

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF MORENO VALLEY

AND

MORENO VALLEY MANAGEMENT ASSOCIATION

(MVMA)

July 1, 2025 to June 30, 2027

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**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MORENO VALLEY
AND
THE MORENO VALLEY MANAGEMENT ASSOCIATION
2025-2027**

The agreement entered into between the City of Moreno Valley and those employees designated as "Division Manager" (DM) "Professional/Administrative/ and "(PAM) and sets forth the full terms and conditions of employment for members of the Moreno Valley Management Association (MVMA), subject to amendments reached by the parties in subsequent negotiations as provided for in this document.

The following is a list of provisions agreed to between the parties:

SECTION 1: Recognition

Pursuant to the provisions of Resolution No. 92-110 of the City of Moreno Valley and the Meyers-Milias-Brown Act, the City of Moreno Valley has recognized the Moreno Valley Management Association (MVMA) as the exclusive representative of the Professional/Administrative Management employees and Division Management employees (not under employment contract) of the City for the purpose of meeting its obligations under Government Code S 3500 et seq.

The City may designate certain exempt employees as "confidential". A Confidential Employee may be an administrative support employee who works directly for a Department Director, the Assistant City Manager, the City Manager, the City Attorney, the City Clerk, City Council, or in either the Human Resources or Payroll. Confidential employees are not union members.

SECTION 2: Term

Upon approval and execution by both parties, including ratification by the employees and approval of the City Council, this entire Memorandum of Understanding shall be effective from July 1, 2025 through June 30, 2027. All changes affecting members' salary/benefits agreed upon during negotiations will take effect July 1, 2025 unless otherwise stated.

SECTION 3: Salary

Effective with the first full pay period that begins July 5, 2025, each employee shall receive 2.0% base salary increase; and effective with the first full pay period that begins July 4, 2026, each employee shall receive 2.0% base salary increase, which is representative of all cost of living increases for the duration of this Memorandum

of Understanding.

SECTION 4: Schedule

The City will continue the variable 4/10 work schedule, which will be managed by each department head. The 4/10 schedule must stay consistent through the calendar year. The City will not be closed on any given day between Monday through Friday unless it is a designated holiday. If employee decides to stay on a 9/80 schedule, that will be permitted. If an employee decides to go to a 4/10 schedule at a later date, that change will only be available on a calendar year basis. If the same day off is requested by two or more employees, then City seniority will be used to determine which employee will be provided their day of choice.

SECTION 5: Management Differentials

<i>Employee Group</i>	<i>Pre-Tier V Hired before 7/1/17</i>	<i>Tier V Hired on or after 7/1/17</i>
Professional/Administrative Management (PAM)	2% of salary	1.5% of salary to HRA, effective 7/5/2025
Division Management (DM)	4% of salary	N/A

SECTION 6: Longevity Pay

Longevity pay is supplemental pay based on years of service to the City, provided on a per pay period basis. Effective July 5, 2025, longevity is payable effective the first full pay period as follows:

- At 5 years of service = 2% of base salary
- At 10 years of service = 3% of base salary
- At 15 years of service = 4% of base salary
- At 20 years of service = 5% of base salary

SECTION 7: Education Incentive

Employees will receive an Education Incentive equal to 1% of base salary for BA/BS and 2% of base salary for Master's payable the first full pay period of July in each fiscal year or the first full pay period following eligibility.

The incentive pay only applies if the employee has a degree higher than what is stated as a requirement in the job description/classification, regardless of "experience in lieu of" language. The City will apply the criteria needed to validate a degree. Incentive pay will be effective at the first full pay period following the employee's request and supplied proof of graduation, it is not retroactive.

- AA/AS 0.5% above base salary
- BA/BS 1% above base salary
- MA/MS 2% above base salary

SECTION 8: Wellness

The City will provide all career employees a Wellness Incentive of \$350 per year, payable in full in the first full pay period of July, each fiscal year.

If the employee starts after the fiscal year, the employee contribution will begin the following July and thereafter.

SECTION 9: Benefit Bank

All employees eligible to enroll in the City's CalPERS medical program under the California Public Employees' Medical and Hospital Care Act ("PEMCHA") and who do enroll, shall receive a contribution by the City toward the premium for the plan chosen equal to the PEMCHA minimum set annually by CalPERS.

