

**MEMORANDUM OF
UNDERSTANDING**

between the

CITY OF CYPRESS

and the

**CYPRESS EMPLOYEES'
ASSOCIATION**



JULY 1, 2024 to JUNE 30, 2027

CYPRESS EMPLOYEES' ASSOCIATION
MEMORANDUM OF UNDERSTANDING
EFFECTIVE JULY 1, 2024 THROUGH JUNE 30, 2027

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**MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF CYPRESS AND THE CYPRESS EMPLOYEES' ASSOCIATION**

ARTICLE I - RECOGNITION

Section 1. Pursuant to the Provisions of the Employer-Employee Relations Resolution No. 970, as amended, the City of Cypress (hereinafter called the "City" and/or "Employer" interchangeably) has recognized the Cypress Employees' Association as the majority representative of the employees in the bargaining unit, which includes all general miscellaneous classifications.

Section 2. The City shall recognize the Association as the representative of the employees in the classifications and assignments set forth in Section 1. above for the purpose of meeting its obligation under this Agreement, the Meyers-Milias-Brown Act, Government Code §3500, et. seq., when City Rules, Regulations or laws affecting wages, hours and/or other terms and conditions of employment are amended or changed.

Section 3. Recognizing the above-mentioned body, the City encourages open and good faith negotiations between the City and its employees through their Employees' Association Representatives.

ARTICLE II - NONDISCRIMINATION

Section 1. The City and the Association agree that they shall not discriminate against any employee because of any legally protected classification recognized by state or federal law, including but not limited to: race, color, sex, age, national origin, disability, political or religious opinions or affiliations. The City and the Association shall reopen any provision of this Agreement for the purpose of complying with any final order of the state or federal agency or court of competent jurisdiction requiring a modification or change in any provision of this Agreement in compliance with state or federal anti-discrimination laws.

Section 2. Americans with Disabilities Act (ADA) and California Fair Employment and Housing Act (FEHA). To comply with state and federal law, the language below shall apply:

A. The ADA/FEHA requires reasonable accommodations for individuals protected under the ADA/FEHA, and because reasonable accommodations must be determined on an individual, case-by-case basis, exceptions to the provisions of this Agreement may be required for the City to avoid discrimination in the hiring, promotion, granting of permanency, transfer, layoff, reassignment, termination, rehire, rates of pay, job and duty classification, seniority, leaves, fringe benefits, training opportunities, hours of work or other terms and privileges of employment.

B. The City has the legal obligation to meet with the individual employee or applicant to be accommodated before any adjustment is made in working conditions. The Association will not be notified of these proposed accommodations prior to implementation by the City, unless the employee desires such notice.

C. Any accommodation provided to an individual protected by the ADA/FEHA shall not establish a past practice, nor shall it be cited or be used as evidence of a past practice in the grievance, discipline, or other legal procedure.

ARTICLE III - COMPENSATION PLAN

Section 1. Basic Compensation Plan.

A. All employees covered by this Agreement shall be included under the Basic Compensation Plan. Every position under this Plan shall be assigned a range established by the City Council by resolution. All pay changes shall be at the beginning of the closest start of the pay period, unless there is a special justification as approved by the Personnel Officer. The salary schedule shall consist of nine steps within each range: A step, A1 step, B step, B1 step, C step, C1 step, D step, D1 step and E step.

B. The A step, is the minimum rate and is normally the hiring rate for the class. An employee may be assigned, upon appointment, to other than the A step upon the recommendation of the department head and the approval of the City Manager or their designee when it is decided that such action is in the best interest of the City.

C. Employees hired at the A step may be eligible for a merit adjustment at the end of six months of employment. Employees hired above the A step may be eligible for a merit adjustment at the end of one year of employment.

D. Subsequent merit adjustments are intended to encourage an employee to improve their work and to recognize seniority and increased skill on the job. Employees are normally eligible for these adjustments at any time after the completion of one year of service at their current step. An employee can move either one or two steps for merit adjustments, based upon the recommendation of the department head and approval of the City Manager or their designee.

E. All rates shown are in full payment for services rendered and covers full payment for the number of hours now being regularly performed in each class.

F. The comprehensive wage and salary plan, as outlined herein, is based on a 40-hour work week for all employees covered by this Agreement.

Section 2. Initial Compensation. All new employees appointed to a position in the competitive service shall be paid a salary or wage within the established range for the position's class. The initial employment shall generally be at the minimum rate for the class. However, the appointing power may, with approval of the City Manager or their designee, when circumstances warrant it, appoint at other than the minimum step.

Section 3. Evaluation Date Shall be Established as Follows:

A. Employees appointed, promoted or reinstated on or between the first and the fifteenth day of the month inclusive shall, for the purpose of eligibility for consideration of future compensation increases, have the first day of that same month as their evaluation date.

B. Employees appointed, promoted or reinstated on or between the sixteenth and the last day of the month inclusive shall, for the purpose of eligibility for consideration of future compensation increases, have the first day of the month immediately following, as their evaluation date.

C. Evaluation dates shall change upon promotion or reclassification. Evaluation dates shall not change following demotions or transfers.

Section 4. Advancement Within Salary Range.

A. In order to properly compensate an employee, advancement in salary shall be based on merit.

B. Advancements in salary shall not be automatic, but shall depend upon increased service value of the employee to the City.

C. The department head and/or the employee's immediate supervisor shall be responsible to evaluate employees fairly in an unbiased fashion for the determination of job performance. Advancement shall be made only upon recommendation of the department head with approval of the City Manager or their designee.

D. Employees beginning at A step must be reviewed for performance advancement prior to the completion of six months of service from the date of appointment. Thereafter, an employee must be reviewed at least once every twelve months from the effective date of their last performance step increase, special performance advancement or promotion. Nothing contained herein shall restrict the department head from denying the increase after evaluation, nor shall it prevent them from recommending a special performance advancement in salary at any time when unusual or outstanding achievement has been demonstrated.

E. It shall be the responsibility of each supervisor to establish realistic achievement levels for each step increase within a salary range. Achievement levels may be formal or informal and shall be reviewed by the department head for the purpose of maintaining uniformity of standards throughout the department.

F. Supervisors/Managers evaluating employees (who are not at the top of their pay range) will use the following merit-based rating criteria to determine the amount of an increase an employee is eligible to receive:

- Rating of Outstanding – Eligible for two half steps, which represents a 5% increase
- Rating of Satisfactory – Eligible for one half step, which represents a 2.5% increase
- Rating of Needs Improvement or Unsatisfactory – Not eligible for an increase

Section 5. Salary Increases Following Promotion. When an employee in the City is promoted to a position with a higher salary range, such employee shall automatically be entitled to the lowest step in the higher salary range that would represent a salary increase of approximately 5% over the base salary received immediately prior to the promotion (e.g. approx. 5% is 4.5% or higher).

Section 6. Salary Decreases Following Demotion. In the case of a demotion of an employee in the department to a class with a lower maximum salary, such employee shall be assigned to the appropriate salary step in the new class as recommended by the department head and approved by the City Manager or their designee. The employee shall retain their previous anniversary date.

Section 7. Salary Following Transfers. In the case of the transfer of any employee from one position to another in the same class to which the same salary range is applicable, the employee shall remain at the same step and shall retain their same anniversary date.

Section 8. Adjustment of Salary Ranges. When a salary range for a given classification is revised upward or downward, the positions within the affected classifications shall have their existing salary adjusted to the same relative step in the new salary range and their evaluation date shall not be

changed.

Section 9. Salary and Benefits on Suspension. During suspension from City service for disciplinary cause, an employee shall forfeit all rights, privileges and salary, except they shall not forfeit their medical health plan, dental insurance plan, vision insurance plan, retirement plan, disability insurance or life insurance plans. Should such suspension be later modified or revoked, the employee shall be entitled to receive payment to compensate for loss of income and benefits during the period of suspension.

Section 10. Salary Increases

Salary increases for all represented classes will be implemented at the beginning of the pay period as follows and as reflected in Exhibit "A" attached hereto:

Effective July 5, 2024, a five percent (5%) range adjustment.

Effective July 4, 2025, based on the 12-month May 2025 CPI-U for Los Angeles-Long Beach-Anaheim, a minimum 4% to a maximum 4.5% range adjustment.

