

City of Pacific Grove

**MEMORANDUM OF
UNDERSTANDING**

**MANAGEMENT EMPLOYEES
ASSOCIATION**

July 8, 2013- December 31, 2016

**Memorandum of Understanding Between
The City of Pacific Grove and
Management Employees' Association**

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**Memorandum of Understanding Between
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Management Employees' Association**

July 8, 2013 – December 31, 2016

In accordance with State requirements, the City of Pacific Grove, through its negotiating team, and the Pacific Grove Management Employees' Association, through its negotiating team, have met and conferred in good faith on matters within the scope of representation. As a result of these meetings, the parties make the following Memorandum of Understanding as required and subject to the conditions of Government Code Section 3503.1.

ARTICLE 1 ADMINISTRATIVE

1.1 Parties

This agreement is made and entered into between the City of Pacific Grove (herein called the "City") and the Pacific Grove Management Employees' Association, (herein called the "Association").

1.2 Recognition

The City recognizes the Pacific Grove Management Employees' Association as the exclusive representative of the employees of the City in the Management Unit.

1.3 Unit Description

The Management Unit consists of all regular employees of the City occupying positions in the following job classes:

- Community & Economic Development Program Manager
- Environmental Programs Manager
- Librarian
- Program Manager
- Public Works Superintendent
- Senior Recreation Coordinator

1.4 Coverage

This Memorandum of Understanding applies only to full-time positions in the Management Association.

1.5 Duration and Scope of MOU

The MOU shall govern the period July 8, 2013 through December 31, 2016. It is understood that as to any terms not covered by this MOU. Section 4.20 of the Pacific Grove Municipal Code and *Administrative Policy & Procedures Manual* is applicable.

1.6 Nondiscrimination

The provisions of this Memorandum of Understanding shall be applied equally to all employees covered hereby without discrimination because of Association membership.

Employees may elect to exercise their right to join and participate in the activities of the Association for the purpose of representation in all matters of their working conditions and employer-employee relations.

1.7 Association Dues

While this agreement remains in effect the City will, upon verification that a City employee is a member of the Association, deduct from the employee's paycheck and forward to the Association, his or her membership dues. All other legal and required deductions notwithstanding, the employee shall have the right to cancel membership at any time by giving written notice to the City Manager. The City shall transmit to the Association, as soon as reasonably possible, the aggregate of such deductions, along with an itemized statement of the deductions taken. Dues deducted and paid to the Association in error shall be refunded to City upon presentation of proof of such error.

1.8 Contracting Out

The City has the right to contract out bargaining unit services to meet the best interest of the City. In the event that the City exercises its right to contract out bargaining unit work, the City shall provide at least 60 days' notice to Association and an opportunity for the Association to meet and confer on the impacts and effects of this decision and comply with current law.

ARTICLE 2 COMPENSATION

2.1 Compensation Adjustment

A. Off-Salary Schedule Adjustment Effective 4/12/15 - 7/2/16

Effective the pay period beginning April 12, 2015, Classifications shown on Table A below shall be paid a monthly off-salary schedule adjustment, in the monthly amount shown on Table A for that classification. This off-salary schedule adjustment shall not be paid as salary. It is an off-salary schedule adjustment that shall be paid into a unique cafeteria plan, usable by the employee for non-PERSable purposes. This off-salary schedule adjustment shall end at the end of the fiscal year on July 2, 2016.

Off- Salary Schedule Adjustment- Table A		
4/12/15 - 7/2/16		
Classification	Total Amount	Monthly Amount
Environmental Program Manager	\$ 337.13	\$ 23.25
Program Manager	\$ 337.13	\$ 23.25
Recreation Coordinator, Senior	\$ 5,856.84	\$ 403.92

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B. Equity Adjustment Effective 4/12/15 - 7/2/16

Effective the pay period beginning April 12, 2015, Classifications shown on Table B below shall receive a monthly equity adjustment, in the monthly amount shown on Table B for that classification. This monthly equity adjustment shall not be paid as salary, but shall be paid into a unique cafeteria plan, usable by the employee for non-PERSable purposes. This equity adjustment shall end at the end of the fiscal year on July 2, 2016.

