

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF YORBA LINDA
and
YORBA LINDA MID-MANAGEMENT ASSOCIATION

JULY 1, 2010 TO JUNE 30, 2011

MEMORANDUM OF UNDERSTANDING

BETWEEN

**CITY OF YORBA LINDA
(hereinafter called "City")**

and

**YORBA LINDA MID-MANAGEMENT ASSOCIATION
(hereinafter called "Association")**

ARTICLE I

REPRESENTATION UNIT

It is recognized that the Yorba Linda Mid-Management Association ("Association") is the employee organization which has the right to meet and confer in good faith with the City on behalf of the mid-management employees of the City of Yorba Linda whose classifications are listed in Exhibit "A" of this agreement.

ARTICLE II

TERM

The term of this agreement will be for the period of July 1, 2010 through June 30, 2011.

ARTICLE III

COMPENSATION

For the term of this MOU, a 104 hour furlough has been implemented due to the current budget crisis. The furlough will end on a date certain, within the period of August 1, 2010 to June 30, 2011, based upon the decision of the City with prior notification to the Association. The work week and work day schedule will be adjusted accordingly with the approval of the City Manager.

The June 1, 2010, twelve (12) city salary survey has been waived until June 1, 2011.

No salary median adjustments (excludes step increases or other compensation as determined by the City Manager) shall be given for the term of this MOU.

Classifications which are at or above the median shall receive no increase.

Pay-for-Performance Plan

A pay-for-performance plan shall form the basis for any salary adjustments to be made on July 1, 2011. The pay-for-performance plan shall incorporate a point system with a two-step performance evaluation: one-third of the evaluation shall be based on the accomplishment of specified goals and objectives and two-thirds shall be based on "managerial behavior" as measured against standards agreed upon between the employee and department head.

The pay-for-performance plan shall provide for four rating levels: *Unsatisfactory*, *Satisfactory*, *Accomplished* and *Outstanding*. A rating of *Satisfactory* will result in a salary adjustment to the median as determined by the salary survey. A rating of *Accomplished* will result in the "median adjustment" plus a performance bonus of 1% to 3% of salary. A rating of *Outstanding* will result in the "median adjustment" plus a performance bonus of 3% to 5% of salary. The City Manager shall determine the exact percentage amount of bonus compensation to be paid for *Accomplished* or *Outstanding* performance.

Mid-Management employees who score an *Unsatisfactory* pay-for-performance rating shall be placed in a 6-month "Performance Improvement Program" (PIP). The employee and his/her department head shall develop a PIP workplan for bringing the employee's performance back to a *Satisfactory* level. At the end of the six-month PIP, the employee shall be re-evaluated based on the workplan. If the employee has successfully achieved a *Satisfactory* rating, he/she shall receive the appropriate "median adjustment" (however, such salary adjustment shall not be retroactive). If the employee is still not performing at a *Satisfactory* level, he/she may be subject to further progressive discipline.

The performance bonus is not part of the employee's base salary and is not "base-building".

However, due to the current budget crisis, this pay-for-performance plan will not be implemented during fiscal year 2010-11 and was waived for fiscal year 2009-10.

ARTICLE IV RETIREMENT

The City of Yorba Linda shall contribute the total amount of the employee's share of the retirement program (PERS) in the name of the employee. The CITY shall provide a retirement benefit package for the employees, which is based on single highest year compensation and includes unused sick leave credit, post-retirement survivor allowance and 1959 Survivors Benefits.

The City agrees to pay and report the value of Employer Paid Member Contribution (EPMC) to CalPERS as additional compensation for each employee. This benefit shall consist of paying 7% of the normal contributions for employees, and reporting this 7% as compensation earnable.

ARTICLE V HEALTH INSURANCE

The City shall provide the PERS Health Plan for medical insurance. The City shall pay toward the annual cost of the health plan in accordance with the following schedule:

1. Regular, competitive service employees and employees' dependents: effective January 1, 2002, the maximum monthly benefit for employees hired prior to July 1, 2001 shall be \$1,167.00.