Effective July 3, 2026, based on the 12-month May 2026 CPI-U for Los Angeles-Long Beach-Anaheim, a minimum 4% to a maximum 4.5% range adjustment.

Section 11. Payroll Schedule and Direct Deposit.

The City's payroll is based on a bi-weekly pay schedule with the pay day occurring every other Friday following the end of a pay period. All employees are required to participate in the City's direct deposit payroll program.

ARTICLE IV - HOURS OF WORK

Section 1. Standard Workweek. The standard workweek shall be 40 hours. However, all employees of the department shall be subject to be called for service at any time to meet any and all emergencies or unusual conditions which, in the opinion of the department head or designee, may require such service from any of said employees.

Section 2. 5/8 Work Schedule. Employee works five 8-hour shifts in a 7-day FLSA workweek.

Section 3. 9/80 Work Schedule. Employee works eight 9-hour days and one 8-hour day in two 7-day FLSA workweeks.

Section 4. 4/10 Work Schedule. Employee works four 10-hour shifts in a 7-day FLSA workweek. Classifications subject to this work schedule typically include: Police Clerk I, Police Clerk II and Police Services Officer.

Section 5. 3/12.5 Work Schedule. For those employees in the classification of Police Services Officer assigned to patrol/jail duties, employee works three 12.5-hour shifts with four consecutive days off in each 7-day work cycle of a 28-day work period, except that the employee must work one additional 10-hour shift during the work period. The 12.5-hour shift shall include a paid lunch/meal period. Police Management may assign a maximum of six employees in the classification of Police Services Officer to patrol/jail duties.

ARTICLE V - OVERTIME COMPENSATION

Section 1. Definition. Overtime work for regular full-time, regular part-time, and probationary employees shall be defined as any hours worked beyond 40 hours in a 7-day Fair Labor Standards Act (FLSA) workweek. Leave time, with the exception of sick leave, will be counted toward that calculation. Employees in the classification of Police Services Officer assigned to patrol/jail duties under the 3/12.5 Work Schedule shall earn overtime after the first 160 hours of time worked in a 28-day cycle, as allowed under the FLSA 7(k) exemption.

Section 2. Compensation. Authorized overtime shall be compensated for at the rate of one and one-half (1-1/2) times the regular rate of pay or by accruing compensatory time at the rate of one and one-half (1-1/2) hours for each hour of overtime worked. All paid leaves will be counted as time worked, with the exception of sick leave.

Section 3. Use of Compensatory Time. Employees shall be permitted to accumulate a maximum of 120 hours of compensatory time. All accumulated compensatory time shall be paid by the City to the employee in the December special payroll of each year unless the employee requests that up to a maximum of 80 hours of accumulated compensatory time be carried over to the following payroll year. Requests to carry over hours must be made in writing to Human Resources by December 15 of the prior calendar year. For example, employees wishing to carry over hours from calendar year 2024 to 2025, must submit the request in writing to Human Resources by December 15, 2024. Should an employee desire to take compensatory time off, they shall file a written request with the department head who shall grant time off unless it interferes with the normal operation of the department. The granting of compensatory time off shall be at the sole discretion of the department head or their designee.

Section 4. Overtime Reporting. In order for an employee to earn compensation for overtime, they must receive prior supervisor or department head approval. Overtime worked to meet an emergency situation does not require advance approval, but shall be certified by the department head before being credited to the employee's record.

Section 5. Authorization. It is the policy of the City to avoid the necessity for overtime work. However, when overtime work is necessary and consistent with the efficient operation of the City, such overtime shall be authorized, but shall be kept at a minimum.

ARTICLE VI - SPECIAL PAY PROVISIONS

Section 1. Callback. Employees in the classification of Police Services Officer assigned to Property and Evidence shall be paid a minimum of two hours of overtime when called back for other than a normal shift or workday assignment and has already departed from the work premises. All other employees shall be paid for time worked. Employees called back as defined above shall be paid one and one-half (1-1/2) times the employee's regular rate of pay. Callback time shall commence from the time the employee reports to the work location.

Section 2. Shift Differential Pay (SDP) – Employees in the classification of Police Services Officer who work a regularly scheduled night shift assigned for the duration of a shift rotation period, as designated by Police Management, are eligible for Shift Differential Pay (SDP). A night shift is defined as 5:30 P.M. to 6:00 AM. SDP shall be paid at 5% above the employee's current hourly rate of pay for all regular and overtime hours worked. A maximum of three employees in the classification of Police Services Officer may be assigned.

Section 3. Training Time. When an employee is sent to a training program at the request of the City, the employee shall be paid for actual hours attending the training (typically 8 hours) and such hours of pay shall be credited towards the computation of overtime. The department shall also pay such reasonable expenses as may be incurred by the employee in traveling to and from the training course as well as for meals and lodging. The department head may request receipts for meals and lodging, as well as transportation, and for the purchase of any materials required by the training course. Reimbursement for lodging shall apply to training courses which require overnight lodging.

Section 4. Bilingual Pay.

- A. Subject to the conditions of this Section, employees who, in the course of their assignment, may be required to speak or understand another approved language besides English or translate such language to English on a regular basis, will be compensated \$100.00 per month.
- B. An employee may apply for bilingual pay at any time and will be responsible for initiating a written request to Human Resources. All requests shall be subject to the department head and Personnel Officer's approval and only those assignments that are determined to reasonably utilize bilingual skills on a regular basis in a language beneficial to the department, shall be considered.
- C. Human Resources shall administer competency testing to certify the employee is eligible for bilingual pay based on the employee's basic bilingual skills proficiency. Such certification shall be a condition to qualify for bilingual pay.
- D. An employee who becomes certified to receive bilingual pay shall be compensated such pay effective the beginning of the first pay period immediately following certification. Human Resources shall be responsible for processing appropriate forms for additional pay.
- E. In the event an employee is not successful in passing such competency testing to qualify for bilingual pay, said employee may reapply for eligibility at least three months after the testing.
- F. If it is determined that the employee is no longer utilizing bilingual skills on a regular basis due to disability (more than one month), extended leave of absence, or similar circumstance, bilingual pay will cease at the beginning of the payroll immediately following said date. Such determinations shall be made by the Personnel Officer.
- G. Any consideration for adding and/or eliminating languages to this provision shall be made by the department head and Personnel Officer. Such considerations shall be made on department needs and neighboring cities' ethnic population.
- H. Bilingual pay will be suspended after 30 consecutive days on any leave of absence, either paid or unpaid, and will be effective beginning the 31st day. Bilingual pay will be reinstated on the first payroll back from leave of absence (worked 80 hours). If an employee returns from an extended leave of absence, only to go back on leave (within a one-year period of their return), bilingual pay will be suspended effective immediately (no new 30-day wait period).

Section 5. Educational Incentive Pay. The employee listed below shall be compensated for educational incentive pay as indicated. No other employees shall be eligible to receive education incentive pay. Education incentive pay will be suspended after 30 consecutive days on any leave of absence, either paid or unpaid, and will be effective beginning the 31st day. The allowance will be reinstated on the first full payroll back from leave of absence (worked 80 hours). If an employee returns from an extended leave of absence, only to go back on leave (within a one-year period of their return), the allowance will be suspended effective immediately (no new 30-day wait period).

| EMPLOYEE | POSITION | EDUCATION INCENTIVE PAY |
|-----------------|---------------------------------|--------------------------------|
| Pat Hough | Administrative Services Tech II | \$30.00/month |

Section 6. Shoe Allowance. City and Association acknowledge and agree the City will provide a shoe allowance for protective footwear to employees in the following classifications: Administrative Services Technician, Code Enforcement Officer, and Engineering Aide. The shoe allowance is in the amount of \$100.00 per MOU contract year. Protective footwear, under this provision, worn by the above classifications shall provide protection against exposure to foot injuries from electrical hazards, hot, corrosive, poisonous substances, falling objects, crushing or penetrating actions. Safety shoes or boots worn as protective footwear shall meet the standards established by Cal-OSHA.

Section 7. Uniform Allowance.