Equity Adjustment- Table B		
4/12/15 - 7/2/16		
Classification	Total Amount	Monthly Amount
Community & Economic Dev. Prog. Mgr.	\$ 3,020.93	\$ 208.34
Environmental Program Manger	\$ 2,683.66	\$ 185.08
Program Manager	\$ 2,683.66	\$ 185.08
Librarian	\$ 3,020.93	\$ 208.34
Public Works Superintendent	\$ 3,020.93	\$ 208.34

C. Off-Salary Schedule Adjustment Effective 7/3/16

Effective the pay period beginning July 3, 2016, Classifications shown on Table C below shall be paid a monthly off salary schedule adjustment, in the monthly amount shown on Table C for that classification. This off-salary schedule adjustment shall not be paid as salary. It is an off-salary schedule adjustment that shall be paid into a unique cafeteria plan, usable by the employee for non-PERSable purposes.

Off-Salary Schedule Adjustment - Table C		
Effective 7/3/16		
Classification	Annual Amount	Monthly Amount
Environmental Program Manager	\$ 6,947.28	\$ 578.94
Program Manager	\$ 6,947.28	\$ 578.94
Public Works Superintendent	\$ 235.56	\$ 19.63
Recreation Coordinator, Senior	\$ 10,762.80	\$ 896.90

D. Pro-Rata Implementation

The provisions of sections A, B and C shall be given pro-rata implementation as follows:

1. New Hire Employees. Employees hired after April 12, 2015 shall earn and receive off-salary schedule adjustment (Sections A and C) or equity adjustments (Section B) for the period worked beginning on the date of hire.
2. Employees Separated from Service. Off-salary schedule adjustments (Sections A and C) or equity adjustments (Section B) shall not be earned by any employee after they have separated from City service by reason of retirement, resignation or termination of employment.

3. Calculation of Monthly Payments. Off-salary schedule adjustments (Sections A and C) or equity adjustments (Section B) shall be pro-rated to account for implementation dates that occur during a partial month.

2.2 Management Time Compensation

Due to the unique aspects of their normal job duties, employees shall receive Management Time Compensation in lieu of paid management leave, overtime, or compensatory time in the amount of 2.25% of base salary.

It is understood Association members are required to work flexible hours and will adjust their schedules as they feel appropriate to meet their responsibilities.

Effective April 12, 2015 and thereafter, Management Time Compensation shall increase and be calculated at 3.0% of base salary.

2.3 Additional Salary Schedule Steps

Any employee who has served in Step 5E for three (3) or more years shall be placed in Step 6F (3.75%). Any employee who has served four (4) years in Step 6F shall be placed in Step 7G (3.75%). These additional salary step increases shall continue so long as an employee remains in the same job classification or is placed in a new class as part of a reclassification of his/her position without an increase in compensation.

The salary of an employee who is promoted or reclassified to a class having a higher salary range shall be adjusted to the first step of the new salary range or to the next higher step that provides a minimum of five percent (5%) salary increase.

ARTICLE 3 INSURANCE BENEFITS

3.1 Employee Health Plan Eligibility

Association employees shall be entitled to participate in the City-sponsored group health plans including medical, dental and vision.

Eligible employees enrolling in the medical plan program within 60 days following their appointment will be covered subject to the contract limitation with the medical plan carrier. Coverage shall commence when the employee is eligible for coverage under CalPERS rules and the medical plan carriers' rules.

Human Resources will notify employees of annual open enrollment periods to enroll in additional benefits; unless the employee can certify a qualifying loss of coverage.

3.2 City Paid Premium (PEMHCA)

The City will pay in accordance with the California Government Code 22892 of the Public Employees' Medical and Hospital Care Act (PEMHCA).

