



**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF NORCO
AND
NORCO GENERAL EMPLOYEES ASSOCIATION**

JULY 1, 2015 – JUNE 30, 2017

**NORCO GENERAL EMPLOYEES ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

TABLE OF CONTENTS

		<u>PAGE</u>
ARTICLE 1	Preamble	4
ARTICLE 2	Recognition	4
ARTICLE 3	Salaries	4
ARTICLE 4	PERS Benefits Employees Hired on/prior to December 31, 2012	4-5
ARTICLE 5	PERS Benefits Employees Hired on/after January 1, 2013	5
ARTICLE 6	Health Insurance	5
ARTICLE 7	Dental Insurance	5
ARTICLE 8	Vision Insurance	5
ARTICLE 9	Life Insurance	6
ARTICLE 10	Long Term Disability Insurance	6
ARTICLE 11	Continuous Service Bonus	6
ARTICLE 12	Sick Leave	6
ARTICLE 13	Employee on Leave Compensation	6
ARTICLE 14	Annual Sick Leave Buy Back	7
ARTICLE 15	Sick Leave Buy Back on Separation	7
ARTICLE 16	Bereavement	7
ARTICLE 17	Jury Duty	7
ARTICLE 18	Holidays	7-8
ARTICLE 19	Vacation	8

ARTICLE 20	Compensatory Time	8-9
ARTICLE 21	Standby	9
ARTICLE 22	Overtime	9
ARTICLE 23	Call Out	9
ARTICLE 24	Court Time Compensation	9
ARTICLE 25	Tuition Reimbursement	9-10
ARTICLE 26	Acting Pay	10
ARTICLE 27	Uniforms	10
ARTICLE 28	Deferred Compensation	10
ARTICLE 29	State Disability Insurance	10
ARTICLE 30	Injury on Duty - Worker's Compensation	11
ARTICLE 31	Layoff and Re-employment Procedure	11
ARTICLE 32	Severance Pay - Layoff	11
ARTICLE 33	Management Rights	12
ARTICLE 34	Provisions of Law	12
ARTICLE 35	General Provisions	12-13
	SIGNATURE PAGE	14

**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF NORCO AND
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ARTICLE 1 PREAMBLE

Representatives of the City of Norco and the Norco General Employees Association have met and conferred on salaries and benefits for the Fiscal Year beginning July 1, 2015. The following items have been agreed upon. The term of this Agreement shall be for two (2) years for the period beginning July 1, 2015 and ending June 30, 2017.

ARTICLE 2 RECOGNITION

1. The City recognizes the Norco General Employees Association as the exclusive representative of full-time employees in the following classifications:
Account Clerk I
Account Clerk II
Account Clerk III
Animal Control Officer
Building Inspector
Bus Driver
Computer Information Systems Technician
Permit Technician
Senior Animal Control Officer
Senior Code Enforcement Officer
2. The classifications listed above constitute all of the City employees that are represented by the Norco General Employees Association.

ARTICLE 3 SALARIES

There shall be a 3% salary range adjustments for classifications represented by the Norco General Employees Association effective July 1, 2015 and a 3% salary range adjustments effective July 1, 2016.

ARTICLE 4 PERS BENEFITS / EMPLOYEES HIRED ON/PRIOR TO DECEMBER 31, 2012

1. For employees hired on or prior to December 31, 2012 and new hires who are "Classic" Members, the City has a contract with CalPERS to provide employees with the 2.7% at 55 Full Formula (Section 21354.5).

Other benefits in the CalPERS agreement include:

- a. Section 20965: Credit for Unused Sick Leave. Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service credit for each day of unused sick leave.
- b. Section 21574: Fourth Level 1959 Survivors Benefits. This benefit provides a higher level of 1959 Survivor Benefits to survivors of a member who dies prior to retirement.
- c. Three-year final compensation (36 highest paid consecutive months).

