



**MEMORANDUM OF UNDERSTANDING  
(MOU)**

**January 1, 2016 – December 31, 2018**

**by and between the**

**CITY OF RANCHO MIRAGE ("City")**

**and the**

**RANCHO MIRAGE EMPLOYEES' ASSOCIATION  
("Association")**

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## **ARTICLE 1 – PARTIES AND TERM**

This Memorandum of Understanding ("MOU") is made and entered into between the City of Rancho Mirage ("City") and the Rancho Mirage Employees' Association ("Association") for the period of January 1, 2016 – December 31, 2018.

## **ARTICLE 2 – CERTIFICATION & TUITION REIMBURSEMENT**

The City offers certification and tuition reimbursement for employees who request and receive pre-approval for programs that are job related. Should the City be unable to fund the program due to financial constraints, the City may suspend the program; however requests approved prior to the suspension of this program will be honored and reimbursed if the employee completes all required criteria. The employee must submit a written request to their supervisor and City Manager or designee with a cost estimate and description of the course. The requests will be handled on a first come, first served basis and must be approved before the class or program begins. After an employee completes a course that is specifically job related, he/she shall be reimbursed after having received a grade of "C" or better, or a certificate of passing for courses that do not receive a grade. Courses that are not specifically job related shall not be eligible for reimbursement. The maximum reimbursement is \$850 for registration, tuition and books per employee, per fiscal year.

Employees who retire or resign in the first year following completion of a course reimbursed under this program will refund the City the full amount the employee had been reimbursed. Employees who retire or resign during the second year following completion of a course reimbursed under this program will refund the City the full amount the employee had been reimbursed over a period of up to twenty-four (24) months.

## **ARTICLE 3 – DEFERRED COMPENSATION**

City will match up to \$50 per pay period in deferred compensation contributions for employees. The combined contributions of the employee and employer are subject to annual maximums as defined by the IRS for deferred compensation plans.

## **ARTICLE 4 – SALARY**

Unit members employed on or before July 1, 2016 will receive a one-half of one percent (.5%) cost of living salary increase. This will establish a new and separate salary schedule. Individuals hired after July 1, 2016, will be paid according to the salary

schedule not increased by the cost of living adjustment.

Unit members employed on or before July 1, 2017 will receive a one percent (1%) cost of living salary increase. This will establish a new and separate salary schedule. Individuals hired after July 1, 2017, will be paid according to the salary schedule not increased by the cost of living adjustment.

Unit members employed on or before July 1, 2018 will receive a one and one-half percent (1.5%) cost of living salary increase. This will establish a new and separate salary schedule. Individuals hired after July 1, 2018, will be paid according to the salary schedule not increased by the cost of living adjustment.

**ARTICLE 5 – SALARY ADVANCEMENT BASED ON MERIT**

The City’s current salary step system and corresponding increases are as follows:

Step A	Step B	Step C	Step D	Step E	Step F	Step G
-	5%	5%	2.5%	2.5%	2.5%	2.5%

Each member shall be advanced to the next higher step within their respective salary range on their anniversary date when the employee’s overall evaluation has a rating of at least “good” or above and has been delivered to the employee prior to their anniversary date. If the evaluation is more than thirty (30) days late the employee will receive the corresponding step increase retroactively to the anniversary date.

**ARTICLE 6 – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM BENEFIT**

**A. Classic Members**

Tier 1 Classic Members: Employees hired prior to July 13, 2012 will receive the 2.5% @ 55 retirement benefit provided by CalPERS.

Tier 2 Classic Members: Employees hired on or after July 14, 2012, and prior to January 1, 2013, or who are hired after January 1, 2013, but who were previously members in CalPERS or a reciprocal retirement system with less than a six (6) month gap in service, will receive the 2% @ 60 retirement benefit provided by CalPERS.

Classic member employees in the 2.5% at 55 benefit formula pay their eight percent (8%) CalPERS member contribution. Classic members in the 2%@60 benefit

formula pay their seven percent (7%) CalPERS member contribution.

B. “New Members” Per The Public Employees’ Pension Reform Act of 2013 (“PEPRA”)

Employees hired after January 1, 2013, and defined as “new members” under PEPRA, will receive the 2% @ 62 formula and will pay one half (1/2) of their total normal cost as determined by CalPERS.

C. CalPERS Survivor Benefits

City will continue the 1959 Survivor Benefits Level 4. Costs are shared by the City and employee as identified by CalPERS.