3.3 Health Flex Benefit

The City shall contribute \$100.00 per month into the City-administered Flexible Spending Plan only for employees enrolled in City health plans.

3.4 Cafeteria Plan for Health Care

A. Description

The City of Pacific Grove Cafeteria Plan consisting of the Tax Deferred Medical Premium option, the Dependent Care Reimbursement option, and the Unreimbursed Health Care Cost option (hereafter "Cafeteria Plan") is available to all members. There are two participation levels, identified as Core Plan A and Plan B Options. Once the selection is made, it will remain in force until the current calendar year ends and a selection is made during the following year's open enrollment period. The medical premium option will be the default option and remain in effect until and/or unless changed by the employee. The basic group term life insurance will continue to be provided at City expense and will not be part of the Cafeteria Plan.

B. Rate of Contribution

Effective July 1, 2013, the City shall contribute \$368.75 per month (\$171.20 for each of twenty- six pay periods) into each participating employee's Cafeteria Plan for Health Care.

C. Participation Levels

C.1 Cafeteria Plan-Core Plan A

The City shall pay the amounts set forth below toward premium for health insurance coverage elected through PERS. These amounts are inclusive of the PERS minimum health contribution.

Employees that have elected to participate in the "Core Plan" can also elect to participate in optional benefits. If the employee has any surplus Cafeteria Plan credits after making all elections required to participate in health insurance, the employee can use that surplus toward the Cafeteria Plan listed in the Cafeteria Plan Options Exhibit.

An employee electing to participate in the Core Plan A must enroll in Medical Insurance

Employees that wish to participate in the optional benefits in the plan, with the exception of the cash back option, but do not have any surplus credits, can elect to have pre-tax payroll deductions in an amount to cover the cost of their election.

C.2 Cafeteria Plan- Option B

Employees who elect not to participate in Core Plan A will be asked to sign a waiver – CalPERS form HBD-12A (Declaration of Health Coverage). They will have an opportunity to participate in the Cafeteria Plan Options listed in the Cafeteria Plan Options Exhibit.

Cafeteria Plan Options Exhibit

- Flexible Benefit Options
- Taxable cash back up based on unallocated dollars left over
- Dental Plan
- Vision Plan
- Pre-Tax spending accounts: dependent care, unreimbursed medical expenses
- Optional Insurance Programs (e.g. AFLAC) or other pre-tax offerings sponsored by the City
- Cost Sharing – Service Pension

3.5 Section 125 Plan

Employees may elect to participate in three Section 125 programs offered by the City. The available programs are Pre-Tax Premium Option, Dependent Care, and Flexible Spending Account. Each of these programs shall be administered in accordance to the IRS Code. For purposes of information, the following provides a description of the programs.

- Pre-Tax Premium Option- Permits payment of health insurance premiums subject to salary deduction with pre-tax income.
- Dependent Care- Permits payment of eligible dependent care with pre-tax income.
- Flexible Spending Account- Permits payment of eligible health care expenses not reimbursed by health insurance with pre-tax income.

3.6 Group Life Insurance

The City shall provide at its cost Group Life Insurance with Accidental Death and Dismemberment at a minimum benefit of \$50,000.

3.7 Short Term/ Long Term Disability Plan (STD/ LTD)

The City shall provide at its cost Short Term and Long Term Disability Insurance.

3.8 Medical, Dental, and Vision Insurance

The City and Association agree to periodically review health insurance policies currently in place to provide the most favorable insurance coverage available.

3.9 Medicare

City agrees to implement Medicare withholding for employees who have not achieved eligibility. It shall be the responsibility of the employee to voluntarily elect this benefit and notify the Payroll Department of the appropriate commencement date.