2. **Employees hired on or prior to October 31, 2010:** Effective July 1, 2015, the City has agreed to pay 100% of the employer and 2% of the employee's contribution rates toward retirement through the CalPERS Retirement System and employees will pay 6% of the employee's contribution rates. Effective July 1, 2016 the City will pay 100% of the employer and 0% of the employee's contribution rates and employees will pay 8% of the employee's contribution rates toward retirement through the CalPERS Retirement System.
3. **Employees hired on or after November 1, 2010 and through December 31, 2012:** The City has agreed to pay 100% of the employer contribution rates toward retirement and the employee will pay 8% of the employee contribution rates toward retirement through the CalPERS Retirement System.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 5 PERS BENEFITS / EMPLOYEES HIRED ON/AFTER JANUARY 1, 2013

1. The new retirement formula for miscellaneous employees is 2% at 62, with a maximum benefit of 2.5% at 67.
2. Employees must contribute at least 50% of the normal cost rate for the defined benefit plan, rounded to the nearest quarter percent, currently 6.25%.
3. Employer may not pay any of the employee share of pension cost.
4. City shall implement all other requirements mandated by the Public Employees' Pension Reform Act of 2013.

ARTICLE 6 HEALTH INSURANCE

1. The City will participate with the State of California for health benefit programs available through CalPERS.
2. The City agrees to pay up to \$1250 a month for those employees and their dependents enrolled in any of the available CalPERS health plans.
3. Any eligible employee who elects to opt-out of health benefits will be paid a monthly cash amount equal to the lowest basic single rate premium in the CalPERS Other Southern California Region in lieu of health benefits, providing the following requirements are met:
 - a) An election form to opt-out of health benefits is completed.
 - b) Satisfactory proof of other coverage is provided.

ARTICLE 7 DENTAL INSURANCE

The City will provide a choice between a HMO dental insurance plan, fully paid by the City for both the employee and dependent coverage, and a PPO dental insurance plan with the City's contribution limited to the cost of the HMO dental insurance premium.

ARTICLE 8 VISION INSURANCE

The City will provide a vision care plan that is fully paid by the City for both employee and dependent coverage.

ARTICLE 9 LIFE INSURANCE

The City will provide term life insurance benefit equal to the employee's annual salary (rounded to the nearest thousand) and \$5,000 dependent life benefit, fully paid by the City for both employee and dependent coverage. The annual salary will be the monthly base salary times twelve.

ARTICLE 10 LONG TERM DISABILITY INSURANCE

The City of Norco offers an optional Long-Term Disability plan at the employee's expense.

ARTICLE 11 CONTINUOUS SERVICE BONUS

In recognition of years of service to the City, a Continuous Service Bonus shall be given on the anniversary date of the employee as follows:

- Five-year anniversary \$100
- Ten-year anniversary \$300
- Fifteen year anniversary \$500
- Twenty-year anniversary \$700
- Twenty-five year anniversary \$1,000
- Thirty-year anniversary \$1,250

ARTICLE 12 SICK LEAVE

1. Full-time general employees assigned to the 36-hour workweek shall accrue 8.1 hours of sick leave per month.
2. Employees may use up to half of their accumulated sick leave for immediate family or domestic partner illness or medical emergency and up to three days of accumulated sick leave in addition to the three days of bereavement leave for the death of an immediate family member or domestic partner.
3. Employees may use accrued paid sick leave beginning on the 90th day of employment. Sick leave may be used for employee or a family member for diagnosis, care or treatment of an existing health condition or preventive care, or specified purposes for an employee who is a victim of domestic violence, sexual assault or stalking.

ARTICLE 13 EMPLOYEE ON LEAVE COMPENSATION

An employee on leave without pay, excluding FMLA, CFRA, Military and Disability, shall receive no compensation, including pay for holidays, and shall accumulate no vacation or sick leave while on such leave but shall continue to receive the benefits of continuous service and insurance coverage. The employee's department head shall approve all leaves without pay. The City shall use any accrued sick or vacation accrual for payment of any elected benefit premiums.

ARTICLE 14 ANNUAL SICK LEAVE BUY-BACK

1. At the option of the employee, the City shall pay to each employee on the payroll immediately following December 1 of the year, 40 percent (40%) of the employee's unused sick leave for the previous 12 months with the time paid to be deducted from the employee's total sick leave accumulation.
2. If the employee is enrolled in any City of Norco deferred compensation program, the employee will have the option of contributing the money in their deferred compensation account. Employee must submit a deferral change form to payroll for processing.

3. In order to be eligible for a sick leave buy back, the employee must have been employed with the City for six months and have successfully completed his/her probationary period as of December of each year.
4. Individuals on probation due to promotions are eligible for the buy back.