### **ARTICLE 7 – CAFETERIA PLAN**

On January 1, 2006, the City established a cafeteria plan for full-time employees. Since retirees are not eligible for a cafeteria plan, the use of a cafeteria plan enables the City to contribute more toward the cost of benefits for active employees than for retirees.

The City shall contribute to the cafeteria plan, on behalf of each active employee, the necessary dollar amount to pay 100% of the monthly premium costs for fringe benefits consisting of dental, vision, short-and long-term disability and life insurance. The dollar amount contributed by the City shall vary from one employee to another if the premiums vary based on family size.

As stated in Article 8, below, the City shall contribute the monthly minimum dollar amounts specified in the PEMHCA, Government Code section 22892. The City shall also contribute to the cafeteria plan the necessary additional dollar amount to pay 100% of the monthly premium cost for CalPERS medical insurance, inclusive of the PEMHCA statutory minimum, up to an amount not to exceed the premium for the CalPERS PERS Choice plan. The additional amount contributed by the City shall vary from one employee to another if the premium varies based on family size.

### **ARTICLE 8 – MEDICAL INSURANCE**

The City contracts with CalPERS for medical insurance for active employees and retired annuitants. A survivor of a CalPERS retiree is also eligible for benefits if the survivor qualifies for a monthly survivor’s pension.

The City contributes toward the cost of medical insurance premiums under what is known as the Unequal Method. For all active employees and retired annuitants, the

City contributes the monthly statutory minimum specified in PEMHCA. Active employees also receive the cafeteria plan benefits provided in Article 7, above.

This method requires a City contribution on behalf of retirees, with the retiree paying the balance of the premium. The City pays at least \$1 per month in the first year, with the City's contribution for retirees increasing annually by 5% of the amount the City contributes for active employees, not to exceed the monthly amounts specified in Government Code section 22892(c). The contribution amounts are set by CalPERS.

### **ARTICLE 9 – HEALTH INSURANCE COMMITTEE**

The City established a Health Insurance Committee, comprised jointly of representatives from the City and Association, to establish procedures for administering Health Reimbursement Accounts on behalf of each full-time employee enrolled in one of the City's CalPERS medical insurance plans.

All work undertaken by the Committee and any information distributed shall comply with the privacy and security standards of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any other applicable laws. The Insurance Committee is responsible for:

- Establishing procedures for administering the health reimbursement account for each full-time employee enrolled in the CalPERS medical plan.
- Periodically reviewing the dollar amount of the City's contribution to each full-time employee's health reimbursement account (currently \$3,000 for single employees with no dependents and \$6,000 for employees with one more dependents) to determine if adjustment is warranted.
- Reviewing reimbursement claims for medical expenditures not on the approved list to determine if the expenditures should or should not be included on the approved list.
- Reviewing the overall performance of group insurance providers including, but not limited to claims payments, quality of providers and customer service.
- Resolving issues arising during implementation of CalPERS medical insurance programs and subsequent issues as they may occur.

Annually on January 1st, the City shall credit to each full-time employee's health reimbursement account \$3,000 for single employees with no dependents and \$6,000 for employees with one or more dependents. Employees may claim reimbursement of medical, dental and vision expenditures for themselves and their enrolled dependents, from an approved list, up to the annual (calendar year) \$3,000/\$6,000 limits in their

individual health reimbursement account. Unspent balances as of December 31st of each year shall revert to the City and shall not be carried forward to the subsequent calendar year.

**ARTICLE 10 – RETIREE SERVICE STIPEND**

The City established a Retiree Service Stipend, effective July 1, 2005. The Stipend is intended to provide additional compensation, above and beyond the dollar amount of the CalPERS pension, to help cover the costs of retiree medical insurance up to age 65. The Stipend is in consideration for services rendered to the City prior to retirement. The Stipend shall be available only to those retirees who meet the following requirements for service to the City at the time of retirement and shall cease upon the retiree reaching the age of 65:

Minimum Age	Years of Service	Benefit
Age 55	10 years	Employee coverage to age 65
Age 55	15 years	Employee & Spouse coverage to age 65
Age 55	20 years	Employee, Spouse & Dependent to age 65

In addition, employees hired prior to July 1, 2005, who have at least 5 years of City service, and who retire at age 63 or 64, shall receive employee coverage to age 65.

Employees hired on or after January 1, 2016 are not eligible for the Retiree Service Stipend. The only other post-employment benefit granted to individuals hired on or after January 1, 2016 is the CalPERS PEMHCA minimum as described in Article 8.