3.10 Retired Employees Health Premium

The City shall pay a health insurance premium supplement to Associations employees who retire from the City on or after January 1, 1999, equal to one half the cost of the highest premium paid by the City for Employee only health insurance, excluding premiums for dental and vision insurance, to a maximum of \$150.00 per month. The payment, which will be paid directly to the employee, shall continue for a period of five years following the effective date of the employee's retirement or until the employee attains the age of 65 years, whichever occurs first.

In order to qualify for the supplemental payment, the retired employee must be enrolled in one of the City's health insurance plans.

3.11 Workers Compensation Salary Continuation

Association members who suffer a bona fide on the job injury, as determined under the provisions of the California Workers' Compensation laws, and who, as a result of such injury, are unable to work in their regularly assigned position or other position as determined by the City will be entitled to receive full salary and benefits for the first 90 days of such absence from the date of the incurred injury. No charge to the member's sick leave, vacation, compensatory time off or other leave will be made during the 90 days from the date of the incurred injury. It is noted that the City offers a Disability Insurance policy which establishes additional benefits for absences due to disabilities.

3.12 Affordable Care Act

Before December 1, 2015, the parties shall meet and confer to (1) review requirements of the Affordable Care Act, and (2) review amounts the City shall contribute per employee for any health stipend.

ARTICLE 4 FITNESS INCENTIVE

4.1 Fitness Incentive Program Overview.

The Fitness Incentive Program is coordinated by the Recreation Department.

Benefits to the City

- Lower rate of absenteeism of employees
- Higher employee morale
- Testing available for all ages and abilities
- Potential for decreased health care costs
- Potential for lowered health insurance costs

Benefits to the Employees

- All testing is confidential
- Increased morale
- Increased fitness/health
- Fee to employee - \$5.00 donation per person, per test session
- Incentives for fitness improvements (provided by employer)
- Potential for decreased health risks
- Potential for decreased absenteeism
- Ability to self-test and track improvements using the President's Challenge-Adult Fitness Test

4.2 Fitness Testing Procedure

There will be two scheduled fitness-testing times per calendar year. Employees will have the option of testing during one or both of the scheduled test dates. Employees volunteering to test twice a year, who improve their scores, will receive the difference in the incentive between their first and second score. For example, an employee who improved from level 3 to level 4 will receive \$50. The maximum incentive to be received by an employee during a calendar year is \$250.

The walk or run will be conducted in groups on the track. Testing should take no more than one hour for each participant, including the cardiovascular test. Results will be generated and a Fitness Voucher will be given to each participant.

Employees participating in the fitness testing may do so on or off duty, providing there is adequate staffing. No overtime will be paid for off-duty participation.

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4.3 Fitness Testing Components

- a) Fee \$5.00 donation per person, per test session
- b) Testing includes measurement of:
 - Muscular Endurance
 - Cardiovascular Endurance
 - Flexibility
- c) Testing can be adapted for persons with special needs

4.4 Incentive Plan Compensation

The incentive for employees would be determined by the rating given to the employee after they complete the Fitness Profile. The Fitness Profile evaluates personal fitness test results based on the national norms for specific age and gender categories. Compensation would be determined as follows:

Level	Score	Compensation
Level 5	80 – 100	\$250.00
Level 4	60 – 79	\$150.00
Level 3	40 – 59	\$100.00
Level 2	20 – 39	\$0
Level 1	0 – 19	\$0

ARTICLE 5 RETIREMENT

This MOU shall incorporate the two tiered retirement system to address Classic Members and New CalPERS Members required for Miscellaneous Employees by the California Public Employees' Pension Reform Act (PEPRA) of 2013.

5.1 Definition

The terms Classic Member and New CalPERS members are defined by PERS law and regulations, but in general these are construed to have the following meanings:

A. Classic CalPERS Member

"Classic Member" is typically defined as an employee who was hired on or before December 31, 2012, or is a member of a reciprocal retirement system.

B. New Employee

"New Employee" means an employee of a public employer who is employed for the first time by any public employer on or after January 1, 2013, and who was either:

- Not employed by any other public employer prior to that date; or
- Employed by another public employer prior to that date, but who was not subject to reciprocity between his new employer's plan and another public retirement system.