A. Designated police department employees who are required to wear a uniform shall receive a biannual uniform allowance in accordance with the following:

| | |
|----------------------------|----------|
| Community Outreach Officer | \$375.00 |
| Police Clerk I | \$350.00 |
| Police Clerk II | \$350.00 |
| Police Services Officer | \$375.00 |

B. The uniform allowance will be suspended after an employee is off work for 30 consecutive days on any leave of absence, either paid or unpaid, and will be effective beginning the 31st day. For example, if a Police Services Officer is off work starting February 15 and returns to work on May 1, they are off for a total of 75 days. The Police Services Officer will not be eligible to receive uniform allowance for 45 days and the biannual payment of \$375 will be prorated. In this instance, the employee is not eligible to receive 25% of their biannual allowance (45 days during the 180-day six-month period). Therefore, when the allowance is paid in June, the Police Services Officer would be paid \$281.25 (75% of \$375). The allowance will be reinstated on the first full payroll back from leave of absence (worked 80 hours). If an employee returns from an extended leave of absence, only to go back on leave (within a one-year period of their return), the allowance will be suspended effective immediately (no new 30-day wait period).

ARTICLE VII - HOLIDAYS

Section 1. Recognized Holidays.

A. For pay purposes, the following holidays are recognized as municipal holidays for regular employees: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday following Thanksgiving Day, Christmas Eve Day and Christmas Day. Employees shall earn 8 hours for each holiday. Employees must use other forms of accrued leave to make up the difference between holiday hours earned and those required to be used when working an alternative work schedule.

B. Beginning the first pay period of the payroll year current employees shall be credited with one floating holiday (9 working hours). Employees hired after the beginning of the payroll year, but before September 1 of the payroll year, will be credited with one floating holiday. The floating holiday may be taken subject to approval of the department head after consideration of the department workload and other staffing considerations such as, but not limited to, leave schedules of other employees already approved, sick leave and position vacancies. The floating holiday must be taken as paid time off in the payroll year of crediting. There shall be no cash payment for unused floating holiday hours.

C. For employees who are scheduled to work on a holiday or the holiday falls on their scheduled day off, the holiday leave may be used during the payroll year. There shall be no carryover of unused holiday.

D. When an employee who is required to work on a holiday becomes ill and is unable to report to work that day, the employee shall be paid at the straight time rate for the sick leave hours scheduled to work on said day, and the holiday hours will remain in their leave bank for use during the payroll year.

E. When a holiday falls on a Sunday, the following Monday shall be considered the holiday. When a holiday, falls on a Saturday, the preceding Friday shall be considered the holiday.

F. Religious holidays requested off shall be done so in writing to the department head. If approved, such time shall be charged against accumulated vacation, compensatory time, personal leave, holiday or floating holiday.

Section 2. Holidays Falling During Approved Leaves of Absence Without Pay. Any employee on an approved leave of absence without pay, having the holiday fall during the period of such leave of absence without pay, shall be eligible for such holiday pay only in those instances where said employee has worked either the day before or the day immediately following said holiday.

ARTICLE VIII - PROBATIONARY PERIOD

Section 1. Regular Appointments Following Probationary Period.

A. The original appointment of every employee, other than those whose appointment is exempt, shall be tentative and subject to a probationary period of twelve (12) months of service.

B. The promotional appointment of every employee shall be tentative and subject to a probationary period of six months.

C. Human Resources shall notify the department head and the probationer concerned, two weeks prior to the termination of the probationary period.

D. If the service of the probationary employee has been satisfactory, the department head shall file with Human Resources a statement, in writing, to such effect stating that the retention of such employee in the service is desired. No actions changing an employee from probationary to regular status shall be made or become effective until approved by the Personnel Officer.

Section 2. Objective of Probationary Period. The probationary period shall be regarded as a part of the testing process and shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to their position, and for rejecting any probationary employee whose performance does not meet the required standards of work.

Section 3. Employee Performance Reports.

A. Each probationary employee shall have their performance evaluated at the end of each three months of service or at a more frequent interval when deemed necessary by the appointing power. Regular employees shall have their performance evaluated annually or at more frequent

intervals when deemed necessary by the appointing power. Such evaluations shall be reported in writing and in a form approved by the Personnel Officer.

B. An employee's performance evaluation shall be filed with Human Resources and made a part of the employee's personnel records, with one copy retained by the department, and one copy given to the employee.

Section 4. Rejection of a Probationary Employee.

A. During the probationary period, an employee may be suspended, demoted or terminated any time by the department head, with approval of the City Manager, without cause and without right of appeal. Notification of rejection, in writing, shall be served on the probationary employee and a copy filed with Human Resources.

B. An exception will be applied where the probationary employee's job termination or dismissal is based on charges of misconduct which stigmatizes their reputation or seriously impairs their opportunity to earn a living, or which might seriously damage their standing and association in the community. Where there is such a deprivation of a "liberty interest", the employee shall be given pre-disciplinary procedural due process as defined in the Personnel Rules. Prior to the disciplinary action becoming final, the employee must be notified of their right to the appeal procedures as outlined in the Personnel Rules.

ARTICLE IX - VACATION

Section 1. Eligibility. All regular full-time and regular part-time employees, having completed a minimum of six months continuous service with the City, and annually, thereafter, shall be eligible for a paid vacation at their then current rate of pay.

Section 2. Vacation Accrual.

A. Each regular full-time and probationary employee shall accrue vacation leave by the following formula:

| <u>Hours/Month</u> | <u>Year of Employment</u> | <u>Annual Amount (Hours)</u> |
|--------------------|---------------------------|---------------------------------------|
| 1. 6.6670 | 1st year | 80 hours. |
| 2. 7.3334 | 2nd year | 88 hours. |
| 3. 8.0000 | 3rd year | 96 hours. |
| 4. 8.6667 | 4th year | 104 hours. |
| 5. 9.3334 | 5th year | 112 hours. |
| 6. 10.0000 | 6th year | 120 hours. |
| 7. 10.6667 | 7th year | 128 hours. |
| 8. 11.3334 | 8th year | 136 hours. |
| 9. 12.0000 | 9th year | 144 hours. |
| 10. 12.6667 | 10th year | 152 hours. |
| 11. 13.3334 | 11th year | 160 hours, and each month thereafter. |

Section 3. Anniversary Date.

A. Employees hired on or between the first and fifteenth day of the month shall have the first day of that same month as their anniversary date.

B. Employees hired on or between the sixteenth and the last day of the month shall have the first day of the following month as their anniversary date.

Section 4. Maximum Accrual. An employee may accumulate unused vacation to a maximum of the amount accrued in the 24 months immediately preceding the employee's anniversary date of employment. Vacation shall cease accruing subsequent to reaching said maximum with further accrual occurring only upon the vacation balance falling below the maximum accumulation.

Section 5. Use of Vacation.

A. The time at which an employee's vacation is to occur shall be determined by the department head with due regard for the wishes of the employee and particular regard for the needs of the service.

B. An employee who has completed five years or more of continuous service and who has taken 40 cumulative hours of vacation in the current payroll year may elect to be paid for up to a maximum of 80 hours of accrued vacation in the following calendar year. Request for payment shall be made in writing to Human Resources by December 15 of the prior calendar year for the requested payment in the subsequent December's special payroll. For example, if an employee submits a payout request of 80 hours prior to December 15, 2024 and is deemed eligible to receive a payout, the employee will be paid for 80 hours in December 2025 (if accrued vacation at that time is equal to or exceeds 80 hours).

Section 6. Vacation Payment at Termination.

A. Employees terminating employment shall be paid in a lump sum for all accrued vacation leave.

B. When termination is caused by the death of the employee, said payment for unused vacation shall be paid to the beneficiary designated by the employee. Such designation shall be in writing, signed by the employee and filed with Human Resources. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

Section 7. Vacation Earned During Leave of Absence. No vacation leave shall be earned during any leave of absence without pay for each 30-day period of such leave.

Section 8. Vacation - Miscellaneous. Employees shall not work for the City during their vacation and, thereby, receive double compensation from the City.

ARTICLE X - LEAVES OF ABSENCE

Section 1. Authorized Leave of Absence Without Pay.