**ARTICLE 11 – LIFE INSURANCE DEATH BENEFIT**

The City provides, at no cost to each full-time employee, term life insurance in the amount of \$75,000.

**ARTICLE 12 – ON-CALL PAY**

Any employee who is required by the City to be "on-call" after normal working hours shall be paid \$35 for each weekday and \$45 for each weekend day and holiday that the employee is actually on call. The \$35 for each weekday and \$45 for each weekend day and holiday on call amount are not eligible for conversion to comp-time. An employee who is "on-call" and eligible for on-call pay is required to comply with the following criteria in order to receive the on-call pay:

1. Work his/her regular work schedule on the day of the on-call assignment (time away from work for a short appointment (not longer than 2 hours) or

- on-call on a non-workday (weekend or holiday) maintains on-call eligibility) and;
2. Respond immediately to a cell phone call or any other method of contact used by the City to respond to after-hour events typically of an emergency nature and;
  3. The employee must actually respond and complete the work responsive to the call.

Employees who do not meet the criteria above will not receive on-call pay. On-Call pay can only be paid as compensation and cannot be converted to compensatory time off.

During the period of on-call status, the employee is free to pursue personal matters as long as the employee remains able to respond promptly to the work site. The employee will be paid their overtime rate of pay for time actually worked due to a response to a job-related event during the period of "on-call" status. The employee shall also be paid one additional hour for travel time to and from the event. At the option of the employee, the time worked responding to a call may be accrued as comp time. The City shall equitably distribute on call assignments amongst eligible members whenever possible.

### **ARTICLE 13 – ACTING PAY**

Employees assigned to perform the work of a higher level classification may be granted acting pay in an amount up to 10% of their base pay. Acting Pay requests must be submitted to Human Resources and approved by the Department Head. Acting Pay percentage is determined by the City Manager. Employees may be eligible for acting pay after working at least one month in the acting assignment. Acting pay may not extend past a ten (10) month period.

The parties agree that to the extent permitted by law, this is special compensation and shall be reported as such pursuant to Title 2 CCR Section 571(a)(3) Temporary Upgrade Pay as special compensation.

### **ARTICLE 14 – WORK SCHEDULES**

- A. 9/80 Work Schedule. The City established a 9/80 work schedule and general guidelines for implementation, such as working hours, length of the unpaid lunch period, etc. The City retains the *exclusive* right to terminate any 9/80 work schedule with thirty days written notice to the affected employees. The Fair Labor

Standards Act (FLSA) workweek for all employees working a 9/80 work schedule shall begin exactly four hours after the start time of their shift on their alternating regular day off. For other employees in the unit, the workweek shall begin on Saturday at 12:00 and end at 11:59 p.m. the following Friday.

- B. Work Hours. Work hours for all employees, other than full-time Library employees and those on a 9/80 work schedule, shall be 40 hours per week, eight hours per day, five days per week.
- C. Library Work Hours. All full-time Library employees shall work 40 hours per week, six days per week beginning on Saturday morning. Full-time Library personnel working on Sundays, as part of the established Sunday Schedule (or another staff member working that person's place) will be paid 1½ times base pay for the hours worked on Sunday.
- D. The following shall count as hours worked: paid City holidays, industrial accident/workers' compensation leaves and jury duty leaves.
- E. The following leaves of absence will not be considered as actual hours worked within a workweek:
1. Unauthorized time off
  2. Non-Workers' Compensation-related Disability
  3. Floating Holiday
  4. Vacation
  5. Sick Leave
  6. Compensatory Time Off (Comp-Time)
  7. Bereavement
  8. Family Illness
  9. Leave of Absence Without Pay
  10. Administrative Leave
  11. Family Medical Leave
  12. Military Leave
- F. Overtime. Overtime must be approved in advance by a Department Head, the City Manager or their designee.

Employee's eligible to *receive overtime* (i.e., FLSA non-exempt employees) shall be paid as follows:

1. If an employee works a full work period, overtime shall be classified as

“paid overtime” (1½ times) and the employee shall choose a form of compensation for that overtime of either compensatory time off or payment through the biweekly payroll.

2. If an employee fails to work a full work period, any time worked up to a 40-hour work period shall be paid at the employee’s straight time hourly rate. All additional overtime worked beyond the 40 hour work period shall be classified as “paid overtime” (1½ times) and the employee shall choose a form of compensation for that overtime of either compensatory time off or payment through the biweekly payroll.