C. New CalPERS Member

"New Member" means an individual who either:

- Becomes a member of the plan for the first time on or after January 1, 2013 and either (i) was not a member of any other public retirement system prior to that date or (ii) was a member of another public retirement system prior to that date but was not subject to reciprocity between his new employer's plan and another public retirement system; or
- Was an active member in the plan and, after a break in service of more than six months, returned to active membership in that plan with a new employer.

5.2 Service Pension for Classic Members

The retirement formula expressed in Government Code Section 21354 commonly known as 2% at 55 local miscellaneous members shall apply to covered Classic Members.

5.3 Cost Sharing - Service Pension for Classic Members

- A. The parties shall engage in sharing the City's employer contribution towards retirement benefits in accordance with Government Code Section 20516. Through June 30, 2015 cost-sharing shall be in effective and will require the employee to pay the portion of the employer contribution in excess of 10% of compensable earnings.
- B. Effective July 1, 2015, the Total Required Employer Contribution Rate (reported at Page 7 of the Actuarial Valuation for FY 2015-2016) by CalPERS for the City's Miscellaneous Plan is 19.474% of payroll, plus the required employee contribution of 7%, equaling a total contribution of 26.474%.
- C. For Fiscal Year 2015-2016, the employee shall pay 12% of payroll; the City shall pay the remainder (14.474%).

5.4 Final Compensation for Classic Members

"Final Compensation" shall be applied for retirement purposes as specified in Government Code Section 20042, as one year's highest compensation.

5.5 Credit for Unused Sick Leave for Classic Members

Employees shall be given service credit upon retirement for unused sick leave as specified in Government Code Section 20965.

5.6 New CalPERS Members Benefit Rate, Contribution and Final Compensation

New CalPERS Members shall receive and make contributions for PERS benefits in compliance with PEPRA.

- A. **Benefit Rate** New Members benefit rate shall be MISC 2% @ 62.
- B. **Contribution** New Members shall pay 50% of the normal cost of their pension benefit.
- C. **Final Compensation** Three-year average final compensation period.

5.7 1959 Survivor's Allowance

The "1959 Survivor's Allowance Fourth Level" as defined in Government Code Section 21574 shall apply to both Classic and New CalPERS Members.

5.8 Military Service Credit

Military Service Credit as defined in Government Code Section 21024 shall apply to both Classic and New CalPERS Members

5.9 Continued Application

The Parties agree that all elements of the CalPERS article shall have continued application until or unless it is amended by mutual agreement of the parties.

ARTICLE 6 LEAVE PROVISIONS

6.1 Vacation

A. Accrual

Employees shall earn and accrue vacation according to the rate set in Section 4.20 of the Pacific Grove Municipal Code and *Administrative Policy & Procedures Manual*.

Vacation Leave Accrual as defined in Section 6.1 will be in effect until July 4, 2015 at which time Article 6.5 PTO shall be implemented.

B. Accumulation

The maximum amount of vacation time that may be accumulated is 400 hours. A person whose employment with the City is terminated shall be entitled to receive pay for accumulated vacation at current rate, up to a maximum of 400 hours. Upon a showing of hardship, the City Manager may allow accumulation in excess of these limits.

C. Scheduling

Vacations shall be taken at such time during the year as approved by the department manager.

D. Accrual Credit for Part-Time Employees

Employees who transfer from part-time status to regular full-time status shall receive credit for that length of service as a part-time employee for the purpose of determining vacation accrual rates. The maximum amount of credit shall not exceed one-half year for every full year worked as a part-time employee. The credit shall be applied by establishing an appropriate "Adjusted Date of Hire" for the employee.

E. Vacation Leave Buy-Back Program

Employees may sell back to the City up to 80 hours of their vacation in any calendar year if the following conditions are met:

- 1) The employee has used (taken) at least 40 hours of vacation during the preceding calendar year.
- 2) The employee must have at least 40 hours of vacation remaining after the buy-back of some of the accumulated vacation.