A. Excluding leave which may fall under the Federal Medical Leave Act (FMLA) or the California Family Rights Act (CFRA), upon recommendation from the department head, with approval of the City Manager, a regular employee may be granted a leave of absence without pay in cases of emergency or where such absence would not be contrary to the best interest of the City, for a period not to exceed one year. Approval of such leave shall be in writing and a copy filed with Human Resources.

B. At the expiration of the approved leave, within a reasonable period of time, after notice to return to duty, the employee shall be reinstated to the position held at the time leave was granted. Failure on the part of the employee on leave to report promptly at such leave's expiration, within a reasonable time after notice to return to duty, shall be cause for discharge.

C. During any authorized leave of absence without pay, an employee shall not be eligible to accumulate or receive fringe benefits except as specifically provided for in this Agreement. The City shall contribute to an employee's medical health plan, dental insurance plan, disability insurance plan, life insurance plan and retirement plan for the first 30 days of an employee's authorized leave of absence. Thereafter, the City shall not have any obligation to contribute to an employee's medical health plan, dental insurance plan, disability insurance plan, life insurance plan and retirement plan. Employees on unpaid leave of absence do not accrue vacation or sick leave and are not eligible for any other paid leave.

Section 2. Bereavement Leave. Regular and probationary full-time employees may be granted a paid bereavement leave of absence by reason of death in the immediate family which shall be restricted and limited to father, mother, brother, sister, spouse, registered domestic partner, child, grandmother, grandfather, mother-in-law, or father-in-law. Upon approval of said paid leave, the employee shall be allowed a maximum of 40 hours of bereavement leave.

Section 3. Military Leave of Absence.

A. Military leave shall be granted in accordance with the provisions of state and federal law. All employees entitled to military leave shall give the department head an opportunity within the limits of military regulations, to determine when such leave shall be taken. Whenever possible, the employee involved shall notify the department head of such leave request 10 working days in advance of the beginning date of such leave.

B. In addition to the provisions of state and federal law, the City shall continue to provide to said employee the current health benefits medical, dental, disability and life insurance, and retirement (if applicable) for the first six months of military leave. During said period, the employee shall be required to pay to the City the same co-payments as required of other employees in the bargaining unit. After the first six months of military leave, the employee may continue said health benefits at their cost.

Section 4. Pregnancy Disability Leave of Absence.

A. An employee who is disabled due to pregnancy shall be granted a pregnancy disability leave for a maximum period of four months provided that a lesser period may be granted upon the request of the employee.

B. Disabilities arising out of pregnancy shall be treated the same as other temporary disabilities in terms of eligibility for, or entitlement to, sick leave with or without pay, extended sick leave, or accumulated sick leave benefits.

C. Employees are encouraged to report pregnancy. Where the nature of the duties performed are hazardous or burdensome, the employee may be required to submit medical evidence as to fitness for the performance of duties of the position.

D. Regular full-time and probationary employees shall be placed on medical leave when the

employee's physician states that medical disability would interfere with the performance of the duties of the position or continuing work would be hazardous. Should disagreement arise between the department head and the employee's physician as to the hazardous nature of the job or the ability of the employee to perform the job, a physician representing the City will resolve the conflict. The decision will be binding upon all the parties.

E. Following childbirth and upon release from medical treatment for the disability resulting from the pregnancy, the employee must submit a medical statement of fitness to perform the duties of the position to Human Resources. Upon expiration of an approved pregnancy disability leave of absence, the employee shall be reinstated in the position held at the time leave was granted.

Section 5. Family Leave. The City shall comply with State and Federal Family Medical Leave Laws.

Section 6. Unauthorized Leave of Absence. Unauthorized leave of absence shall be considered as days, or portions of days, not worked which are normal working days and will cause the deduction from the employee's pay of an amount equivalent to the time absent. Employees taking unauthorized leaves of absence may be subject to disciplinary action, to and including termination of employment.

ARTICLE XI - JURY DUTY

Section 1. Compensation for Jury Duty.

A. Regular or probationary employees required to report for jury duty shall be granted leave of absence for such purpose, upon presentation of a jury notice to the department head. Said employees shall receive full payment for the time served on jury duty, provided the employee remits any fees received for such jury service, excluding payment for mileage, to the Finance Department. Compensation for mileage, subsistence or similar auxiliary allowances shall not be considered as a fee and shall be retained by the employee.

B. If the sum of the employee's jury duty responsibilities is less than a full workday, the employee shall contact their supervisor as to the feasibility of returning to work that day.

C. The employee shall not receive regular pay for work and pay for jury service which shall be in excess of 8 hours pay in any one day.

ARTICLE XII - TEMPORARY ASSIGNMENT AND APPOINTMENT

Section 1. In special circumstances, when in the best interest of the City, the City Manager or their designee may approve a temporary assignment of a probationary or regular employee to a higher-level classification.

Section 2. The City may work employees in a temporary assignment for up to 20 consecutive working days without additional compensation. The City may work employees in the classifications of Police Clerk I, Police Clerk II and Police Services Officer in a temporary assignment for up to 30 consecutive working days without additional compensation.

Section 3. Temporary assignments shall not be compensated at increased compensation where the temporary assignment is a replacement of an employee on a non-medical related leave.

Section 4. An employee shall receive temporary assignment pay at the lowest step in the higher classification salary range that would represent a salary increase of at least five percent (5%) above the employee's salary, for work performed within the scope and responsibilities of the higher classification on the twenty-first (21st) consecutive day out of class, or on the thirty-first (31st) consecutive day out of class for employees in the classifications of Police Clerk I, Police Clerk II and Police Services Officer, and for each consecutive day thereafter an employee works out of class.

Section 5. During the 20 consecutive working day eligibility period before an employee is entitled to receive temporary assignment pay, or the 30 consecutive working day eligibility period for employees in the classifications of Police Clerk I, Police Clerk II and Police Services Officer, an employee may only be absent from work for a maximum of 16 cumulative hours. Any absence in excess of 16 hours shall break consecutiveness and cause an employee to be ineligible to receive temporary assignment pay. Should an employee be absent in excess of 16 hours, the 20 consecutive day eligibility period or 30 consecutive day eligibility period shall begin the day after the employee returns to work.

Section 6. A temporary assignment shall not exceed one year.

ARTICLE XIII - SICK LEAVE

Section 1. General Sick Leave Provisions.

A. Sick leave shall be used for the diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee, or as authorized by the Personnel Officer under the provisions of the Federal Family Medical Leave Act and/or the California Family Rights Act, or California Labor Code Section 233 (use of sick leave).

B. The employee may use up to 48 hours of sick leave per year for the following purposes:

1. For the diagnosis, care, or treatment of an existing health condition, or preventative care for, any of the employee's family members: child of any age or dependency status; parent; parent-in-law; spouse, registered domestic partner; grandparent; grandchild; sibling; or designated person.

2. For the employee who is a victim of domestic violence, sexual assault, or stalking: (a) to obtain or attempt to obtain a temporary restraining order or other court assistance to help ensure the health, safety, or welfare of the employee or his or her child; or (b) to obtain medical attention or psychological counseling; services from a shelter; program or crisis center; or participate in safety planning or other actions to increase safety.

Section 2. Eligibility. All employees covered by this Agreement shall be eligible to accrue sick leave.

Section 3. Accrual. Sick leave shall be accrued at the rate of 8 hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on authorized leave which provides for full pay, for at least 15 calendar days in that month.

Section 4. Accumulation and Payment Plan.

A. Accrued sick leave may be accumulated without limit, except that payment of accumulated sick leave shall be granted by the City Manager or their designee on an annual basis to all employees

who have a minimum of 120 hours of accumulated sick leave on record on December 1st, and opt to receive payment at a rate of fifty percent (50%) of current salary for one-half (1/2) of their annual unused sick leave.

B. Payment of accumulated sick leave shall be granted by the City Manager or their designee on an annual basis to all employees covered by this Agreement who have a minimum of 240 hours of accumulated sick leave on record on December 1st, and opt to receive payment at a rate of one hundred percent (100%) of current salary for one-half (1/2) of their annual unused sick leave.