City Benefit Contribution Levels Effective July 1, 2025:

<i>Employee</i>	<i>Pre-Tier V (formerly Tiers I-IV) Hired before 7/1/2017</i>	<i>Tier V Hired on or after 7/1/2017</i>
Professional/Administrative Management (PAM)	\$1,600.00 per month + 2.0% salary per year	Up to \$1,600.00 per month + 1.5% salary per year to HRA*
Division Management (DM)	\$1,600.00 per month + 4.0% salary per year	Up to \$1,600.00 per month + 3.0% salary per year to HRA*

City Benefit Contribution Levels Effective July 1, 2026:

<i>Employee</i>	<i>Pre-Tier V (formerly Tiers I-IV) Hired before 7/1/2017</i>	<i>Tier V ** Hired on or after 7/1/2017</i>
Professional/Administrative Management (PAM)	\$1,700.00 per month + 2.0% salary per year	Up to \$1,700.00 per month + 1.5% salary per year to HRA*
Division Management (DM)	\$1,700.00 per month + 4.0% salary per year	Up to \$1,700.00 per month + 3.0% salary per year to HRA*

*HRA contributions are calculated on base pay and independent of benefit coverage elections.

**Tier V employees receive up to the same maximum benefit amounts as those provided for employees in Pre-Tier V; however, enrollment in a City-sponsored health plan (medical, dental, vision) is required to receive any City contributions. The City will not contribute any amount in excess of an employee's actual enrollment cost, if that cost is less than the City's maximum contribution. No cash back (cash or deferred compensation) if enrollment costs are less than the City's maximum contribution as defined in the Cafeteria Benefits Plan schedule.

SECTION 10: PERS Member Contributions

Retirement Formula	<i>Tier I/II hired before 9/30/11</i>	<i>Tier III hired on or after 9/30/11</i>	<i>Tier IV New members hired on or after 1/1/13</i>
2.7% @ 55	8% employee pays	N/A	N/A
2.0% @ 55	N/A	7% employee pays	N/A
2.0% @ 62	N/A	N/A	Effective 7/1/23 Employee pays 7.75%

SECTION 11: Retirement Plan

Employees hired through December 23, 2011, shall continue to participate in the PERS 2.7% @ 55 Benefit plan with Highest Single Year Pay Calculation. Employees hired on or after December 23, 2011, shall participate in the PERS 2.0% @ 55 Benefit plan with 3-year Average Pay Calculation. New PERS members hired on or after January 1, 2013, shall participate in the PERS 2.0% @ 62 Benefit plan with 3-year Average Pay Calculation.

The City provides retirement benefits for all employees through the Public Employees Retirement System (PERS). Effective July 4, 2015, the City will no longer pay the member's contribution of the retirement plan; therefore, all employees pay their own member contribution into the plan, under the provisions of Internal Revenue Code Section 414 (h) (2) for pretax contributions. Current retirement benefits are available as follows:

- A. Career Full-time Employees pay for their own member contribution for PERS retirement benefits, under the provisions of Internal Revenue Code Section 414 (h) (2) for pretax contributions, and at no point will the employer pay any portion of the member's contribution.

- B. Career Part-time Employees pay for their own member contribution for PERS retirement benefits, under the provisions of Internal Revenue Code Section 414 (h) (2) for pretax contributions, and at no point will the employer pay any portion of the member's contribution.
- C. Part-time/Seasonal Temporary Employees who are not eligible for PERS, are required to contribute 7.5% of earnings to a PST "457" deferred compensation program. Contributions to this plan will be made through payroll deduction. Employees eligible for participation in the PERS retirement plan (after 1,000 hours worked in a fiscal year) are responsible for the cost of their member contribution of PERS payment.

PERS refunds may be issued ONLY if the member has permanently separated from all PERS- covered or reciprocal employment. Or, if members have been on an unpaid leave of absence for at least six (6) months, they may request a refund of their contributions prior to returning to active employment.

SECTION 12: Forfeited Leave Balances

During the term of this agreement, if any MVMA employee is laid off as the result of a reduction in workforce and subsequently forfeits any unused sick leave pursuant to City personnel rules, and that employee is later re-called to work within the period provided for in Section 17 (Recall Period) of this MOU, that employee shall have any forfeited sick leave reinstated to a frozen sick leave account established in his/her name. Existing City rules for the use of frozen sick leave will continue to apply to these accounts.