ARTICLE 15 SICK LEAVE BUY BACK ON SEPARATION

After ten years of service, the City shall pay 50 percent (50%) of any sick leave accumulation to the employee at the time of death, retirement or separation from the City up to a maximum of ninety days.

ARTICLE 16 BEREAVEMENT

1. Bereavement leave shall be provided in the amount of three days in the event of the death of a member of the employee's immediate family. Such bereavement leave shall not be deducted from an employee's accumulated sick leave.
2. Employees may use up to three (3) days of accumulated sick leave in addition to the three (3) days bereavement for the death of an immediate family member.
3. Immediate family shall be defined as any relative who is a member of the employee's household, and any parent, grandparent, spouse, domestic partner, child, brother or sister of the employee. The parent, brother or sister of the employee's spouse, domestic partner, ex-spouse, or deceased spouse, regardless of residence or employee's current marital status, is also eligible.

ARTICLE 17 JURY DUTY

1. An employee of the City who is requested to serve on jury duty shall notify his/her supervisor who shall in turn notify his/her department head.
2. While serving on jury duty, an employee shall receive his/her regular salary from the City. The employee shall remit to the City all compensation received as a result of serving on jury duty, except mileage reimbursement.
3. Jury duty limit will be 72 paid hours per fiscal year. An employee must submit documentation of court attendance. Jury duty will be paid for regularly scheduled work days up to the maximum of 72 paid hours per fiscal year.

ARTICLE 18 HOLIDAYS

1. Employees shall receive the following paid days off for holidays each year:
 - New Year's Day
 - Martin Luther King's Birthday
 - President's Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Veteran's Day
 - Thanksgiving Day
 - Christmas Eve Day
 - Christmas Day
 - Birthday
The birthday holiday must be taken within the pay period of the employee's birthday.
 - 3 Floating Holidays

New hires' floating holidays will be pro-rated. If hired between July 1 – October 31 new hires will accrue three (3) floating holidays, if hired between November 1 – February 28 new hires will accrue two (2) floating holidays, if hired between March 1 – June 30 new hires will accrue one (1) floating holiday. New hires are not required to complete probation to use accrued floating holiday(s). Days off must have prior approval by immediate supervisor. All floating holidays must be used or will be lost by June 30 each year.

2. In the event any holiday falls on a Friday or Saturday, the Thursday preceding shall be observed as the holiday, or if the holiday falls on a Sunday, the Monday following shall be observed as the holiday.
3. The City shall pay nine (9) hours for each holiday.

ARTICLE 19 VACATION

1. Full-time Norco General Employees shall receive vacation accruals as follows:

<u>Vacation Accumulation</u>	<u>Hours of Service</u>	<u>Maximum Accrual</u>
86.4 hours per year / 3.32 hours per pay period	Up to 7,488 ^(4 yrs)	192 hours
129.6 hours per year / 4.98 hours per pay period	7,489 – 16,847 ^(9 yrs)	288 hours
151.2 hours per year / 5.82 hours per pay period	16,848 - 26,207 ^(14 yrs)	336 hours
172.8 hours per year / 6.65 hours per pay period	26,208 – 99,999	384 hours

2. Employees will cease to accrue vacation hours when in any pay period they exceed their annual accrual as determined by their anniversary date.
3. Employees accrue vacation hours but may not use vacation hours until successful completion of probation.

ARTICLE 20 COMPENSATORY TIME

1. In lieu of overtime pay, employees may be granted compensatory time, if requested by the employee and approved in advance by the City Manager or designee. However, it is the City's intent to minimize compensatory time authorization. Therefore, employees should not expect to have compensatory time authorized.
2. Compensatory time granted will accrue at a rate of one and one half hours per overtime hour worked, except for overtime worked on holidays and the employee's seventh scheduled day of a work week.
4. Compensatory time granted will accrue at a rate of two hours per overtime hour worked on holidays and the employee's seventh scheduled day of a workweek.
4. Employees may accumulate up to 60 hours of compensatory time which can be used at the employee's discretion with the approval of the immediate supervisor.
6. The decision to allow compensatory time in lieu of overtime is solely a management decision.
7. Subject to the 60-hour limit above, management can be expected to approve an employee request for compensatory time in lieu of paid overtime if hours to be accumulated as compensatory time are not reasonably expected to result in the need to backfill resulting in lost productivity when the hours are taken off work, by necessitating a management decision to pay regular pay, overtime pay, or grant additional compensatory time to the requestor or another employee or require hiring temporary or consulting personnel.

