

Memorandum

of

Understanding

July 1, 2009 – June 30, 2010

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF MORENO VALLEY  
AND THE MORENO VALLEY CITY EMPLOYEES ASSOCIATION**

The agreement entered into between the City of Moreno Valley and those employees designated as "Non-Exempt" who are represented by the Moreno Valley City Employees Association (MVCEA) covers provisions related to Fiscal Year 2009-10. The following is a list of provisions agreed to between the parties.

**1. TERM**

The term of this agreement shall be July 1, 2009 through June 30, 2010.

**2. SALARY**

The 2% COLA deferral agreed to previously shall remain in effect through June 30, 2010.

**3. MERIT INCREASES**

No merit increases will be awarded during the term of this agreement.

**4. REDUCED WORK-WEEK**

Effective July 10, 2009 employees will be temporarily placed on a 4/9 work schedule. That is, employees shall work four (4) nine-hour days. This will result in a 36-hour work-week and effectively result in a 10% decrease in the work schedule and salary. The work schedule reduction shall be arranged in such a way to provide adequate coverage for public services. City Hall and some other facilities will close on Fridays and the typical work week shall be Monday through Thursday. A 36-hour work week will also be implemented at other City facilities where it is practical to do so, although such facilities may not be closed on Fridays. Thus, some employees in some locations may have a different day off. Regardless of the unpaid day off, this day shall be referred to as the Work Schedule Reduction (WSR) day.

The employee's rate of pay will not change and the current pay rate shall continue to be reported to CalPERS for retirement contribution and reporting purposes. Employer Paid Member Contributions (EPMC) of 8% shall be made based on actual earnings in accordance with CalPERS rules.

**5. BENEFIT BANK**

The benefit bank for employees hired after July 1, 2009 shall be reduced from \$13,629 per year to \$12,000 per year.

**6. PERS EMPLOYEE CONTRIBUTIONS**

Employees hired after July 1, 2009 shall pay the employee's portion of CalPERS retirement contributions (currently 8%). These contributions shall be deducted from the employee's bi-weekly pay. In addition, the City will cease paying the Employer Paid Member Contribution (EPMC) for these employees.

**7. FORFEITED LEAVE BALANCES**

During the term of this agreement, if any MVCEA employee is laid off as the result of a reduction in force and subsequently forfeits any unused sick leave pursuant to City personnel rules, and that employee is later re-called to work within the two year period provided for in the City's "recall" policy, that employee shall have any forfeited sick leave reinstated to a frozen sick leave account established in his/her name. Existing City rules for the use of frozen sick leave will continue to apply to these accounts.

**8. ANNUAL LEAVE**

Effective 7/10/09, the City's existing Annual Leave program shall be modified as follows:

- A. The limit of accrued Annual Leave will be revised to 1,664 hours.
- B. 100% of accrued Annual Leave balances shall be paid in full at the time of separation.
- C. Holiday Hours (88 Hours), except for floating holidays, will no longer be accrued in Annual Leave and will be paid at the time of the holiday. This will involve a 3.385 hours deduction of Annual Leave per pay period. Floating holidays (16 hours) will remain a component of annual leave.
- D. MVCEA Employees shall earn 7.385 hours of annual leave per pay period of service (approximately 192 hours per year). This accrual shall extend to 8.925 hours per pay period (approximately 232 hours per year) at the beginning of the sixth year and extend to 9.845 hours per pay period (approximately 256 hours per year) at the beginning of the 11<sup>th</sup> year. Employees in this category may accrue up to 1,664 hours of annual leave. Once an employee reaches this cap, annual leave accruals will be suspended.