### **ARTICLE 15 – DONATION OF LEAVE**

The goal of this Article is to enable employees to donate accrued leave hours that can be used by the recipient employee to maintain bi-weekly income and/or help to cover extraordinary expenses. An employee who suffers an unforeseen catastrophic event affecting the employee or employee's family which prevents the employee from attending to his/her regular work may be eligible to receive donated hours based on voluntary donations of accrued leave by other employees under the following conditions:

- A. Accrued vacation, sick leave, compensatory time off, floating holidays and administrative leave may be donated under this Article. All donations are strictly voluntary. Once made, the donations cannot be revoked or canceled. The City will develop and distribute procedures and forms for requests and donations of leave.
- B. The employee, or the employee’s representative, must submit a written request to the City Manager, or his/her designee, explaining the reason(s) for the request and estimating the number of hours and/or amount of cash needed.
- C. The City Manager or his/her designee shall promptly determine whether the requesting employee is eligible for donated leave. The City Manager’s determination of eligibility of the requested employee will be final.
- D. If the requesting employee is determined by the City Manager to be eligible for this program, the City Manager shall notify all City employees of the request. The notification will specify the name of the employee seeking the donation and the estimated number of hours needed. Donations will be accepted from all employees desiring to donate and, to the extent possible, allocated equally to those who donated. Additionally, no employee shall be obligated to donate more hours than offered.

- E. The hours received by the requesting employee shall be recorded in the requesting employee's leave bank maintained by the City's payroll system and identified as "Donated Hours" at the recipient's current rate of pay. The hours shall only be used for the purpose(s) identified in the request to the City Manager and shall be used to maintain bi-weekly income and/or converted to cash to pay for extraordinary expenses. In either instance, donated hours used shall be subject to mandatory withholding.

It may occur that the initial number of hours donated is insufficient to meet the purpose(s) identified in (B) above. Should that occur, an additional request(s) may be submitted to the City Manager or his/her designee.

- F. Unused donated hours shall be returned to the donors on a pro-rata basis at the conclusion of the catastrophic event.
- G. No limitation shall be placed on the annual number of catastrophic events that may result in requests for donation of accrued leave. Furthermore, no limitation shall be placed on the number of hours of accrued leave that may be annually donated by any one employee.
- H. Nothing in this Article shall be interpreted to entitle an employee to a leave of absence, with or without pay. Entitlement to leave shall be regulated by other applicable provisions of this MOU and/or City policies, procedures and laws.

#### **ARTICLE 16 – AGENCY SHOP & AUTOMATIC DUES DEDUCTION**

- A. Membership. The Association is the exclusive bargaining unit for employees of the City of Rancho Mirage. Any unit member who joins and remains a member of the Association may sign and deliver to the City an assignment authorizing the deduction from the unit member's salary check of membership dues, initiation fees, and general assessments by the Association. Pursuant to such authorization for so long as the authorization is not revoked in writing, the City shall deduct the amount specified in the authorization from the unit member's paycheck and transmit the amount to the Association. An active Association member can only withdraw from the Association in April of each year by notifying the Association in writing.
- B. Agency Shop. City and Association mutually understand and agree that an agency shop election was held and approved by the general membership of the Association. As a result, City and Association agree to an Agency Shop arrangement under Government Code Section 3502.5(b), which requires that, as a

condition of continuing employment, employees in the affected bargaining unit must join the Association, pay to the Association a service fee in lieu thereof, or establish a religious exemption. The amount of the service fee shall be established by the Association.

C. Association Dues/Service Fees. The Human Resources Department shall provide all current employees represented by the Association, and any employees hired into Association represented positions thereafter, with an authorization notice (“Authorization Notice”), in a form to be provided by the Association, advising the employees of the following information:

1. An agency shop arrangement for the Association has been enacted pursuant to state law; and,
2. All employees subject to the agency shop arrangement must join the Association, pay a service fee to the Association, or claim a religious exemption from this requirement. The Authorization Notice shall include a form for the employee’s signature authorizing a payroll deduction of Association dues, a service fee or a charitable contribution equal to the service fee. Employees shall have thirty (30) calendar days from the date they receive the Authorization Notice to fully execute the form and return it to the Human Resources Department.