SECTION 13: Holiday and Annual Leave

The City's existing Leave program shall be modified as follows, effective July 1, 2025:

- A. The limit of accrued Holiday Leave will be 700 hours for all employees. Once an employee reaches his/her respective cap, holiday leave accruals will be suspended until accruals are used.
- B. The limit of accrued Annual Leave will be 1,664 hours for employees hired prior to September 30, 2011, and 900 hours for employees hired on or after September 30, 2011. Once an employee reaches his/her respective cap, annual leave accruals will be suspended.
- C. 100% of accrued Leave balances shall be paid in full at the time of next/normal pay period following separation.
- D. Career employees accrue annual leave time based on their years of service

and employee group. The annual accrual rate is listed below:

Employees (hired prior to 9/30/2011)

<u>Employee Group</u>	<u>0-5 years</u>	<u>6-10 years</u>	<u>11+ years</u>
PAM	272 hours	312 hours	336 hours
DM	292 hours	332 hours	356 hours

Employees (hired on or after 9/30/2011)

<u>Employee Group</u>	<u>0-5 years</u>	<u>6-10 years</u>	<u>11+ years</u>
PAM	254 hours	294 hours	334 hours
DM	272 hours	312 hours	352 hours

Each full-time career employee is required to use a minimum of 80 hours of annual leave per calendar year.

SECTION 14: Holidays

The following days shall be observed by the City as paid holidays, during the term of this agreement:

New Year's Day	Labor Day
Martin Luther King, Jr. Birthday	Veteran's Day
Presidents Day	Thanksgiving Day
Cesar Chavez Day	Day after Thanksgiving Day
Memorial Day	Christmas Eve
Juneteenth Day	Christmas Day
Independence Day	2 Floating Holidays

Employees will receive Paid Holiday for all working hours scheduled to be worked on a holiday. Thus, career, full-time employees will be paid ten hours on a holiday that falls on a ten-hour workday, nine hours on holidays that fall on a nine-hour workday, eight hours on holidays that fall on an eight-hour workday.

When a holiday falls on an employee's regular day off the employee shall be credited with the appropriate number of hours in his/her Holiday Leave Bank. Hours will be credited as described above, unless otherwise noted in this MOU.

Exempt employees may, at the Department Director's discretion, be granted a flex day if they are required to work on a designated City paid holiday or special event.

Section 15: Floating Holidays

Effective January 1, 2023, regular full-time and part-time career employees will receive two (2) floating holidays per year in addition to the City's paid and observed holidays.

The number of hours will be added to the employee's holiday leave bank, and will be equivalent to the employee's regular scheduled hours worked, and will be issued in the first full pay period of January.

Employee's will be able to use their floating holidays on days of their choice upon request; however, each Department Director will give the final approval for all leave use.

In lieu of accruing separate banks of vacation and sick hours, where applicable, regular full-time career employees will accrue annual leave. Effective December 14, 2007, accrued vacation banks were converted to annual leave on an hour-for-hour basis.

SECTION 16: Frozen Sick Leave

At retirement, Frozen Sick Leave balance (sick leave accrued prior to December 14, 2007) will be paid as elected by the employee per the following formulas:

1. 70% PERS Service Credit with 30% Cash Out
2. 80 % PERS Service Credit with 20% Cash Out
3. 90 % PERS Service Credit with 10% Cash Out
4. 100 % PERS Service Credit with 0% Cash Out

Upon separation, employees shall be paid for 40% of Frozen Sick Leave. The remaining 60% shall be forfeited.

SECTION 17: Holiday and Annual Leave Cashout

Effective July 1, 2025, the City's Holiday and Annual Leave Cashout Program allows employees the option of "cashing out" up to 250 hours of annual leave, comp time earned, and/or holiday leave, once per fiscal year. Employees can elect to take the "cash out", or work through Human Resources/Payroll to have the money deposited into their Deferred Compensation account. However, employees must retain a minimum of 160 hours annual leave on the books after deducting the "cash out." The last day of the fiscal year to submit requests is June 1st of each fiscal year, to be processed on a regular payday within 30 days.

For additional information, reference Annual Leave Cashout Guidelines.

