as any State issued documentation representing that the holder is recognized as having achieved a specified level of competency within the designated position. The City will pay Certification Pay to eligible members of the Corona Supervisors Association as follows:

12.1.1 Professional Engineer Registration:

The City shall pay a member a one time payment of \$400.00 for initially obtaining a registration from the State of California Board of Registration for Professional Engineers and Land Surveyors.

12.1.2 Emergency Medical Dispatch Certification:

The City shall agree to pay assignment pay of 5% of base salary for qualified Police Records Supervisors and Public Safety Dispatch Supervisors who have received and maintained an Emergency Medical Dispatch (EMD) Certification status.

12.1.3 – Department of Water and Power Employees Certification Pay:

Certification Pay of no more than 15% total will be added above the base rate of pay for grade five (5) certifications in Water Treatment, Wastewater Treatment, or Water Distribution earned and received from the State of California for the positions of:

- Chief Reclamations Operator
- Chief Water Operator
- Maintenance Supervisor
- Operations Manager
- Utility Construction Superintendent
- Utility Maintenance Superintendent

This compensation does not affect an employee's base rate of pay.

The City will not pay for tuition, books, transportation, and mileage for course work leading to additional certifications.

The City shall reimburse employees of the Department of Water and Power for the State certification fee and re-certification fee upon proof of the employee's successful completing the certification.

Section 12.2 - Call-Out Pay:

The City agrees that designated supervisors within various departments shall be awarded four (4) hours at their current rate of pay per pay period in lieu of additional compensation for regularly scheduled "call-out" assignments. Effective July 8, 2006 Call-Out pay will be paid at the "top step" of the Association member's salary range.

These Association members shall be provided with a cell phone and will be required to be available to receive and respond to emergency phone calls during periods outside normal working hours. The City agrees to the following list of positions eligible to receive Call-Out pay:

Department of Water and Power:

- District Engineer
- Utility Maintenance Superintendent
- Utility Construction Superintendent
- Instrumentation and Control Engineer
- Chief Reclamations Operator
- Chief Water Operator
- Maintenance Manager
- Operations Manager
- Senior Utility Engineer
- Maintenance Supervisor

Fire Department:

- Fire Apparatus / Communication Supervisor

Parks & Community Services Department:

- Landscape Contract Manager
- Park Maintenance Supervisor
- Recreation Supervisor

Police Department:

- Animal Control Manager
- Animal Control Supervisor
- Police Records Supervisor
- Public Safety Dispatch Supervisor (4 hours at “top step” of Public Safety Dispatch Supervisor)

Public Works Department:

- Building / Facilities Maintenance Supervisor
- Public Works Inspection Supervisor
- Public Works Manager
- Street Maintenance Supervisor
- Traffic Engineer

Section 12.3 - Longevity Pay:

The City has established a program of recognition for length of service to the City of Corona by providing an annual payment, as of the first day of each September, to members who qualify under the following schedule:

<u>Consecutive Years of Service</u>	<u>Annual Longevity Payment</u>
After five (5) years of regular service	\$1,400.00
After ten (10) years of regular service	\$1,600.00
After fifteen (15) years of regular service	\$1,800.00
After twenty (20) years of regular service	\$2,000.00

Payment shall be made on a non-regular payroll day, when feasible, during the first half of the month of September and in all cases prior to the end of September.

Section 12.4 - Shift Differential:

The City will provide Shift Differential of 7.5% of regular base salary for Swing Shift assignments and 10% of regular base salary for Graveyard Shift assignments for Police Records Supervisors and Public Safety Dispatch Supervisors.

Swing Shift shall be defined as any shift that starts between the hours of 12:00 pm and 8:59 pm.
Graveyard Shift shall be defined as any shift that starts between the hours of 9:00 pm and 4:59 am.

Positions listed as qualified shift workers, as defined above, shall have Shift Differential paid based on where the employee's actual work hours fall during each scheduled workday. Employees whose work shift extends into the time designated as either Swing or Graveyard will be paid shift differential only for those hours that extend into the shifts defined above.