6.2 Sick Leave

A. Accrual

Employees earn eight hours sick leave for each month of service.

Sick Leave Accrual as defined in Section 6.2 shall be in effect until June 30, 2015 at which time Section 6.5 PTO shall be implemented.

B. Accumulation

There is no limit on the accumulation of sick leave.

C. Sick Leave Buy Out

Upon separation of employment, other than retirement, the employee shall be entitled to be paid for 50% of his/her sick leave accumulated at the time of such termination.

Upon retirement the employee shall be entitled to be paid for 50% of any accumulated sick leave in excess of that for which retirement credit is given.

In the event the employee is terminated by virtue of a conviction of a felony or any other illegal act, the City shall have no obligation to provide sick leave buy-out.

6.3 Personal Necessity Leave

Employees may use up to five (5) days of accrued sick leave and or PTO leave per year in the event of the personal illness or injury of a family member, including father, mother, brother, sister, spouse, child, step-child, grandparent, or in-laws.

6.4 Bereavement Leave

Up to a maximum of five (5) days of paid leave will be granted per occurrence in the case of the death of a family member, including father, mother, brother, sister, spouse, child, step parent, step child, grandparent, in-laws, registered domestic partner, child of registered domestic partner or any other member of the immediate household.

6.5 Paid Time Off (PTO)

Effective July 1, 2015 a Two-Tiered Paid Time Off (PTO) program shall be implemented. The two-tiers shall identify the leave accrual rate and policy for Legacy Employees and New Employees.

6.5.1 Legacy Employees Paid Time Off (PTO)

This section shall set PTO rules for Legacy Employees only. PTO rules for New Hire Employees are set forth below and shall not apply to Legacy Employees

A. Definition

Legacy Employees shall be defined as those hired on or before June 30, 2015.

B. Effective Date

PTO shall be implemented effective July 1, 2015

Vacation leave accrued before June 30, 2015 is usable as PTO, or at the employee's option (exercised before June 30, 2015), may be retained as a vacation leave bank.

Sick leave accrued before June 30, 2015 may be used as PTO, or at the employee's option (exercised before June 30, 2015), may be retained as a sick leave bank.

C. Accrual Rate

PTO Accruals are based upon full years of consecutive employment.

Legacy employees shall earn PTO according the rates set out in the following table.

Years of Service	Hours Earned per Month
Less than 4	10.667
5 to 6	14.00
7 to 8	14.667
9 to 10	15.333
11 to 12	16.00
13 to 14	16.667
15	17.333
16	18.00
17	18.667
18	19.333
19	20.00
20 plus	20.667

D. PTO Accumulation

PTO shall not be accrued any time the employee's PTO balance exceeds 400 PTO hours.

E. PTO Buy-Back Program

Employees may sell back to the City up to 80 hours of their PTO/ vacation in any calendar year if the following conditions are met:

- The employee has used (taken) at least 40 hours of PTO/ vacation during the preceding calendar year.
- The employee must have at least 40 hours of PTO/ vacation remaining after the buy-back of some of the accumulated vacation.

F. PTO Pay Out

PTO leave balance shall be paid out upon employee's separation from employment in compliance with CalPERS rules and regulations.

6.5.2 New Employees Paid Time Off (PTO)

This section shall set PTO rules for New Hire Employees only. PTO rules for Legacy Employees are set out above and shall not apply to New Hire Employees

A. Definition

New Employees shall be defined as those hired on or after July 1, 2015.

B. Accrual Rate

PTO Accruals are based upon full years of consecutive employment.

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New Employees shall earn PTO according the rates set out in the following table.

Years of Service	Hours Earned per Month
Less than 4	8.00
5 to 15	12.00
15 plus	15.333

C. PTO Accumulation

PTO shall not be accrued any time the employee's PTO balance exceeds 244 PTO hours.