SECTION 18: Compensatory Time Payout

MVMA members are exempt from overtime, and therefore not eligible to add any additional comp time hours. Effective July 5, 2025, all comp time balances for MVMA members are to be utilized, or paid out by December 31, 2025, according to the following options:

- Conversion to Annual Leave – employees may submit a written request to Payroll by 12/1/2025 requesting a full conversion of comp time hours to annual leave hours, on a one-to-one basis.
- Full Payout – employees may submit a written request to Payroll by 12/1/2025, to receive a full payout of comp time hours, with the option to include directions to apply these funds to their deferred compensation (457) account.
- If none of the above actions are taken, all remaining comp time hours as of 12/15/2025 will be paid out on the final 12/23/2025 payday.

SECTION 19: Health Reimbursement Arrangement (HRA) Contribution

The purpose of the HRA is to provide employees with the ability to plan for future as well as current health care expenses as included under Section 213 of the Internal Revenue Code.

The City contribution toward individual HRA accounts for employees shall be fully funded by the City at \$75 per month for full-time, career employees hired on or after 9/30/2011, (see section 21).

Effective July 9, 2022, full-time, career employees receive 0.5% of their base salary into their HRA account.

Effective July 5, 2025, Tier V full-time employees, (hired on or after 7/1/17), shall also receive an additional contribution of 1.5% of base salary into their HRA, (reference benefit bank).

Effective July 1, 2025, Tier V full-time employees fully opting out of health coverage, (medical, dental, and vision) shall receive \$250 per month into their HRA.

SECTION 20: 401(a) Contribution

Effective July 5, 2025, career, full-time employees shall receive 1.0% of base pay in a City-sponsored 401(a) Plan, that is strictly employer-funded.

Effective July 4, 2026, career, full-time employees shall receive an additional 1.0%.

SECTION 21: Post-Retirement Medical Benefit

Effective January 1, 2001, the City shall pay the minimum monthly contribution required under the Public Employees' Medical and Hospital Care Act ("PEMHCA") for retirees who retire from the City of Moreno Valley who qualify as "annuitants" under PEMHCA and are enrolled in the City's CalPERS medical program as a retiree. Generally, to qualify as an annuitant, the individual must have an effective retirement date within 120 days of separation of employment from the City and receive a retirement allowance from CalPERS. As required by applicable statutes or regulations, annuitants must enroll in Medicare at age 65 or as soon as they become eligible.

Employees hired on or before September 30, 2011 who retire under the CalPERS retirement system with a minimum of five full-time years of service with the City, shall also be eligible to receive a reimbursement for medical coverage which is the lesser of the cost of medical coverage for the retiree and spouse, or a maximum employer reimbursement of \$318.73 per month. Employees must provide documentation of medical coverage and receipts of payment of medical insurance premiums, as requested by the City or its third party administrator, evidencing proof of payment in order to be reimbursed for any or all of the \$318.73 per month. For retirees who are enrolled in the City's CalPERS medical plans, this amount is in addition to the City's PEMHCA minimum contribution. Retirees must have an effective retirement date within 120 days of separation of employment from the City to be eligible for this reimbursement benefit, regardless of whether they enroll in the City's CalPERS medical program. Retirees who do not meet all of the statutory and/or regulatory requirements under PEMHCA to qualify as an annuitant and do not enroll in the CalPERS medical program are not entitled to the PEMHCA minimum contribution. In the event of the retiree's death, the surviving spouse continues to be eligible to receive the benefit, so long as the surviving spouse continues to qualify as an annuitant and continues enrollment in the CalPERS medical program.

Employees hired after September 30, 2011 will not be provided the City paid retiree medical benefit described in the paragraphs above, but shall be eligible for the PEMHCA minimum contribution if they qualify as an annuitant and enroll in the City's CalPERS medical program as a retiree. For these employees, during employment, the City will pay \$75 per month towards active employees' HRA account for retirement health insurance expenses.

SECTION 22: Layoffs

The City Manager may layoff regular and probationary employees at any time for lack

of work, budgetary reasons, technological changes, or other City actions that necessitate a reduction in the workforce. At least four weeks' notice shall be given to any employee who is to be laid off. At the City Manager's discretion, a demotion or transfer to another department or classification may be made to prevent a layoff provided the employee is qualified by education and/or experience and is capable of performing the duties of the classification. The Department Directors, in consultation with the Human Resources Manager, and as approved by the City Manager, will affect the layoffs.