**MVCEA Employees hired prior to 9/22/92, shall accrue annual leave at the rate of 10.465 hours per pay period (approximately 272 hours per year), and may accrue up to 1,664 hours of annual leave. Once an employee reaches this cap, annual leave accruals will be suspended.**

- E. During each calendar year, each full time career employee shall use a minimum of 80 hours of annual leave.**
- F. Employees will be paid for all working hours scheduled to be worked on a holiday. Thus, career, Full-Time Employees will be paid ten hours on a holiday that falls on a ten hour work day, nine hours on holidays that fall on a nine hour work day and eight hours on holidays that fall on an eight hour work day. This only involves official holidays as recognized by the City. Two floating holidays will be credited at 8 hours and will continue to be included in Annual Leave accrual rates as described in Section D above.**
- G. When a holiday falls on a closed work schedule reduction day or regular day off, the employee shall be credited with the appropriate number of hours in his/her Holiday Leave Bank. Hours will be credited as described in Section F above.**
- H. At retirement, Frozen Sick Leave balance (sick leave accrued prior to December 14, 2007) will be paid as elected by the employee per the following formulas:**
  - 1. 70% PERS Service Credit with 30% Cash Out**
  - 2. 80 % PERS Service Credit with 20% Cash Out**
  - 3. 90 % PERS Service Credit with 10% Cash Out**
  - 4. 100 % PERS Service Credit with 0% Cash Out**

**Upon separation, employees shall be paid for 40% of sick leave previously frozen under the City's previous leave program. The remaining 60% shall be forfeited. The exception shall be those employees with sick leave balances "frozen" as of 9/22/92. For those employees, upon retirement, 40% of remaining "frozen" sick leave shall be available for use as PERS service credit while the remaining 60% shall be paid out in cash. Employees not retiring under the City's CalPERS contract shall forfeit the 40% of frozen sick leave.**

## **11. OTHER BENEFITS**

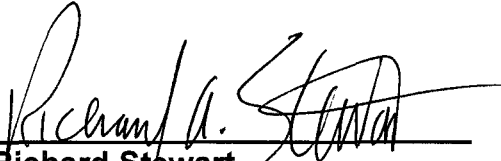
**There shall be no other reductions in City paid benefits during the term of this agreement.**

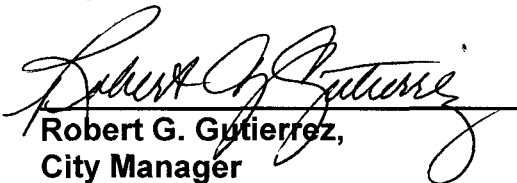
12. PARITY

During the term of this agreement, MVCEA shall have the right to incorporate into this agreement any elements of Memoranda of Understanding entered into between the City of Moreno Valley and any of its other bargaining units if such elements are allocable to non-exempt employees.

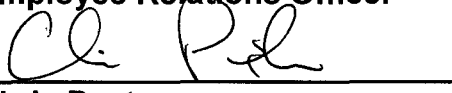
13. RATIFICATION AND EXECUTION The City and MVCEA acknowledge that this Memorandum of Understanding shall not be in full force and effective until ratified by the bargaining unit and signed by the Mayor and City Manager of the City of Moreno Valley. Subject to the foregoing, this Memorandum of Understanding is hereby executed by the authorized representatives of the City and Association, and entered into this 14th day of July, 2009.

CITY OF MORENO VALLEY

  
Richard Stewart,  
Mayor

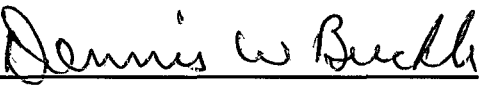
  
Robert G. Gutierrez,  
City Manager

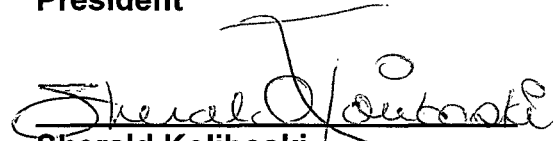
  
Betsy Adams,  
Employee Relations Officer


  
Chris Paxton,  
Human Resources Director


  
Steve Elam,  
Financial & Administrative Services Director

MVCEA

  
Dennis Buckle,  
President

  
Sherald Koliboski,  
Vice President

  
Joe Lara,  
Secretary

  
Sandra Contreras,  
Treasurer