When the form authorizing the deduction of Association dues or the service fee is properly completed and returned during the thirty (30) day period, the City shall begin the applicable deduction of Association dues or the service fee no later than the beginning of the first pay period commencing after receipt of the authorization form by the Human Resources Department. If the authorization form is not completed properly and/or not returned within the thirty (30) day period, the City shall begin the deduction of the service fee no later than the beginning of the first pay period after the expiration of the thirty (30) day period. If the authorization form is properly completed claiming the religious exemption and returned during the thirty (30) day period, the City shall follow the procedure below.

The Association shall advise the City, in writing, of the dues and service fee amounts to be deducted. Any change in the amounts will be submitted to the City, in writing, at least thirty (30) days prior to the effective date of such change.

All deducted dues and service fees shall be remitted to the Association no later than fourteen (14) calendar days after deduction. The City shall also provide an itemized statement detailing each employee’s name, amount of deduction, and category of

deduction.

- D. Religious Exemption. Any employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall, upon presentation of active membership in such religion, body, or sect, not be required to financially support any public employee organization as a condition of employment. The employee may be required, in lieu of a service fee, to pay sums equal to the service fee to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, chosen by the employee from a list of at least three of these funds, designated by the Association. Proof of the payments shall be made on a monthly basis to the City as a condition of continued exemption from the requirement of financial support to the Association.

Written declarations of or applications for religious exemption and any supporting documentation may be submitted to the Human Resources Department and the Union. After receipt of such a request, the City shall begin a deduction of the charitable contribution no later than the beginning of the first pay period commencing after the receipt of the request by the Human Resources Department. The charitable deduction shall be held in escrow pending receipt of the Union's written determination on the request for a religious exemption. Upon approval of the religious exemption by the Association and upon identification of an appropriate charity by the employee, the City shall remit the escrowed amount to the designated charity and thereafter remit the charitable deductions to the designated charity. Upon denial of the religious exemption by the Association, the City shall convert the charitable contribution deduction to a service fee deduction and remit the escrowed amount to the Association as service fees. Charitable contributions shall be made by regular payroll deductions only. Failure of the Association to provide the City with a written approval or disapproval of a request for religious exemption within thirty (30) calendar days of the City's receipt of the employee's request shall constitute an approval of the religious exemption.

### **ARTICLE 17 – SICK LEAVE**

All full-time employees are eligible for sick leave. Eligible employees will be credited with one day of sick leave for each calendar month of service or fraction thereof. Any unused portion of sick leave can be carried over into the next calendar year, provided, however, an employee's accumulated sick leave balance may not exceed 960 hours. When an employee has accumulated the maximum of 960 hours of unused sick leave, further accumulation shall not be allowed until the balance has been reduced below the maximum. Sick leave may not be used the working day before or after a holiday. An

exception to this rule can be granted upon request and approval of the City Manager. The City Manager's decision is final and not subject to being grieved.

Sick leave is not eligible for any cash out provisions.

If a unit member remains on authorized absence due to illness or injury after exhausting his/her full-paid sick leave benefits, the employee will be entitled to use accrued but unused vacation or compensatory time off until exhausted or until the unit member is medically able to return to duty, whichever occurs first. The City may require written medical verification of the continued disability due to illness or injury from the unit member's physician or, at City expense, from a City-selected physician.

### **ARTICLE 18 – VACATION / ADMINISTRATIVE LEAVE**

A. Vacation. All full time employees shall accrue vacation days according to the following schedule:

- Less than 2 years of employment = .833 day per month, 10 days per year = 80 hours.
- 2 years to completion of 7 years of employment = 1.25 days per month, 15 days per year = 120 hours.
- 8 years to completion of 11 years of employment = 1.50 days per month, 18 days per year = 144 hours.
- 12 years or more of employment = 1.66 days per month, 20 days per year = 160 hours.

Employees may accrue up to three times their annual accrued vacation. Once the maximum number of hours are accrued, the employee will not accrue any additional vacation until he or she uses vacation to reduce their accrual below the cap. Probationary employees shall accrue but not take their vacations until they have completed six months of their 12-month probationary period and must receive department head or division manager approval.

All employees shall be required to use at least 40 hours of vacation time on an annual basis. Employees who fail to submit an annual vacation request to his/her supervisor, or to sign-up for vacation time during any 12-month period may be assigned by the Department Head or designee to use vacation in increments based on their accrual rate.

Holidays falling within the vacation period shall not be considered as part of an employee's vacation.

Any accrued and unused vacation time will be paid to employees separating from the City.