22.1: Reduction-in-Workforce

When it becomes necessary to reduce the workforce in the City, the City Manager shall designate the job classification, division, department, or other organizational unit in order to affect a reduction in the workforce. Contract, temporary, seasonal, or probationary employees in the same or similar job duties proposed to be reduced within the City shall be laid off first. Probationary promotional employees who are laid off shall be returned to their former classification. Employees who accept lower positions or transfers in lieu of layoff shall be placed at a pay level within the salary range of the new position which yields a salary closest to current salary.

Order of Layoff for MVMA Employees:

The order of layoff of MVMA career employees shall be made in accordance with a system which favors retention of the more meritorious employees, based upon evaluation of the following factors in the listed order of implementation:

- A. An overall rating of "unsatisfactory" or "needs improvement" on the most recent performance evaluation once finalized and filed in the Human Resources Department except when an employee has less than one-year seniority with the City. In that case, only seniority will be used.
- B. Documented disciplinary actions during the preceding twelve (12) months.
- C. Seniority (length of service in a career position):
 - 1. in the City
 - 2. in the Classification
 - 3. in the Department

For MVMA employees who are equal in performance and seniority, as established in 15.1 A-C, preference will be given to those with proof of honorable military discharge.

22.2: Seniority

Seniority is determined from the day of official appointment to a City department as a career employee, provided that any career employee, who, as a result of promotion,

transfer, or voluntary demotion, is appointed to a career position in another department, shall for purposes of layoff, carry seniority previously acquired over to the new department.

Seniority shall continue to accrue during periods of Annual Leave, layoff not exceeding three (3) years, any authorized leave of absence of less than three (3) months, or any call to military service for the duration of the call to duty. Seniority shall not accrue during any other break in continuous service.

22.3: Other Policies

The City may call back as a temporary employee, within the first year after layoff, any laid off employee who is on the recall list when the employee is qualified to fill a vacancy of a full-time position.

Any employee who receives an involuntary transfer shall have the option to be reinstated to a vacated position in the classification from which said employee was involuntarily transferred for up to six (6) months from the effective date of the involuntary transfer in the event of layoff.

An employee who chooses to terminate and have his/her name placed on the Reinstatement List under this section shall notify the department in writing of his/her decision at least three (3) working days prior to the effective date of reassignment. Such termination shall be on the same date as the reassignment would have been effective.

22.4: Recall List

The name of every career employee who is laid off, transfers, or elects to demote to a formerly held classification in the same department for longer than one pay period due to a Reduction-in-Workforce, shall be placed on the Recall List, except that the names of those MVMA employees laid off under Sections 15.1A & 15.1B under in "Order of Layoff for MVMA Employees", shall not be placed on the recall list. Vacancies to be filled within a department shall be offered to individuals named on the Recall List who, at the time of the Reduction-in-Workforce, held a position in the same job classification within the department as the vacancy to be filled. Order of recall shall be same as order of layoff.

Individual names may be removed from the Recall List for any of the following reasons:

- A. The expiration of three (3) years from the date of placement on the list.

B. Re-employment with the City in a career full-time position in a department other than that from which the employee was laid off.

C. Failure to respond within 14 calendar days of the mailing by the City of a certified letter regarding availability for employment.

E. Failure to report to work within 14 calendar days of the mailing by the City of a certified letter containing a notice of reinstatement to a position, absent mitigating circumstances.

F. Request in writing, including email, to be removed from the list.

In the event of a vacancy, if there are no individuals on the Recall List who formerly occupied the vacant classification, those individuals on the Recall List who possess the necessary qualifications for the vacant classification shall be eligible for recall to the vacancy. Eligibility order shall be the same as the order of layoff.

No person from outside City employment shall be hired in a career position in the deleted classification until all those displaced due to layoffs or transfers are recalled to their former classification or one classification lower in the same career ladder as the one in which the employee was laid off.

22.5: Status on Re-employment

Effective June 30, 2011, a career employee who has been laid off or terminates in lieu of reassignment and is re-employed in a career position within three (3) years from the date of his/her layoff or termination shall be entitled to:

- i. Buy back and thereby restore all or a portion of Annual Leave credited to the employees' account on the date of layoff or termination and at the same rate as it was sold originally. This restoration must be requested in writing within thirty (30) days of returning to work and must be fully paid back within six (6) months of the return to work.
- ii. Restoration of seniority accrued prior to and accrued during layoff.
- iii. Credit for all service prior to layoff for the purpose of determining the rate of accrual of Annual Leave.
- iv. Placement in the salary range as if the employee had been on a leave of absence without pay if he/she is reinstated to the same job classification in the same department from which he/she was laid off or terminated.
- v. Restoration to the same level of flexible benefits (i.e. Benefit Bank) that the

employee received prior to being laid off or terminated.