In accordance with Fair Labor Standards Act, Shift Differential pay shall be included in the base rate for the purposes of calculating overtime.

Section 12.5 - Spanish Language Pay:

The Spanish Language Program will provide an increase of 4% for those members demonstrating the ability to both understand and effectively communicate in Spanish. The number of Association members to be eligible will be determined by Management. To become qualified an Association member must be certified by the Human Resources Department after successfully passing an oral conversational test established by Management.

Section 12.6 - Uniform Allowance:

Association members required to wear uniforms shall be provided up to eleven (11) sets, cleaned and maintained by the City, the number for each member to be determined by the nature of the work assignment, by Management.

Association members assigned to Police Records, Public Safety Dispatch, and Animal Control shall receive a Uniform Allowance of \$460.00 each quarter.

Association members must have worked at least one day during the quarter during which Uniform Allowance is paid and must be on the City payroll (or on Annual Leave or workers compensation status) on the day Uniform Allowance is paid in order to receive this benefit. If an Association member is on FMLA leave for the entire quarter and works no days during that quarter, the benefit will not be received. Association members who resign, retire, or otherwise terminate employment prior to the date the benefit is paid will not be entitled to a pro-rated payment.

Section 12.7 - Pay for Working in a Higher Classification:

Association members who are assigned through a Personnel Action Form to a higher level position for more than one hundred twenty (120) consecutive working hours shall be compensated for all those hours worked in the higher classification as follows:

12.7.1 Supervisory Position:

The first step of that position or an additional 7.5%, whichever is higher, except that in no case shall the rate exceed the top step for the higher range.

12.7.2 Management Position:

7.5% above the top step of their current range, not to exceed the rate of the Management classification, unless a higher amount is authorized by the City Manager.

Section 12.8 - Tier I Off-Salary-Schedule Pay:

Effective October 19, 2013, Tier I employees will receive three percent (3%) Off-Salary-Schedule Pay over their base pay rate. City shall report this Off-Salary-Schedule Pay as special compensation, as the intent of the CSA and City is that it will be reportable compensation pursuant to CCR Section 571(a) and (b). All other salary calculations shall include the employees' base pay rate and the three percent (3%) Off-Salary-Schedule Pay combined. If at any point in time in the future it is determined by CalPERS that this special compensation is not reportable compensation, then the City agrees to renegotiate in good faith another prospective solution to ensure that the Tier 1 employees do not prospectively lose the benefit associated with the Off Salary Schedule Pay as it was intended.

ARTICLE XIII - WORK SCHEDULE:

Management may modify hours and/or working conditions, e.g. implementation of flexible working schedules, especially as it relates to exceptionally uncomfortable temperatures.

The City and the Association have agreed to implement a forty-hour, five-day work schedule for Association members, subject to exceptions approved by the City Manager. Further, the City agrees to meet and confer with the Association regarding proposed changes to said workweek scheduling, prior to any change.

ARTICLE XIV - PRIOR AND EXISTING CONDITIONS:

Except as herein modified, there shall be no change in wages, hours, working conditions, or previously-agreed-to rights, obligations, and relationships expressed in any previous MOU and all rights, privileges, benefits, terms, and conditions of employment and the obligations between the parties as of the date of this MOU which are not specifically set forth, shall remain in full force, unchanged and unaffected, during the term of this agreement unless changed by mutual consent. If any Article or Section of this agreement, or any addition thereto, should be held invalid by operation of law, or by any tribunal or office of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such Article or Section.

The parties agree that each has had full and unrestricted right and opportunity to make, advance, and discuss all matters properly within the province of meeting and conferring. This MOU constitutes the full and complete agreement of the parties and there are no other, oral or written, except as herein contained. However, each party may seek the mutual cooperation of the other party in reopening meet and confer regarding wages, hours, and other terms and conditions of employment.

The matters contained within this Memorandum will be effective upon acceptance by the City Council unless otherwise noted herein.

The City and CSA agree to extend the terms of the current MOU set to expire on June 30, 2014 to June 30, 2015. In the event agreement is not made for a new MOU prior to June 30, 2015 the provisions of this MOU shall remain in force until the successor MOU is approved. The City and CSA shall meet and confer on or before April 1, 2014, to assess the state of the City.