B. Administrative Leave. Administrative Leave is additional time the City grants and is accrued per pay period to specified positions, due to a combination of attendance at extra hour meetings, and/or the need to work additional hours. Administrative leave may not be carried over from year to year. Any Administrative Leave on the books on June 30<sup>th</sup> of each year will be cashed out. Administrative Leave provisions are identified in the Personnel Rules.

C. Compensatory Time Off. In lieu of payment for overtime hours worked, employees may request to receive compensatory time off at the rate of time and a half for each hour worked credited to his/her comp time bank. The maximum amount of comp time an employee may accrue (and have on the books) is 240 hours. An employee wishing to use comp time shall provide reasonable notice of the request to use the leave. Reasonable notice is defined as two weeks. If reasonable notice is provided, the employee's request may not be denied unless it is unduly disruptive to the department to grant the request. A request to use compensatory time off without reasonable notice may still be granted within the discretion of the supervisor or manager responsible for considering the request.

D. Leave Cash Out. Subject to the use requirement in the vacation section, any employee may sell back to the City a maximum of 80 hours of accrued vacation and 80 hours of compensatory time, per fiscal year at any time and for any reason. The employee needs to give reasonable notice of the request to cash out leave to the Finance Division to ensure the check is available when needed.

### **ARTICLE 19 – RECLASSIFICATION POLICY**

When an employee believes his/her job duties have changed materially so as to necessitate a reclassification, he/she shall make a request on an approved form for a Classification Study (Desk Audit). The employee shall then identify those areas and aspects of their classification that have materially changed in order to provide the Human Resources Representative with enough information to begin an analysis.

Once completed, the Desk Audit shall be forwarded to the Department Head. The Department Head shall respond by providing input and his/her view of what the worker is currently doing. The Department Head's response shall be provided to the employee, with a copy forwarded to the Human Resources Representative within 30 calendar days.

If the Human Resources Representative determines a study should be made for the position, he/she shall so inform the employee within 20 calendar days of receipt of the employee's request with the Department Head's comments attached to it. Upon acceptance of the initial proposal, the Human Resources Representative shall have 50 calendar days (including the aforementioned 20 calendar days), to complete an analysis and forward to the employee the results of that study.

If the Human Resources Representative determines there is no cause for a study, he/she shall inform the employee within 20 calendar days of the receipt of the employee's request. Within 15 calendar days, the employee may appeal the decision of the Human Resources Representative to the City Manager. The City Manager will consider reclassification requests. The City Manager's decision is final. Prior to the recommended reclassification of any employee taking effect, the City Council must authorize the title and salary range of any position being created for the first time. If the reclassification requires additional appropriations in the applicable annual budget, the City Council's authorization is required as well.

## **ARTICLE 20 – HOLIDAYS**

A. The City shall observe the following paid holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- President's Day – 3<sup>rd</sup> Monday in February
- Memorial Day
- 4<sup>th</sup> of July – Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve Day
- Christmas Day
- Two (2) Optional Floating Holidays

B. Floating Holidays. Floating holidays must be taken during the current calendar year unless there is a request and approval by the City Manager to allow them to be carried into the following calendar year.

C. Holidays on Weekend Days. Holidays falling on Sunday will be observed on the following Work Day. Holidays falling on Saturday will be observed on the

preceding Work Day.

- D. Part-Time employees shall not be paid for holidays. Probationary employees will be granted holidays as they fall within the probationary period except they are not eligible to take floating holidays.

### **ARTICLE 21 – PROBATIONARY PERIOD**

The probationary period for full-time employees shall be one year from date of hire, unless extended. The probationary period upon promotion to a position shall be six months from date of promotion, unless extended. The probationary period for a particular full-time employee may be extended pursuant to policies and procedures established by the City. The maximum period of extension in the case of a promotion shall be six months. Unless the full-time employee is released for failure to complete probation or the probationary period is extended, the full-time employee shall be deemed to have passed probation at the end of the probationary period. Failure to pass the initial probationary period or promotional probationary period may result in termination of employment.

### **ARTICLE 22 – MANAGEMENT RIGHTS**

City agrees any schedule changes will be accompanied by a minimum seven (7) day written notice unless mutually agreeable to both the employee and City.

All management rights and functions shall remain vested and exclusively with the City except those which are clearly and expressly limited in this MOU.