C. Employees wishing to opt for payments stated in Section 4. (A) and (B) above, must notify Human Resources in writing by December 15 for payment in the subsequent December's special payroll. For example, if an employee submits a payout request for the maximum of 48 hours prior to December 15, 2024, payment will be issued in December 2025 (if eligible). The maximum number of hours eligible for payout in December 2025 will be based on the sick leave hours used in the 2025 payroll year and may be less than the maximum requested. The sick leave hours for which the employee receives payment shall be deducted from their sick leave record with the remaining one-half (1/2) of the annual accumulated sick leave being continued as a credit to the employee's sick leave account.

D. In accordance with the annual conversion policy set forth in Section 4. (A), (B) and (C) above, employees shall have the option of depositing their sick leave payment in a City deferred compensation program instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

E. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of 60 days or 480 hours of sick leave accumulation, said employee is entitled to receive fifty percent (50%) compensation for that accumulated sick leave.

F. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of five years of service and with between 240 hours and 480 hours of sick leave accumulation, said employee is entitled to receive payment for the difference between that amount of sick leave and 240 hours at fifty percent (50%) compensation.

G. In accordance with the payment plan set forth in Section 4. (E) and (F) above, upon separation, termination or retirement of an employee covered by this Agreement, said employee shall have the option of depositing their sick leave payment in a City deferred compensation program, instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

Section 5. Use.

A. Sick leave may be requested and used as approved by the department head or the City Manager. Payment for approved sick leave shall be authorized until the employee's accumulated total of sick leave hours has been exhausted and at such time the employee shall receive no further payment for sick leave. An employee shall have their accumulated sick leave balance reduced by an amount equal to the number of hours of sick leave for which they receive payment.

B. Sick leave shall not be granted for disability arising from any sickness or injury purposely

self-inflicted or caused by an employee's own willful misconduct.

Section 6. Sick Leave During Vacation. An employee who becomes ill while on vacation may have such period of illness charged to their accumulated sick leave provided that: immediately upon return to duty, the employee submits to their department head a written request for sick leave and a written statement signed by their physician describing the nature and dates of illness; and the department head recommends and the City Manager approves granting of such sick leave. The employee may request an extension of vacation due to illness, subject to the approval of the department head and City Manager.

Section 7. Extended Sick Leave.

A. In the event an employee's continuing illness results in depletion of sick leave accumulation, the employee may request, in writing, to their department head and City Manager, a leave of absence without pay for the purpose of recovering from an illness, provided:

1. The employee has used all of their accumulated sick leave.

2. The employee presents to their department head for referral to and consideration by the City Manager, a written explanation of the employee's illness and an estimate of the time needed for recovery signed by the employee's physician.

3. Prior to resuming their duties, the employee may be required to take a medical examination at the City's expense and provide a medical release to return to work from the employee's physician as prescribed by the City Manager. The employment record and the results of such examination shall be considered by the City Manager in determining the employee's fitness to return to work.

4. The maximum period of such leave shall be three calendar months. If the employee desires an extension, they shall follow, prior to the termination of their initial leave, the procedure described in subparagraph (2) above.

Section 8. Related Leave Chargeable to Sick Leave.

A. An employee may be granted time off with pay for the conduct of personal business up to a maximum of 27 hours per payroll year. Sick leave utilization studies conducted by the City shall not include personal leave.

B. Such granting of time off with pay shall be subject to the discretion of the department head and City Manager. When any such time is authorized, it shall be charged against the employee's accumulated sick leave account.

Section 9. On-the-job Injury. For all regular employees covered by this Agreement, when an employee is disabled by injury or illness arising out of and in the course of their duties for the City, they shall become entitled, regardless of their period of service with the City, to leave of absence for the period of such disability, but not exceeding one year, or until such earlier date as they are retired on permanent disability pension. Members are eligible for up to four months of salary continuation in lieu of temporary disability payments. During the first five (5) working days of such disability, the City shall pay one hundred percent (100%) of the salary. Thereafter, the employee shall receive eighty percent (80%) of salary. Any payments made pursuant to this Section shall not be charged to sick leave; provided, however, no sick leave or vacation benefits shall accrue during the period of such

disability.

Section 10. Off-the-job Injury. An employee injured outside of their service with the City may apply for benefits under the disability insurance plan provided by the City.

ARTICLE XIV - FRINGE BENEFIT ADMINISTRATION

Section 1. Administration. The City reserves the right to select the insurance carrier or administer any fringe benefit programs that now exist or may exist in the future during the term of this Memorandum of Understanding.

Section 2. Selection and Funding. In the administration of the fringe benefit programs, the City shall have the right to select any insurance carrier or other method of providing coverage to fund the benefits included under the terms of this Memorandum of Understanding, provided that the benefits of the employees shall be no less than those in existence as of implementation of this Agreement.

Section 3. Changes. If, during the term of this Memorandum of Understanding, any change of insurance carrier or method of funding for any benefit provided hereunder occurs, the City shall notify the Association prior to any change of insurance carrier or method of funding the coverage.

ARTICLE XV - HEALTH, LIFE, DENTAL, DISABILITY AND VISION INSURANCE

Section 1. Health Insurance Plan.

A. For the employees covered by the terms of this Agreement, the City and the employees shall contribute the sums listed below per month per employee toward health insurance:

MEDICAL RATE PROVISIONS AND SCHEDULE

Flexible Benefit Plan: The City shall maintain a benefit plan which will allow employees to utilize pre-tax dollars for health contributions (medical, dental, and life insurance contributions) and will provide additional contributions above the "PERS Health Coverage" for health insurance as noted below.

Pursuant to Government Code Section 22892, the City shall continue to pay the minimum monthly payment to PERS for all those employees and retirees choosing the PERS Health Plan, and shall pay any adjustment to this amount pursuant to PERS law. An employee and retiree may choose any plan offered by PERS that said employee or retiree is eligible to receive.

Employees eligible for this plan may choose, depending on their family status (single, one dependent or more), any medical plan offered by PERS (as eligible) and the following monthly City maximum contribution and employee minimum contribution benefit shall apply:

The following monthly City maximum contribution and employee minimum contribution benefit shall apply through December 31, 2024:

| Status | *City Maximum | *Employee Minimum |
|---------------|--------------------------|------------------------------|
| Employee Only | \$1400 | \$ 0 |
| Employee + 1 | \$1400 | \$ 5 |

| | | |
|-------------------|--------|------|
| Employee + Family | \$1400 | \$10 |
|-------------------|--------|------|

The following monthly City maximum contribution and employee minimum contribution benefit shall apply for the period January 1, 2025 through December 31, 2025:

| Status | *City Maximum | *Employee Minimum |
|-------------------|----------------------|--------------------------|
| Employee Only | \$1575 | \$ 0 |
| Employee + 1 | \$1575 | \$ 5 |
| Employee + Family | \$1575 | \$10 |

The following monthly City maximum contribution and employee minimum contribution benefit shall apply for the period January 1, 2026 through December 31, 2026:

| Status | *City Maximum | *Employee Minimum |
|-------------------|----------------------|--------------------------|
| Employee Only | \$1650 | \$ 0 |
| Employee + 1 | \$1650 | \$ 5 |
| Employee + Family | \$1650 | \$10 |

The following monthly City maximum contribution and employee minimum contribution benefit shall apply for the period January 1, 2027 through June 30, 2027:

| Status | *City Maximum | *Employee Minimum |
|-------------------|----------------------|--------------------------|
| Employee Only | \$1700 | \$ 0 |
| Employee + 1 | \$1700 | \$ 5 |
| Employee + Family | \$1700 | \$10 |

* The City will only pay up to the maximum contribution (City Maximum) or the premium of the health plan selected by the employee, whichever is lower. The employee must pay either the cost of the premium not covered by the City Maximum or the minimum contribution (Employee Minimum) as stated above, whichever is higher.

PERS Health Plan Deletion: An employee cannot be enrolled in the PERS health plan if a spouse is enrolled in the same agency or enrolled in an agency with PERS health, unless the employee (or the spouse) is enrolled without being covered as a family member. Additionally, an employee may choose to not be enrolled in the PERS health plan. If an employee chooses to delete the health plan coverage, the City, after determining that group health coverage is provided to the employee (by their spouse or other coverage), shall pay a cash allowance of \$300 per month. [The same concept is applied to Dental at \$5 per month]. The cash allowance will be prorated when an employee is on any leave of absence without pay. The proration will be waived during an approved FMLA leave (up to 12 weeks in a 12-month period). To be eligible for this "deletion" payment, the employee must provide proof, as determined by the Personnel Officer, that comparable group health coverage is in full force and effect. In the event the employee loses eligibility (with documentation) then the employee may re-enroll in the plan pursuant to the PERS health plan rules.