ARTICLE 21 STANDBY

1. Assignment of personnel to standby shall be the prerogative of management and employees shall be subject to standby or call-out as deemed necessary.
2. Standby personnel must be able to respond within thirty minutes of being called.
3. Employees required to accept standby assignment will be compensated at the rate of one and one half hours per weekday and three hours per 24-hour shift for weekends and holidays.
4. The definition of weekends shall include employee's regularly scheduled days off.
5. Employees required to accept backup standby assignments will be compensated at the rate of one hour per day.
6. Employees who are not on assigned standby but are "called out" are required to respond if contacted and instructed to report to work.

ARTICLE 22 OVERTIME

1. For employees assigned to the 36-hour workweek, the City will compensate employees for overtime in excess of 36 hours per week paid at a rate of time and one-half, except for holidays and for overtime on the employee's seventh scheduled day of their workweek.
2. The City will compensate employees for overtime on holidays and employee's seventh day of their workweek at a rate of double time.
3. An employee's scheduled workweek may or may not be a traditional Monday through Friday workweek.
4. The regular 36-hour workweek is considered to be 36 hours of paid time, which will include holidays, sick leave, vacation and compensated time off.

ARTICLE 23 CALL OUT

1. Employees will be compensated for a minimum of two hours when performing call-out work.
2. Employee compensation rate is addressed in Article 21.

ARTICLE 24 COURT TIME COMPENSATION

City employees will be compensated for City of Norco duty-related and required court appearances in those cases where the employee is required to report to the court when he/she is not scheduled to work.

ARTICLE 25 TUITION REIMBURSEMENT

1. The City will provide tuition reimbursement in an amount not to exceed \$400 per quarter, not to exceed \$800 per year, for the purpose of offsetting costs of actual tuition and/or book expense incurred by such employee.
2. The benefit is intended only for courses related to the furtherance of employees' careers with the City.
3. To be eligible for reimbursement, the course must be pre-approved by the Department Head prior to enrollment.
4. Receipts will be required prior to reimbursement.
5. All persons participating in the tuition reimbursement program must maintain a passing grade of "C" and submit satisfactory proof to the Department Head.

6. A grade of "B" will be required for master's level class reimbursement.
7. Should an employee fail to obtain a passing grade of C (or B for master's level courses) or fail to complete the course, he/she shall be obligated to reimburse the City for his/her reimbursement if prepayment had been made.

ARTICLE 26 ACTING PAY

1. General Employees shall be eligible for acting pay for temporarily filling a position of a higher classification beyond a period of ten consecutive workdays or for filling a position of a higher classification for an interim period during a vacancy.
2. Employees shall be compensated one step or at a rate of five percent higher than his/her current salary if his/her current position is in a range that overlaps the range of the higher classification being filled, or be compensated two steps or at a rate of ten percent higher than his/her current salary, if the position being temporarily filled is beyond subject employee's pay range.
3. Eligibility for acting pay shall be determined by employee's Department Head with the approval of the City Manager.

ARTICLE 27 UNIFORMS

1. The City shall purchase all special equipment and uniforms required of an employee in relation to the employee's job duties.
2. All uniforms purchased by the City, and all identifying patches, badges, etc., must be returned to the City when an employee terminates his/her employment.
3. The City shall approve the store to be used for purchase of uniforms and boots.

ARTICLE 28 DEFERRED COMPENSATION

1. The City of Norco offers several deferred compensation plans.
2. Any City full time employee may elect to participate. The plans provide employees the ability to defer current income from state and federal taxes to provide future payments upon death, disability retirement or separation from the City.
3. Employees may defer a minimum of \$10 per payroll period up to a maximum that is determined by Internal Revenue Service Code 457(k).
4. The provisions of deferred compensation are subject to change in accordance with Internal Revenue Code Section 457(k).

ARTICLE 29 STATE DISABILITY INSURANCE

1. Employees of the City are covered under State Disability Insurance.
2. State Disability Insurance (SDI) shall provide benefits to employees consistent with state laws, and shall be paid per state law.
3. An employee may request to supplement his/her State Disability Insurance with his/her available sick leave or vacation time to maintain a regular salary while receiving disability benefits.