D. PTO Buy-Back Program

Employees may sell back to the City up to 80 hours of their PTO in any calendar year if the following conditions are met:

- The employee has used (taken) at least 40 hours of PTO during the preceding calendar year.
- The employee must have at least 40 hours of vacation remaining after the buy-back of some of the accumulated vacation.

E. PTO Pay Out

PTO leave balance shall be paid out upon employee's separation from employment.

6.6 Holiday Schedule Through June 30, 2015

Through June 30, 2015, holidays observed shall be as set out in Section 4.20 of the Pacific Grove Municipal Code and *Administrative Policy & Procedures Manual* with the following adjustment.

- The following days shall not be observed as City holidays: Cesar Chavez Day and California Admission's Day.
- Float Holiday Through June 30, 2015. One (1) paid float holiday shall be awarded to any new hire employee to be taken on a day of the employee's choosing within the fiscal year, subject to the scheduling needs of the City. If not used within one fiscal year, the time shall be forfeited.

6.7 Two-Tiered Holiday Schedule Effective July 1, 2015

Effective July 1, 2015 the Two-Tiered Holiday Schedule shall be implemented. The two-tiers shall identify the holiday schedules for Legacy Employees and New Employees.

6.7.1 Legacy Employees Holiday Schedule

A. Definition

Legacy Employees shall be defined as those employees hired on or before June 30, 2015.

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B. Holiday Schedule

Effective July 1, 2015, Legacy Employees shall receive annually the following eight (8) paid holidays:

- New Years' Day- January 1
- Memorial Day- Last Monday in May
- Independence Day- July 4
- Labor Day- 1st Monday in September
- Thanksgiving Day- 4th Thursday in November
- Thanksgiving Holiday- Day After Thanksgiving
- Christmas Eve Day- December 24
- Christmas Day- December 25

C. Holiday Schedule Observance

Unless otherwise provided, when a holiday falls on a Sunday, the following Monday shall be observed; a holiday falls on a Saturday, the prior Friday shall be observed. When a holiday falls on an employee's time off, the working day immediately preceding or immediately following such holiday, at the determination of the department manager and subject to approval of the personnel officer, shall be observed as a holiday.

D. Float Holidays

Effective July 1, 2015 and thereafter annually, Legacy Employees shall receive seven (7) floating holidays each fiscal year.

Legacy Employees may select the date upon which they shall use any floating holiday, subject to scheduling needs of the City. If a floating holiday is not used within the fiscal year, the time shall be forfeited.

Floating holidays denied due to staffing shortages or other operational reasons will be paid or accumulated at the employee's choice at the end of the fiscal year. The employee will have the burden to prove the request was made in a timely manner and then denied.

6.7.2 New Hire Employees Holiday Schedule

A. Definition

New Employees shall be defined as those hired on or after July 1, 2015.

B. Holiday Schedule

Effective July 1, 2015 New Hire Employees shall receive the following six (6) paid holidays:

- New Years' Day- January 1
- Memorial Day- Last Monday in May
- Independence Day- July 4
- Labor Day- 1st Monday in September
- Thanksgiving Day- 4th Thursday in November
- Christmas Day- December 25

C. Float Holidays

New Hire Employees shall receive five (5) floating holidays annually each fiscal year.

D. Pro-Rated Allocation

Employees who are hired during the Fiscal Year (FY) shall have the number of floating holidays prorated based upon their date of hire as follows:

Date of Hire	Number of Float
July 1 to August 30	5 float holidays
Sept 1 to Oct 31	4 float holidays
Nov 1 to Dec 31	3 float holidays
Jan 1 to Feb 28	2 float holidays
March 1 to June 30	1 float holiday

New Hire Employees may select the date upon which they shall use any floating holiday, subject to the scheduling needs of the City. If a floating holiday is not used within the fiscal year, the time shall be forfeited.