Employees hired on or after July 1, 2001 shall not be eligible for health insurance described above. Effective January 1, 2011, the CITY shall contribute \$945.00

per month toward a "cafeteria plan". The cafeteria plan is utilized first to pay health insurance premiums; any residual amount may be received as cash or applied toward the employee's deferred compensation. Employees hired prior to July 1, 2001, may exercise a one-time election to join the cafeteria plan set forth above. The election, once made, is irrevocable.

2. Retired, competitive service employees and employees' dependents: effective January 1, 2002, the maximum monthly benefit for retirees hired prior to July 1, 2001 shall be (up to) \$1,167.00 for retirees and their dependents that are eligible to participate in the PERS Health Plan. The City will pay a percentage of the PERS Health Plan Premium on behalf of the retiree and their dependents (the percentage covered by the City shall increase each year in accordance with PERS Health Plan rate formula.)

ARTICLE VI

DENTAL AND VISION INSURANCE/EMPLOYEE ASSISTANCE PROGRAM

The City shall provide a self-insured indemnity plan for dental and vision insurance and employee assistance program benefits for the following classes of employees and their dependents. The City shall pay toward the annual cost of the dental, vision and employee assistance program in accordance with the following schedule:

1. Regular, competitive service employees and employees' dependents: 100% of the insurance premium.
2. Retired, competitive service employees and employees' dependents: eligible to participate in the City's self-insured dental and vision plans and employee assistance program. The City will pay a percentage of the dental and vision insurance and employee assistance program premium on behalf of the retiree and their dependents (the percentage covered by the City shall increase each year in accordance with the PERS Health Plan rate formula).

ARTICLE VII
LIFE INSURANCE

The CITY shall provide life insurance on the life of each regular, permanent, competitive service mid-management employee and pay the full annual premium therefore. The face amount of said policies shall be equal to the employee's annual salary and increasing it to the nearest one-thousand dollars (\$1,000). Additional life insurance coverage may be purchased if the employee pays for the additional premium. Upon separation from employment, continuation life insurance coverage may be purchased if the employee pays for the additional premium.

ARTICLE VIII
SECTION 125 PLAN

The CITY shall provide a Section 125 Plan for employees to seek reimbursement for expenses relating to medical and dependent care. Any administrative fees associated with the Section 125 Plan shall be paid by the employee.

ARTICLE IX
9/80 WORK SCHEDULE

The City shall implement a 9/80 work schedule which consists of two consecutive work periods containing the equivalent of nine work days instead of ten in a two week period. Employees will work eight days for nine hours per day and one day for eight hours, for a total of eighty hours in two consecutive work periods. Exceptions to the 9/80 work schedule shall be those employees determined by the City Manager to be necessary in order to maintain specific City operations and service levels.

For the term of this MOU, a 104 hour furlough has been implemented due to the current budget crisis. The furlough will end on a date certain, within the period of August 1, 2010 to June 30, 2011, based upon the decision of the City with prior notification to the Association. The work week and work day schedule will be adjusted accordingly with the approval of the City Manager.

For the term of this MOU, no form of leave or floater holidays may be used on designated furlough days or hours.

ARTICLE X
VACATION LEAVE

All regular, permanent, competitive service mid-management employees may accumulate an amount up to quadruple their annual vacation accrual. Any excess "carryover" must be approved by the City Manager. Once the maximum accrual is reached, there is no more accrual of vacation until one goes below the maximum and has "cap room" to accrue. At the end of the fiscal year, any unused vacation time above one-half of the employee's annual vacation accrual may be subject to buyback. The buyback will be based on the number of unused vacation hours multiplied by the employee's hourly rate. In order to be eligible for the yearly buyback, an employee must utilize a minimum of eighty (80) hours of vacation in the preceding year. **However, due to the current budget crisis, the ability to buyback accrued vacation is suspended for fiscal year 2010-11.**

ARTICLE XI
MEDICAL LEAVE

All regular, permanent, competitive service mid-management employees shall accrue annual medical leave at a rate of eight (8) hours per calendar month. Said employees shall be paid upon termination any accumulated, unused medical leave at the rate of 10% after five (5) years of service; 25% after ten (10) years of service; 50% after fifteen (15) years of service; and 75% after twenty (20) years of service. Upon retirement, unused medical leave shall be paid at a rate of 100% only if the employee contributes the entire amount of the funds into a Retirement Health Savings Plan implemented by the City.