B. Retiree Health Savings Plan. Beginning July 2024, the City will contribute \$125 per month for each employee participating in the Retiree Health Savings Plan.

Section 2. Dental Insurance Plan.

A. The City shall pay 100% of the employee's premium to a dental insurance plan.

B. Payment for dependent coverage in the dental insurance plan shall be the responsibility of the employee.

C. The City will pick up the cost of employee's share of rate increases that occur within the Dental Plan for the duration of the current MOU contract, through 6/30/27.

Section 3. Vision Plan. The City shall pay 100% of the employee's and dependent's premium to a vision insurance plan.

A. The City will pick up the cost of rate increases that occur within the Vision Plan for the duration of the current MOU contract, through 6/30/27.

Section 4. Life Insurance Plan. The City shall pay 100% of the premium for a term life insurance policy for each eligible employee which shall be based upon a formula of one times the employee's annual salary rounded up to the nearest thousand dollars up to a maximum City paid coverage of \$50,000 (i.e. an employee who earns \$40,100 would receive \$41,000).

A. The City will pick up the cost of rate increases that occur within the Life Insurance Plan for the duration of the current MOU contract, through 6/30/27.

Section 5. Disability Insurance Plan. The City shall provide a long-term disability insurance plan for all employees covered by this agreement. The City shall pay 100% of the premium for the employee's short-term and long-term disability insurance plan. Modifications to the plan shall be made only after the City has met and consulted with the Association.

ARTICLE XVI - RETIREMENT

Section 1. The City shall continue to make contributions for regular "Classic" employees (i.e. those who do not meet the definition of "New Member" under the California Public Employees' Pension Reform Act (PEPRA)) to the PERS plan known as two percent (2%) at fifty-five (55). Publications relating to employee benefits and rights shall be posted in the Employees' lounges when received by the City.

Section 2. The City shall pay the Employer Paid Member Contribution (EPMC) to their retirement plan subject to *Section 3*, and place it in the employees' individual accounts.

Section 3. Employees hired prior to June 30, 2010 shall contribute 3% of the EPMC and the City will pay the remaining 4%.

Section 4. "Classic" employees hired after June 30, 2010 shall contribute 6% of the EPMC and the City will pay the remaining 1%.

The EPMC is not reported to CalPERS as special compensation.

Section 5. The City's PERS contract shall provide the Survivor's Continuance Benefit to employees.

Section 6. The City's PERS contract shall provide for the 1959 Survivor's Benefit (Level 3). The City shall make the employees' contribution in the amount of \$2.00 per month.

Section 7. The City's PERS contract shall provide for the "One Year Highest Compensation" benefit for eligible employees. The City shall pay for the entire cost of this benefit for eligible employees.

Section 8. Employees hired after January 1, 2013 who meet the definition of New Members under PEPRA, are subject to all laws, statutes, rules and regulations of PEPRA. New members are generally, but not exclusively, those employees hired on or after January 1, 2013 who are not already CalPERS members, or those employees who were CalPERS members as a result of employment for another CalPERS agency, but then had a 6-month break in serve before starting to work for the City.

Section 9. In the event the City and its employees are required to participate in the Federal Social Security program, the employee contribution designated by law would be the responsibility of the employee, and the City shall not be obligated to pay or "pick up" any portion thereof.

ARTICLE XVII – ONE-TIME RETIREMENT INCENTIVE

A. A one-time retirement incentive will be offered to employees with 10 or more years of service with the City. To qualify, the employee must be age 50 or older as of July 1, 2024 and have submitted their notice of retirement between the date of ratification of the MOU and August 31, 2024 with an effective retirement date no later than December 31, 2024. The employee will have the option to have the payment deposited into their RHS account or their 457 plan (if eligible).

B. The amount of the one-time incentive is based on years of continuous, full-time service with the City as follows:

- 25 or more years - \$25,000
- 20-24 years - \$20,000
- 15-19 years - \$15,000
- 10-14 years - \$10,000

ARTICLE XVIII - EMPLOYEE TRAINING AND EDUCATION PROGRAMS

Section 1. Tuition Reimbursement. Employees who meet the requirements of the plan and who secure at least a passing grade ("C") shall receive up to \$1,500 per fiscal year (July 1 to June 30) to attend accredited colleges taking courses pursuant to the employees' training and education programs. Reimbursement shall include the cost of tuition, fees and books, and all mandatory supplies. (Mandatory supplies shall include only such items necessary to complete compulsory assignments/projects required by instructors.)

ARTICLE XIX - SAFETY AND HEALTH

Section 1. The City and the employees of the City agree to comply with all applicable State and Federal laws which relate to health and safety.

Section 2. All persons who drive City vehicles shall be subject to the DMV Employer Pull

Notice Program.

ARTICLE XX - LAYOFF PROCEDURES

Section 1. Policy.

A. Whenever there shall be need for layoff, employees within the class(es) of position(s) involved shall be terminated in the following order: emergency, provisional, temporary, probationary, regular. The order of layoff of regular employees shall be based upon recommendation of the department head. The department head shall take into consideration such things as tenure and job performance. Regular employees, subsequently laid off, shall be given a minimum of one month's notice, and written notice of the reasons for such action. The City will discuss with the Association the impact of the layoff and alternatives available. Regular employees in good standing (those deemed to have produced satisfactory service) shall be placed on appropriate employment lists and will have precedence for employment over persons whose names appear on employment lists for the same class of position.

B. An employee may be terminated by the department head when deemed necessary or convenient as a result of substantial changes in duties or organization, abolition of position, shortages of work funds, or completion of work for which employment was made. Such termination shall not be subject to appeal.

ARTICLE XXI - REINSTATEMENT

Section 1. Policy.

A. Regular employees who have been laid off shall be entitled to reinstatement to positions in the same class where such positions are to be refilled during the period of their eligibility on the layoff employment list. Any employees so reinstated shall retain all benefits accrued in prior service with the City. During such layoff, no benefits shall accrue and the anniversary date shall be adjusted, if such layoff time exceeds 30 consecutive days.

B. Any regular employee who has resigned from the City's service in good standing may, upon written request and approval of the department head and City Manager, be considered for reinstatement to a position in the same or similar class in the classified service within two years of such termination. Such reinstatement shall be made without benefit of additional examination and may take precedence over employment lists, but in no way shall it be mandatory for the department head to reappoint a former employee should they desire not to do so. Appointment shall otherwise be made in the manner as for original employment.

C. Upon reinstatement, any employee so appointed shall be considered a new appointee and shall have no vested interest in or be entitled to any benefits accrued during any previous employment with the City.

ARTICLE XXII - TRANSFER, PROMOTION AND DEMOTION

Section 1. Transfer.

A. An employee may be transferred at any time from one position to another position in the same or comparable class having the same salary range and reasonably similar qualifications. Transfer involving a change from one department to another will require consent of both department

heads unless the City Manager orders the transfer. Transfers shall not be used to effectuate a promotion, demotion, advancement or reduction, each of which may be accomplished only as provided in this Agreement. No person may be transferred to a position for which they do not possess the minimum qualifications. Transfers shall be accomplished, when practicable, with consideration of the City's Affirmative Action Plan. The City Manager may require a transferring employee to serve a new probationary period.

B. For purposes of this Agreement, a transfer shall not include the reassignment of personnel within the internal operation of the department as may be made from time to time by the department head.

Section 2. Promotion.

A. Insofar as practicable and consistent with the best interests of the service, all vacancies in the competitive service shall be filled by promotion from within the competitive service, after a promotional examination has been given and a promotional list established. To be eligible to compete in a promotional examination, an employee must have City experience in a lower classification in the same occupational field performing work that is sufficiently preparatory for the work of the promotional classification. The City Manager shall determine the appropriate positions from which employees may be drawn to compete in a promotional examination.