It is recognized merely by way of illustration that such management rights and functions include but are not limited to:

- A. The right to determine the mission of each of its agencies, departments, institutions, boards and commissions including the standards of services to be offered.
- B. The right of full and exclusive control of the management of the City; supervision of all operations; determination of the methods and means of performing any and all work; and composition, assignment, direction, location and determination of the size and mission of the work force.

- C. The right to determine the work to be done by the employees including establishment of levels of service and staffing patterns. The right to make schedule changes, purchase equipment and implement safety standards.
- D. The right to change or introduce new or improved operations, methods, means or facilities; or transfer work or contract for work to be done.
- E. Subject to City ordinances, the right to set and enforce performance standards, and to promote, reclassify, transfer, assign, release and lay-off employees; to suspend, demote, reduce in step or range, discipline and discharge employees for cause; to prescribe qualifications for employment and determine whether they are met.
- F. All the rights, responsibilities and prerogatives inherent in the City by virtue of all federal, state and local laws and regulations.
- G. The exercise by the City through its City Council and management personnel of the rights enumerated herein above shall not in any way directly or indirectly be subject to the grievance procedure.

### **ARTICLE 23 – GRIEVANCE PROCEDURE**

- A. Policy. It is the policy of the City that all employee grievances be resolved promptly and at the lowest possible level. The purpose of this procedure is to provide a uniform and equitable process for the handling and resolution of employee grievances. A grievance is a complaint by an employee concerning the interpretation or application of policies and procedures governing personnel practices, work rules, or MOU; health or safety of working conditions, or alleged improper treatment. All employees shall be assured freedom from discrimination, coercion, restraint, or reprisal on account of presenting grievances under this Rule. When at all possible, the informal handling of an action is preferable to a formal hearing.
- B. Preparation of Grievance. The employee may be privileged to use a reasonable amount of work time as determined by the department head in conferring about and presenting the grievance.
- C. Waivers of Time. The employee and the City may mutually agree to waive any of the timeframes set forth in the grievance procedure. Any such waiver must be in a writing signed by both parties that specifically states that the parties intend to waive one or more timeframes in the grievance procedure.
- D. Withdrawal of Grievance. The employee may submit a written request at any time to withdraw the grievance before a final and binding decision is made.
- E. Responsibilities in Handling Grievances:

- a. Employee. The employee has the responsibility to discuss the grievance with the immediate supervisor or appropriate official at a time mutually satisfactory to both parties. Discussion of the grievance shall take place before initiating a formal grievance.
  - b. Supervisor: The supervisor is responsible for attempting to resolve grievances within the supervisor's level of responsibility. The supervisor will notify their department head once they are made aware of a grievance.
  - c. Department Head. The department head has the responsibility for: (1) attempting to resolve grievances within the department or working with other department heads if the grievance crosses departmental lines; (2) informing the employee if the complaint is not grievable within the scope of this grievance procedure and notifying the personnel officer of such action; (3) informing the employee of any limitations of the department head's authority to fully resolve the grievance; and (4) supplying answers to any questions concerning the processing of a grievance.
  - d. City Manager or his/her designee. The City Manager or his/her designee is responsible for answering any questions concerning the grievance procedure. Also, he/she is responsible for resolving a grievance at the second Informal Conference stage, if possible.
- F. Required Informal Conferences. Prior to filing a formal grievance, the following informal conferences must be held:
- a. First Informal Conference. An employee shall discuss the concern with the immediate supervisor and/or the department head, within ten working days of the occurrence of the grievable event, in a good faith effort to resolve the concern.
  - b. Second Informal Conference. After the initial informal conference with the immediate supervisor and/or department head, if the employee remains dissatisfied, the employee must have a second informal conference with the City Manager or his/her designee within 5 working days of the First Informal Conference in a good faith effort to resolve the grievance. If, the employee is dissatisfied, then within the required time periods, the formal procedure must be complied with by the employee.
- G. Formal Procedure:
- a. First Level Review. Grievances shall be filed in writing with the employee's immediate supervisor within ten (10) working days after the second informal conference described above. The employee's immediate supervisor shall render his/her decision and comments in writing and return them to the employee within fifteen (15) working days of receiving the written grievance. If the employee does not agree with the supervisor's decision, or if no answer has been received within fifteen (15) working days, the employee may advance the grievance to the next level

appeal in writing to his/her supervisor's immediate superior. Failure of the employee to take further action within ten (10) working days after receipt of the written decision of his/her supervisor, or, if no decision is rendered, failure of the employee to take further action within ten (10) working days after the fifteen (15) working day period for the immediate supervisor to render a decision, will constitute an abandonment of the appeal.