Employees are eligible to accumulate a maximum of 2,500 hours of medical leave. Employees hired on or after July 1, 2001 shall not be eligible for the payoff of unused accumulated medical leave upon separation from employment.

ARTICLE XII

BEREAVEMENT LEAVE

Upon request, regular, permanent competitive service miscellaneous employees shall receive necessary time off with pay, not to exceed three (3) days in any one (1) instance, to attend to a member of their immediate family who has become critically ill to the point where death is imminent, or to arrange for or attend a funeral of a member of their immediate family. However, upon request, should the employee have to travel outside of a 500-mile radius, then the employee shall receive necessary time off with pay, not to exceed (5) days in any (1) instance. For purposes of this section, immediate family shall mean father, father-in-law, mother, mother-in-law, step parent, brother, sister, wife, husband, child, grandparent, grandchild or legal guardian or person that has dependency upon you.

ARTICLE XIII

AUTOMOBILE ALLOWANCE

All regular, permanent, competitive service mid-management employees may claim automobile reimbursement for the use of his/her own private automobile in the course of his/her City employment or on City business. Such use of a private vehicle shall only be when the City vehicle is not available for transportation. Reimbursement at a rate consistent with the Internal Revenue Service standard may be approved for use of private vehicles on City business within the City or within a radius of sixty (60) miles there from.

ARTICLE XIV

GOLDEN HANDSHAKE

Should the City plan a reorganization, the City agrees to discuss the implementation of a Golden Handshake with bargaining unit representatives.

ARTICLE XV

ADMINISTRATIVE LEAVE

All mid-management employees are entitled to administrative leave up to 60 hours per fiscal year. Administrative leave is subject to approval by the Department Head. Unused administrative leave cannot be carried over to the next fiscal year nor can it be bought back.

ARTICLE XVI
BILINGUAL PAY

Employees designated by the City Manager shall receive bilingual pay in the amount of \$40 per pay period.

ARTICLE XVII
APPROVAL

It is the understanding of the City and the Association that the Memorandum of Understanding has no force or effect whatsoever unless and until signed by the City Manager of the City of Yorba Linda and the principal representatives of the Association and ratified by the City Council.

IN WITNESS WHEREOF, the parties hereto executed this Memorandum of Understanding this 1st day of August 2010.

CITY OF YORBA LINDA

YORBA LINDA MID-MANAGEMENT ASSOC.

By Steve Rudat
Signature

By Armando Jaime
Signature

Steven Budometkin
Printed Name

ARMANDO JAIME
Printed Name

CITY MANAGER
Title

President
Title

By [Signature]
Signature

By [Signature]
Signature

MARK ANDERS
Printed Name

JACKI HENRI
Printed Name

ASST. TO THE CITY MANAGER
Title

VICE PRESIDENT
Title

By _____
Signature

By David Brantley
Signature

Printed Name

David Brantley
Printed Name

Title

Treasurer
Title

By _____
Signature

By _____
Signature

Printed Name

Printed Name

Title

Title

EXHIBIT "A"

Adult Services Manager
Assessment District Manager
Assistant City Engineer
Assistant to the City Manager
Assistant Library Director
Building Official
Children Services Manager
Circulation and Technical Services Manager
City Clerk
Executive Assistant
Financial Services Manager
Housing and Redevelopment Manager
Information and Technology Services Manager
Management Analyst
MIS Manager
Parks & Facilities Maintenance Superintendent
Principal Planner
Public Information Officer
Public Works Superintendent
Recreation Superintendent
Senior Civil Engineer
Senior Community Preservation Officer

Senior Planner
Traffic Engineering Manager