B. If, in the opinion of the department head, a vacancy in the department could be filled better by an open, competitive examination, then the department head may instruct the Personnel Officer to call for applications for the vacancy and arrange for an open, competitive examination and for the preparation and certification of an employment list. Regular employees who meet the requirements of the position will be considered eligible to compete in the open, competitive examination.

C. Promotion shall be accomplished insofar as practicable and consistent with the best interests of the service, with consideration for the City's Affirmative Action Plan.

Section 3. Demotion.

A. The department head, with approval of the City Manager, may demote an employee for any of the following reasons or conditions:

1. An employee whose ability to perform their required duties falls below acceptable standards.
2. For disciplinary reasons set forth in Chapter 11.03 of the Personnel Rules and Regulations of the City of Cypress.
3. When the need for a position which an employee fills no longer exists.
4. When an employee requests such demotion and has the consent of the prospective supervising official.
5. For any other reasonable grounds as approved by the City Manager.

B. No employee shall be demoted to a classification for which they do not possess the minimum qualifications. Written notice shall be given an employee at least three working days before the effective date of the demotion and complete information regarding such change shall be reported to the Personnel Officer.

ARTICLE XXIII - NO STRIKE - NO LOCKOUT

Section 1. Prohibited Conduct.

A. The Association, its officers, agents, representatives and/or members agree that during the term of this Agreement, they will not cause or condone any strike, walkout, slowdown, sickout or any other job action by withholding or refusing to perform services.

B. The City agrees that it shall not lock out its employees during the term of this Agreement. The term "lockout" is hereby defined so as not to include the discharge, suspension, termination, layoff, failure to recall, or failure to return to work of employees of the City in the exercise of its rights as set forth in any of the provisions of this Agreement or applicable ordinance or law.

C. Any employee who participates in any conduct prohibited in Section A above may be subject to termination by the City.

D. In addition to any other lawful remedies or disciplinary actions available to the City, if the Association fails to perform all responsibilities listed below in Section 2, "Association Responsibility", in good faith, the City may suspend any and all of the rights, privileges, accorded to the Association under this Memorandum of Understanding, including, but not limited to, suspension of recognition of the Association, grievance procedures, right of access, check off, the use of the City's bulletin boards and facilities.

Section 2. Association Responsibility.

A. In the event that the Association, its officers, agents, representatives, or members engage in any of the conduct prohibited in Section A, "Prohibited Conduct", the Association or its duly authorized representatives shall immediately instruct any persons engaging in such conduct that their conduct is in violation of this Memorandum of Understanding and unlawful, and they should immediately cease engaging in conduct prohibited in Section A, "Prohibited Conduct", and return to work.

B. If the Association performs all of the responsibilities set forth in Section A herein, its officers, agents and representatives shall not be liable for damages for prohibited conduct performed by employees who are covered by this Agreement in violation of Section A "Prohibited Conduct".

ARTICLE XXIV - ENTIRE MEMORANDUM OF UNDERSTANDING

Section 1. It is the intent of the parties hereto that the provisions of this Memorandum of Understanding shall supersede all prior agreements and memoranda of agreement, or memoranda of understanding, or contrary salary and/or personnel resolutions or administrative codes, provisions of the City, oral and written, expressed or implied, between the parties, and shall govern the entire relationship, and shall be the sole source of any and all rights which may be asserted hereunder. This Memorandum of Understanding is not intended to conflict with state or federal law.

Section 2. Notwithstanding the provisions of Section 1 of Article XXV below, there exists within the City certain personnel rules and regulations. To the extent that this Agreement does not specifically contradict these personnel rules and regulations or departmental rules and regulations or City ordinances, they shall continue subject to being changed by the City in accordance with the exercise of City rights under this Agreement and applicable state law.

ARTICLE XXV - WAIVER OF BARGAINING DURING TERM OF THIS AGREEMENT

Section 1. Except where required by the terms of this Agreement, during the term of this Memorandum of Understanding, the parties mutually agree that they will not seek to negotiate or bargain with regard to wages, hours and terms and conditions of employment, whether or not covered by this Memorandum of Understanding or in the negotiations leading thereto, and irrespective of whether or not such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this Memorandum of Understanding. Regardless of the waiver contained in this Article, the parties may; however, by mutual agreement, in writing, agree to meet and confer about any matter during the term of this Memorandum of Understanding.

Section 2. During the term of this Agreement (FY2024 – 2027), the CEA agrees to review any proposed changes to the City's Personnel Rules and Regulations. In response to a request by the CEA, the City will provide a minimum of five working days to review or respond to any item that affects wages, hours, and other terms and conditions of employment. Any request(s) by the City to the CEA will be in writing (email, memo, letter, etc.) and forwarded directly to at least one designated member of the CEA Board.

ARTICLE XXVI - CITY RIGHTS

Section 1. The City reserves, retains and is vested with, solely and exclusively, all rights of management which have not been expressly abridged by specific provision of this Memorandum of Understanding or by Law to manage the City, as such rights existed prior to the execution of this Memorandum of Understanding. The sole and exclusive rights of management, as they are not abridged by this Agreement or by Law, shall include, but not be limited to, the following rights:

- A. To manage the City generally and to determine the issues of policy.
- B. To determine the existence or non-existence of facts which are the basis of the management decision.
- C. To determine the necessity and organization of any service or activity conducted by the City and expand or diminish service.
- D. To determine the nature, manner, means, and technology and extent of services to be provided to the public.
- E. Methods of financing.
- F. Types of equipment or technology to be used.
- G. To determine and/or change the facilities, methods, technology, means and size of the workforce by which the City operations are to be conducted.
- H. To determine and change the number of locations, relocations and types of operations, processes, and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or sub-contract any work or operation.
- I. To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments.
- J. To relieve employees from duties for lack of work or similar non-disciplinary reasons.
- K. To establish and modify productivity and performance programs and standards.
- L. To discharge, suspend, demote or otherwise discipline employees for proper cause in accordance with the provisions and procedures set forth in departmental disciplinary procedures.
- M. To determine job classification and to reclassify employees.
- N. To hire, transfer, promote and demote employees for non-disciplinary reasons in accordance with the Memorandum of Understanding.
- O. To determine policies, procedures and the standards for selection, training and promotion

of employees.

- P. To establish employee performance standards including, but not limited to, quality and quantity standards; and to require compliance therewith.
- Q. To maintain order and efficiency in its facilities and operations.
- R. To establish and promulgate and/or modify rules and regulations to maintain order and safety in the City which are not in contravention with this Agreement.
- S. To take any and all necessary action to carry out the mission of the City in emergencies.

Section 2. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of Law, whenever the contemplated exercise of management's rights shall impact on a significant number of employees of the bargaining unit, the City agrees to meet and confer in good faith with representatives of the Association regarding the impact of the contemplated exercise of such rights prior to exercising such rights unless the matter of the exercise of such rights is provided for in this Memorandum of Understanding.

ARTICLE XXVII - EMERGENCY WAIVER PROVISION

Section 1. In the event of circumstances beyond the control of the City, such as acts of God, fire, flood, insurrection, civil disorder, national emergency, or similar circumstances, provisions of this Memorandum of Understanding or the Personnel Rules and Regulations of the City, which restrict the City's ability to respond to these emergencies, shall be suspended for the duration of such emergency. After the emergency is over, the Association shall have the right to meet and confer with the City regarding the impact on employees of the suspension of these provisions in the Memorandum of Understanding and any Personnel Rules and Regulations.

ARTICLE XXVIII - SEPARABILITY

Section 1. Should any provision of this Memorandum of Understanding be found to be inoperative, void, or invalid by a court of competent jurisdiction, all other provisions of this Memorandum of Understanding shall remain in full force and effect for the duration of this Memorandum of Understanding.

ARTICLE XXIX - TERM OF MEMORANDUM OF UNDERSTANDING

Section 1. The term of this Memorandum of Understanding shall commence at 12:00 A.M., July 1, 2024, and shall continue in full force and effect until 11:59 P.M., June 30, 2027.