- b. Department Review. The department head receiving the grievance appeal, or his/her designated representative, should discuss the grievance with the employee, his/her representative, if any, and with other appropriate persons. The department head shall render his/her decision and comments in writing, and return them to the employee within fifteen (15) working days after receiving the grievance appeal. If the employee does not agree with the decision reached, or if no answer has been received within fifteen (15) working days, he/she may present the grievance appeal in writing to the City Manager. Failure of the employee to take further action within ten (10) working days after receipt of the decision, or, if no decision is rendered, failure of the employee to take further action within ten (10) working days after the fifteen (15) working day period for the immediate supervisor to render a decision, will constitute an abandonment of the appeal.
- c. City Manager's Review. The City Manager receiving the grievance appeal, or his/her designated representative, should discuss the grievance with the employee, his/her representative, if any, and with other appropriate persons. The City Manager shall render his/her decision and comments in writing and return them to the employee within fifteen (15) working days after receiving the appeal grievance. This constitutes the last and final level of appeal. The City Manager's decision is final and binding.

#### **ARTICLE 24 – SEVERABILITY CLAUSE**

The parties agree that if any provision of this MOU is at any time held by a court of competent jurisdiction to be contrary to law, the remainder of this MOU shall not be affected, and shall remain in full force and effect. If any section of this MOU is found by a court of competent jurisdiction to be invalid, either party to this agreement may request a meeting between the parties to discuss only those matters that were affected by such ruling. Such request shall be honored and a meeting shall be held at a mutually convenient time within 30 days, if possible, or if not possible, as soon thereafter as can be arranged. Discussion shall be reopened at the request of either party if CalPERS makes any changes in Article 6 or to any mandated requirements affecting any provision of this MOU. If any provision of this MOU becomes unlawful as a result of a statutory or legislation change, it drops out without impacting the remaining provisions of this MOU.

**ARTICLE 25 – COMPLETION OF MEET & CONFER**

The City and the Association recognize that during the term of this Agreement issues may arise that warrant meeting and conferring. The City and the Association agree that the meet and confer process shall be convened if the City and the Association mutually agree to do so.

If necessary, the City and the Association agree to hold joint labor management committee (LMC) meetings to address concerns regarding employee relations. The LMC is not authorized to change the MOU.

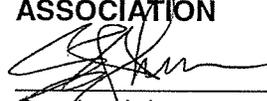
In spring 2016 the parties agree to hold joint labor management committee meetings to discuss the classification issues (including exemption status), review of job descriptions, and updates to the Personnel Rules,

Approved by the City Council of the City of Rancho Mirage following ratification by the Rancho Mirage City Employees' Association this 17<sup>th</sup> day of December, 2015.

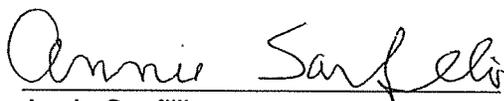
**CITY OF RANCHO MIRAGE**

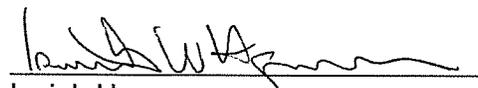
**RANCHO MIRAGE EMPLOYEES' ASSOCIATION**

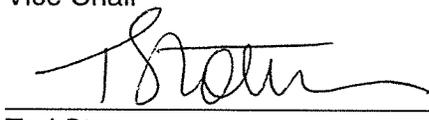
  
G. Dana Hobart  
Mayor

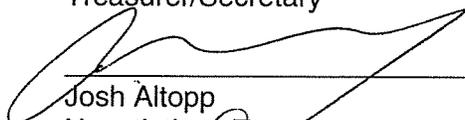
  
Sandra Johnson  
Chair

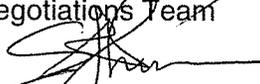
  
Randal K. Bynder  
City Manager

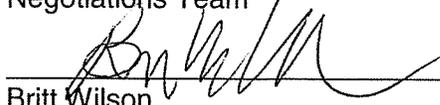
  
Annie Sanfillippo  
Vice Chair

  
Isaiah Hagerman  
Director of Administrative Services

  
Ted Stoner  
Treasurer/Secretary

  
Josh Altopp  
Negotiations Team

  
for Ron Hall Sandra Johnson  
Negotiations Team

  
Britt Wilson  
Negotiations Team