Floating holidays denied due to staffing shortages or other operational reasons will be paid or accumulated at the employee's choice at the end of the fiscal year. The employee will have the burden to prove the request was made in a timely manner and then denied.

ARTICLE 7 WORKING CONDITIONS

7.1 Uniform Allowance

The City will provide field working uniforms and safety shoes for the Public Works Superintendent

7.2. Alternate Work Schedule

Employees may, upon approval of the appropriate Department Head and the City Manager, implement an alternative work schedule providing for 80 hours of work in two consecutive five-day Monday through Friday periods.

The schedule shall allow for adequate coverage of all activities normally and customarily covered during the Monday through Friday workweek. Approval by the appropriate Department Head and the City Manager shall not be unreasonably withheld.

7.3 Reduced Work Week- City Hall Closure Days

City Hall offices of the City Manager, Finance Department and Community and Economic Development Department shall be closed for three (3) days between Christmas Day and New Year's Day. (Unless otherwise modified for 2015, these dates shall be December 28, 29 and 30. Unless otherwise modified for 2016, these dates shall be December 27, 28 and 29.)

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The City will distribute the final holiday closure schedule applicable to each department on or before October 1 of each year, but this date may be extended based upon operational need. Employees regularly scheduled to work during that time shall use PTO, float holiday, leave banks or leave without pay with the exception of those employees providing essential services as determined by the City, who will be required to work some or all hours during the closure. In addition, the Public Works Department shall be on a reduced work schedule and the Library shall be on a holiday schedule during this period.

ARTICLE 8 CONTINUING EDUCATION AND PROFESSIONAL DEVELOPMENT

8.1 Tuition Reimbursement

The City will reimburse a member of the Association an amount not to exceed \$1,000. in a single fiscal year for the cost of books, tuition, and required fees and supplies, for the successful completion of a job related college level course (or courses) in that fiscal year.

For courses, attendance at which require travel of more than two hours (100 miles) each way, a travel and per diem allowance shall be paid, when such allowance has been approved in advance by the City Manager. Payment toward the travel and per diem allowance shall count toward the applicable maximum tuition reimbursement. These courses are for the benefit of the City and the department to which the member is assigned.

8.2 Professional Development Program

A lump sum payment of \$500.00 shall be made by City to an employee represented by the Association who has completed a course of study and/or examination that results in attaining an acknowledged level of professional development – evidenced, for example, by degree, credential or certification – in the employee’s field of work. To qualify for this payment, the achievement must demonstrate, as determined by the City Manager, attainment of a significant achievement based on national, state, or professional department standards.

The City Manager shall determine, prior to employee’s embarking on the work and study required for the desired degree, credential or certification, whether the desired goal qualifies for the payment.

No more than three (3) such payments shall be paid to an individual during his or her tenure with the City.

ARTICLE 9 MISC

9.1 Salary Schedule Plan

During the term of this MOU, the City shall prepare and present a revised Salary Schedule Plan proposal for review by the Association. The City and Association thereafter shall then initiate good faith efforts to meet and confer regarding implementation of the Salary Schedule Plan.

The parties shall conclude the Meet and Confer Process within 90-days after the first meet and confer session is held (this 90 day period shall not include any time required by impasse procedures.) Implementation of the Salary Schedule Plan shall occur during the term of this MOU following the development and Meet and Confer process described above.

ARTICLE 10 SAVINGS CLAUSE

If any Article or Section of this Memorandum of Understanding should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all remaining Articles and Sections of this Memorandum of Understanding shall remain in full force and effect for the duration of the MOU. In the event of invalidation of any Article or Section, the City and the Association agree to meet within 30 calendar days of such invalidation for the sole purpose of meeting and conferring upon said Article or Section.

This MOU constitutes a full and complete agreement between the parties on all matters within the scope of representation.



Thomas Frutchey, City Manager
City of Pacific Grove



Daniel Gho, President
Management Employees' Association

3-22-15

Date

3/14/15

Date