ARTICLE XXX - RATIFICATION AND EXECUTION

Section 1. The City and the Association acknowledge that this Memorandum of Understanding shall not be in full force and effect until ratified by the Association and adopted by the City Council of the City of Cypress. Subject to the foregoing, this Memorandum of Understanding is hereby executed by the authorized representatives of the City and the Association.

CITY OF CYPRESS

By: [Signature] Date: 7/1/24
Matt Burton, Director of Finance and Administrative Services

By: [Signature] Date: 7/1/24
Regina Nguyen, Human Resources Manager

By: [Signature] Date: 7/1/24
Nancy Gallardo, Human Resources Analyst

CYPRESS EMPLOYEES' ASSOCIATION

By: [Signature] Date: July 1, 2024
Pat Hough, CEA Representative

By: [Signature] Date: 7/1/2024
Kori Sanders, CEA Representative

By: [Signature] Date: 7/1/2024
Julie Marquez, CEA Representative

By: [Signature] Date: 7/1/2024
Taylor Burtle, CEA Representative

EXHIBIT "A"

| Cypress Employees' Association | | | | | | | | | |
|---------------------------------------|---------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| Effective 7/5/2024 | | | | | | | | | |
| Regular F/Time Classifications | SALARY RANGES (Per Month/Hour) | | | | | | | | |
| | A | A1 | B | B1 | C | C1 | D | D1 | E |
| Associate (Civil) Engineer | \$8,933 51.5365 | \$9,158 52.8346 | \$9,383 54.1327 | \$9,615 55.4712 | \$9,849 56.8212 | \$10,096 58.2462 | \$10,339 59.6481 | \$10,599 61.1481 | \$10,858 62.6423 |
| Project Manager | \$8,933 51.5365 | \$9,158 52.8346 | \$9,383 54.1327 | \$9,615 55.4712 | \$9,849 56.8212 | \$10,096 58.2462 | \$10,339 59.6481 | \$10,599 61.1481 | \$10,858 62.6423 |
| Associate Planner | \$7,410 42.7500 | \$7,592 43.8000 | \$7,776 44.8615 | \$7,972 45.9923 | \$8,167 47.1173 | \$8,371 48.2942 | \$8,573 49.4596 | \$8,790 50.7115 | \$9,003 51.9404 |
| Accountant | \$7,271 41.9481 | \$7,453 42.9981 | \$7,634 44.0423 | \$7,825 45.1442 | \$8,017 46.2519 | \$8,217 47.4058 | \$8,418 48.5654 | \$8,628 49.7769 | \$8,838 50.9885 |
| Computer Support Specialist | \$6,740 38.8846 | \$6,908 39.8538 | \$7,076 40.8231 | \$7,254 41.8500 | \$7,430 42.8654 | \$7,616 43.9385 | \$7,802 45.0115 | \$7,997 46.1365 | \$8,192 47.2615 |
| Assistant Planner | \$6,438 37.1423 | \$6,598 38.0654 | \$6,759 38.9942 | \$6,929 39.9750 | \$7,099 40.9558 | \$7,277 41.9827 | \$7,454 43.0038 | \$7,639 44.0712 | \$7,826 45.1500 |
| Code Enforcement Officer II | \$6,418 37.0269 | \$6,579 37.9558 | \$6,740 38.8846 | \$6,908 39.8538 | \$7,076 40.8231 | \$7,254 41.8500 | \$7,430 42.8654 | \$7,616 43.9385 | \$7,802 45.0115 |
| Code Enforcement Officer I | \$5,824 33.6000 | \$5,968 34.4308 | \$6,114 35.2731 | \$6,265 36.1442 | \$6,421 37.0442 | \$6,579 37.9558 | \$6,740 38.8846 | \$6,908 39.8538 | \$7,076 40.8231 |
| Engineering Aide | \$5,682 32.7808 | \$5,824 33.6000 | \$5,968 34.4308 | \$6,114 35.2731 | \$6,265 36.1442 | \$6,421 37.0442 | \$6,579 37.9558 | \$6,740 38.8846 | \$6,908 39.8538 |
| Senior Account Clerk | \$5,424 31.2923 | \$5,559 32.0712 | \$5,692 32.8385 | \$5,837 33.6750 | \$5,980 34.5000 | \$6,130 35.3654 | \$6,279 36.2250 | \$6,437 37.1365 | \$6,592 38.0308 |
| Community Outreach Officer | \$5,410 31.2115 | \$5,545 31.9904 | \$5,682 32.7808 | \$5,824 33.6000 | \$5,968 34.4308 | \$6,114 35.2731 | \$6,265 36.1442 | \$6,421 37.0442 | \$6,579 37.9558 |
| Police Services Officer | \$5,410 31.2115 | \$5,545 31.9904 | \$5,682 32.7808 | \$5,824 33.6000 | \$5,968 34.4308 | \$6,114 35.2731 | \$6,265 36.1442 | \$6,421 37.0442 | \$6,579 37.9558 |

Cypress Employees' Association

Effective 7/5/2024

| Regular F/Time Classifications | SALARY RANGES (Per Month/Hour) | | | | | | | | |
|---|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | A | A1 | B | B1 | C | C1 | D | D1 | E |
| Secretary to Department Head | \$5,367 30.9635 | \$5,495 31.7019 | \$5,631 32.4865 | \$5,772 33.3000 | \$5,913 34.1135 | \$6,063 34.9788 | \$6,210 35.8269 | \$6,365 36.7212 | \$6,517 37.5981 |
| Recreation Coordinator | \$5,282 30.4731 | \$5,414 31.2346 | \$5,546 31.9962 | \$5,684 32.7923 | \$5,824 33.6000 | \$5,966 34.4192 | \$6,112 35.2615 | \$6,264 36.1385 | \$6,418 37.0269 |
| Office Specialist/Police | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 | \$5,367 30.9635 | \$5,495 31.7019 | \$5,631 32.4865 | \$5,772 33.3000 |
| Account Clerk II | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 | \$5,367 30.9635 | \$5,495 31.7019 | \$5,631 32.4865 | \$5,772 33.3000 |
| Admin. Services Tech. II | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 | \$5,367 30.9635 | \$5,495 31.7019 | \$5,631 32.4865 | \$5,772 33.3000 |
| Police Clerk II | \$4,575 26.3942 | \$4,688 27.0462 | \$4,803 27.7096 | \$4,922 28.3962 | \$5,042 29.0865 | \$5,167 29.8096 | \$5,295 30.5481 | \$5,424 31.2923 | \$5,559 32.0712 |
| Account Clerk I | \$4,305 24.8365 | \$4,411 25.4481 | \$4,518 26.0654 | \$4,633 26.7288 | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 |
| Administrative Clerk/ Community Development | \$4,305 24.8365 | \$4,411 25.4481 | \$4,518 26.0654 | \$4,633 26.7288 | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 |
| Admin. Services Tech. I | \$4,305 24.8365 | \$4,411 25.4481 | \$4,518 26.0654 | \$4,633 26.7288 | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 | \$5,108 29.4692 | \$5,233 30.1904 |
| Office Assistant II | \$4,099 23.6481 | \$4,203 24.2481 | \$4,305 24.8365 | \$4,411 25.4481 | \$4,518 26.0654 | \$4,633 26.7288 | \$4,747 27.3865 | \$4,865 28.0673 | \$4,985 28.7596 |
| Police Clerk I | \$3,952 22.8000 | \$4,051 23.3712 | \$4,150 23.9423 | \$4,251 24.5250 | \$4,355 25.1250 | \$4,466 25.7654 | \$4,575 26.3942 | \$4,688 27.0462 | \$4,803 27.7096 |
| Office Assistant I | \$3,719 21.4558 | \$3,814 22.0038 | \$3,906 22.5346 | \$4,004 23.1000 | \$4,099 23.6481 | \$4,203 24.2481 | \$4,305 24.8365 | \$4,411 25.4481 | \$4,518 26.0654 |

Effective July 4, 2025, based upon the previous 12-month period for the May CPI-U for Los Angeles-Long Beach-Anaheim, a minimum 4% to a maximum 4.5% range adjustment.

Effective July 3, 2026, based upon the previous 12-month period for the May CPI-U for Los Angeles-Long Beach-Anaheim, a minimum 4% to a maximum 4.5% range adjustment.