ARTICLE XV - AGREEMENT TO MAINTAIN A "LIVING DOCUMENT:"

The parties recognize that revisions to this MOU may be desirable during the term of the MOU. Accordingly, upon mutual agreement, in writing, the parties may revise the MOU as provided herein. The City Manager may approve revisions to the MOU on behalf of the City in the areas specified below, provided that any funds required to implement the revision(s) are within existing budget allocations. All other revisions must be approved by the City Council.

1. Access to, and use of, City facilities to the extent such use or access is consistent with the City Manager's general authority to grant access or use to City facilities;
2. Disciplinary and grievance procedures, so long as the revisions are consistent with the disciplinary and grievance procedures set forth in the Municipal Code or in resolutions or other documents approved by the City Council;
3. Employee Training, excluding adjustments in the amount of hours available for Association training;
4. Tuition Reimbursement policies, excluding changes to the Plan approved by the City Council or to the maximum allowable reimbursement amount;
5. Layoff procedures, excluding the establishment of, or changes in existing provisions for, severance pay and benefits;
6. Determination of classifications eligible for shift differential pay, stand by pay, hazard pay, call out pay, assignment pay, uniform allowance and other special or premium pay components (note that this excludes adjustments to pay amounts, accrual amounts, usage requirements, and buy-back or cash-out amounts);
7. Changes in classifications, including reclassifications;
8. Procedures and standards for performance evaluations; and,
9. Out-of-class assignments.

The parties agree that revisions made under this section do not signify a reopener of the MOU, nor do they require a formal meet and confer process. In addition, the parties agree that nothing stated herein shall be used to limit or diminish the City's management rights as otherwise stated in this MOU, the municipal code, or other relevant provisions of state or local laws, rules or regulations.

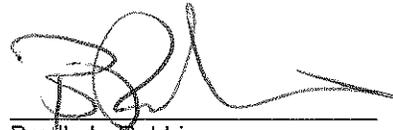
ARTICLE XVI - MANAGEMENT RIGHTS:

The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer, and manage its municipal services and work force performing those services in all respects subject to this MOU. The City Manager and department heads have and will continue to retain exclusive decision-making authority on matters not specifically and expressly modified by specific provisions of this MOU, and such decision-making shall not be in any way, directly or indirectly, subject to the grievance procedure.

The exclusive rights of the City shall include, but not be limited to: the right to determine the organization of the City government and the purpose and mission of its constituent agencies; to set standards of service to be offered to the public, and through its management officials to exercise control and discretion over its organization and operation; to establish and effect administrative regulations and employment rules and regulations consistent with law and the specific provisions of this MOU; to direct its Association members; to take disciplinary action for just cause; to relieve its Association members from duty because of lack of work or for other legitimate reasons; to determine whether goods or services shall be made, purchased, or contracted for; to determine the methods, means, and personnel by which the City's services are to be provided, including the right to schedule and assign work and overtime and to otherwise act in the interest of efficient service to the community.

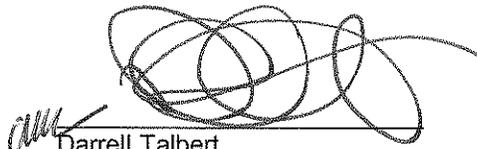
ARTICLE XVII - SIGNATURES:

DATE: 1-22-14



Bradly L. Robbins
Employee Relations Officer
City Manager

DATE: 1-22-14



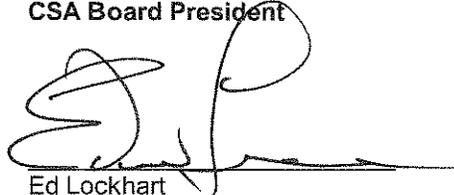
Darrell Talbert
Administrative Services Director

DATE: 12-12-13



Jason Moquin
Association Negotiator
CSA Board President

DATE: 1-17-14



Ed Lockhart
Association Negotiator
CSA Board Vice President