ARTICLE 30 INJURY ON DUTY – WORKERS COMPENSATION

1. An employee injured on the job must notify their supervisor and Human Resources immediately and submit claim form within one business day of injury and/or illness.
2. Unless an employee has completed a "Designation of Personal Physician" form prior to an injury and/or illness, an employee needing medical treatment should be referred to the City's authorized clinic to be provided with medical care.
3. The City Worker's Compensation Insurance Program shall provide compensation to employees injured on duty consistent with state laws and other worker's compensation laws. An injury must meet the test of both arising out of employment and occurring during the course of employment to be compensable under worker's compensation.
4. An injured employee under Worker's Compensation may request to supplement his/her Worker's Compensation payments with his/her available sick leave or vacation time to maintain a regular salary while on Worker's Compensation.
5. Time for workers compensation doctor appointments and physical therapy will not be deducted from employees' sick leave accrual. Employees are encouraged to schedule follow up visits outside of work hours to minimally disrupt the work day.
6. In order to qualify for temporary disability benefits there must be a loss of earnings. There is a three (3) day waiting period before qualifying for wage loss benefits. Temporary disability pays 2/3 or .6667% of wages.
7. Temporary disability is paid through the City's workers compensation administrator.

ARTICLE 31 LAYOFF AND RE-EMPLOYMENT PROCEDURE

1. Individual layoffs within individual classifications shall be based on the affected job class.
2. In determining the order of layoff, the City shall take into account job performance, seniority, specialized skills, and the City's need to operate.
3. Employees subject to layoff for economic or budgetary reasons shall not have the right of appeal.
4. For the purpose of providing reemployment opportunities for individuals who may be laid off from their employment with the City of Norco, the City shall establish a "reemployment list."
5. General Employees shall remain on the reemployment list for a period of one year from the date of the receipt of notice of layoff.
6. The reemployment list shall be used for individuals who will be eligible for appointment to a position that he/she held at the time of layoff from the City, or to a specific classification previously held with the City should such a position become vacant.
7. The reemployment list shall have priority over open competitive examination employment lists established by the City for a position affected by the reemployment list.

ARTICLE 32 SEVERANCE PAY – LAYOFF

1. Severance pay will be provided upon layoff from the City.
2. The severance pay shall be one week of compensation at six months employment, two weeks compensation at eighteen months, three weeks compensation at thirty months employment, and four weeks compensation at forty-two months or more of employment.

ARTICLE 33 MANAGEMENT RIGHTS

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services.

It is agreed that during the term hereof, the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

1. Determine and modify the organization of City government and its constituent work units.
2. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.
3. Determine the methods, means and the number and kinds of personnel by which services are to be provided.
4. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
5. Direct employees, including scheduling and assigning work, work hours, and overtime.
6. Establish employee performance standards and to require compliance therewith.
7. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law.
8. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
9. Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
10. Take all necessary actions to protect and public and carry out its mission in emergencies.
11. Determine the content of job classifications.
12. Contract out and transfer work out of the bargaining unit.

Decisions under this Article shall not be subject to the grievance procedure herein.

Failure by the City to exercise and/or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

ARTICLE 34 PROVISIONS OF LAW

If any article or section of this agreement, or any addition thereto, should be held invalid by operation of law, or by a tribunal or office of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal or office, the remainder of this agreement shall not be affected thereby and all parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section.

ARTICLE 35 GENERAL PROVISIONS

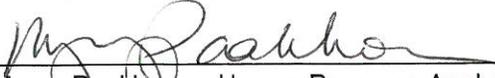
1. The parties acknowledge that during the negotiations which resulted in this MOU, each had the right and opportunity to make demands and proposals with respect to subjects within the scope of representation. The understandings arrived at after the exercise of that right are set forth in this MOU and constitute the complete and total contract between the City and the NGEA with respect to wages, hours, and other terms and conditions of employment.

2. Any prior or existing Memoranda of Understanding between the parties regarding matters within the scope of representation are hereby superseded and terminated in their entirety.

CITY OF NORCO



Andy Okoro, City Manager



Myrna Paakkonen, Human Resource Analyst

Date: 6-29-15

NORCO GENERAL EMPLOYEES ASSOCIATION



Julia Murray



Shanon Anderson

Date: 6/25/2015