22.6: Continuation of Benefits

Those who are laid off shall have their medical insurance benefits continued to the end of the second month following the date of their layoff in the event that they are not covered by another medical plan at that time.

SECTION 23: Workplace Image

From July 1, 2025 through June 30, 2027, the City's Image Administrative Procedure may permit denim pants subject to certain restrictions and reasonable quality standards established by the City Manager's Office.

SECTION 24: Special Events

Special Events are defined as any event so designated by the City Manager's Office requiring hours worked outside of normal work hours.

SECTION 25: Direct Payroll Deposit

All employees will be required to have direct deposit for payroll, or to apply for this service through the City's bank. If they are accepted by the City's bank, they must agree to participate. If the employee is denied this service by the City's bank, the direct deposit requirement for payroll is waived.

SECTION 26: Bilingual Pay

The City will provide compensation in the amount of one hundred and fifty dollars (\$150) per month for staff in the unit who are required to interpret in a second language.

Effective July 1, 2025, an extra one hundred dollars (\$100) per month shall be added for written pay, for a total of two hundred and fifty dollars (\$250) per month for both spoken and written, for those in the unit, who are required to provide verbal interpreting and written translation services in a second language.

Eligible employees must successfully complete a verbal interpreting and/or written translation examination administered by the Human Resources Department. For written bilingual pay, the employee must join the translation pool to translate press releases, notices, etc.

Bilingual pay will apply for staff who speak and/or write Spanish or any other language designated by the City Manager as critical to the functions of the City.

SECTION 27: Safety Jackets

Field employees who work within street rights-of-way will be entitled to receive safety jackets. Jackets will be replaced as needed, but not more than one per year.

SECTION 28: Safety Shoes

Effective July 1, 2025, the City will provide all eligible employees \$500 (gross) for safety shoes payable each year as follows - \$250 in September, and \$250 in March. To be eligible, an employee must be required to wear safety boots as a regular part of the employee's daily duties as determined by the City's Human Resources Director and employee's Department Director.

SECTION 29: Uniforms

The following terms apply to employees required by the City to wear uniforms, but where City-paid laundry service is not provided:

- a. Employees will have five (5) serviceable uniform pants, five (5) serviceable uniform shirts and one (1) serviceable uniform jacket at the start of each fiscal year.
- b. Uniforms damaged during the year in the course and scope of duty shall be replaced on an as-needed basis.
- c. The foregoing provisions do not apply to those positions for which only logo shirts are worn by employees.

SECTION 30: Tuition Reimbursement

Effective July 1, 2023, the maximum annual limit for the tuition reimbursement program is \$5,000 per fiscal year. The annual maximum reimbursement includes tuition, books, lab fees and parking expenses. In addition, the program covers Certificate Programs that are job related, as well as undergraduate and graduate degree programs from accredited educational institutions. Employee will be required to remain in employment with the City for three (3) years following the first pay period in which reimbursement is paid. If an employee fails to remain in the City's employment for the three (3) years, he or she will be required to pay back 100% in the first (1) year, 67% in the second (2) year and 34% in the third (3) year.

SECTION 31: Retirement Benefit

The City contracts with CalPERS for the Pre-Retirement Option 2W Death Benefit.

SECTION 32: Other Benefits

There shall be no other reductions in City paid benefits during the term of this agreement.

SECTION 33: Reopener Clause

The parties agree that no reopeners shall occur through the term of this MOU.

SECTION 34: Parity

During the term of this agreement, MVMA shall have the right to incorporate into this agreement the comparable value of any additional economic enhancements agreed upon between the City of Moreno Valley and the Moreno Valley City Employees Association (MVCEA).

SECTION 35: Probationary Period

The first twelve (12) months, or any duly extended longer period, of all new employment in a career position shall be deemed a probationary period. The first six (6) months, or any duly extended longer period, of all promotional employment in a career position shall be deemed a probationary period. The probationary period shall commence upon the effective date of the appointment.

During the probationary period, an employee may be terminated without the right of appeal, hearing or resort to any grievance procedure if his/her performance is deemed in any way unsatisfactory or below City standards by the City Manager, upon recommendation of the employee's Department Director. At the conclusion of the probationary period, if the employee's performance does not meet City standards but is not altogether unsatisfactory, the probationary period may be extended up to an additional period of the same duration, at the discretion of the City Manager.

The decision to extend the length of an employee's probationary period must be based on justifiable reasons and must be made prior to the expiration of the original probationary period. Such a decision shall not be appealable or grievable.

Probationary employees are allowed to compete for promotional opportunities while on probation. However, an employee who fails to complete his or her original probation period prior to promoting shall not have rights to be reinstated to their prior position if they fail their promotional probation period.

If an employee promotes prior to completing an initial one-year probationary period, the normal promotional probation period of six months will be extended so that the total probationary period from the date of hire shall not be less than the 12 month

initial probationary period.

Example: Employee promotes after 5 months of satisfactory service. Promotional probationary period will be extended to seven months, providing a total of twelve months' probation. Probation periods may be further extended as provided for in the City's Personnel Rules and Regulations.

SECTION 36: Performance Evaluations

Meaningful performance feedback is critical to the City's success in delivery of service to Moreno Valley residents. Evaluations must recognize individual employees' distinct accomplishments and hold each employee accountable for fulfilling his/her assigned duties in a professional manner.

- A. To assist in meeting this essential management responsibility, the City will engage the services of a consultant with extensive public and private sector experience to review the City's current process and recommend a specific training regimen for all raters.
- B. Success in this area will require that managers, at all levels, are held accountable to provide employees with ongoing verbal feedback and meaningful performance evaluations which:
 - 1) Reflect unique performance levels of each rated employee;
 - 2) Represent the culmination of ongoing verbal feedback provided throughout the rating period; and
 - 3) Are reviewed and approved by the Department Director prior to being presented to rated employees (to ensure that raters are meeting the City's commitments as outlined herein).

SECTION 37: Labor-Management Committee

A Labor-Management Committee Co-Chaired by MVMA Presidents/designees and the Human Resources Manager will meet on a quarterly basis.

SECTION 38: Management Accountability

Managers and supervisors will uphold performance and conduct standards for all employees. Key areas of concern include, but are not limited to: performance, attendance, and adherence to City policies.

SECTION 39: Association

- A. Legislative Authority

The parties mutually understand and agree that as a result of the State of California

adoption of SB 739, all unit employees represented by the Moreno Valley Management Association have the right to join or not join the Association.

B. Association Dues

The employee's earnings must be sufficient after the other legal and required deductions are made to cover the amount of the dues or fees authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee in a non-pay status only during part of the pay period, whose salary is not sufficient to cover the full withholding, no deduction shall be made. In the case of an employee who is receiving catastrophic leave benefits during a pay period, no deduction shall be made. In this connection, all other legal and required deductions (including health care and insurance deductions) have priority over Association dues and service fees.

C. Records

The Association shall keep an adequate itemized record of its financial transactions and shall make available annually, to the City, and to the employees who are members of the organization, within 60 days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by its president and treasurer or corresponding principal officer, or by a certified public accountant.

D. Indemnification

The Association shall indemnify, defend and hold the City harmless against any liability arising from any claims, demands, or other action relating to the City's compliance with the agency fee obligation, including claims relating to the Union's/Association's use of monies collected under these provisions. The City reserves the right to select and direct legal counsel in the case of any challenge to the City's compliance with the agency fee obligation, and the Association agrees to pay any attorney, arbitrator or court fees related thereto.

SECTION 40: MVMA Board Meetings

MVMA Board Members shall each receive 12 hours of release time per calendar year to attend Board meetings.

SECTION 41: MVMA Membership Meetings

Employees designated as OM and PAM shall be allowed one hour of paid release time to attend MVMA Membership meetings twice per calendar year. Additional release time may be granted by the City Manager upon request during MOU negotiations.

SECTION 42: Ratification and Execution

The City and MVMA acknowledge that this Memorandum of Understanding shall not be in full force and effective until ratified by the bargaining unit and approved by the Moreno Valley City Council. Subject to the foregoing, this Memorandum of Understanding is hereby executed by the authorized representatives of the City and Association, and entered into this ____ day of April 2025.

For City:

Robert Cardenas, Human Resources Director

Dena Heald

Natalia Lopez

For MVMA:

Dale Mendenhall, President

Angelina Astorga

Lesia Bowers

Janelle Bizzle

Sergio Herrera

Mary LaPlante, CEA Representative