

# Attachment No. 1



**City of Pasadena & the Pasadena Management Association  
Side Letter of Agreement**

The purpose of this side letter is to reach agreement on the leaves of absence sections (which will become its own separate article in the final MOU) of the Memorandum of Understanding (MOU) between the City of Pasadena and the Pasadena Management Association (Association). The parties' current MOU expired on March 17, 2014 and the parties are currently in labor negotiations for a successor MOU. The parties wish to finalize their agreement on the leaves of absence sections of the MOU, have those provisions ratified by the Association and approved by the City Council, and put those provisions into effect following Council approval. The parties will continue to negotiate for a successor MOU regarding the remaining provisions of the MOU.

The parties agree to modify their MOU as follows:

**A. Vacation**

1. Effective beginning with the pay period that includes January 1, 2016, vacation accrual and maximums will be provided as follows:

Years of continuous service	Hours accrued per pay period	Annual Accrual	Vacation Maximum Accrual
Hire date to completion of five years	3.08	80 hours	160 hours
Six years – completion of 10 years	4.62	120 hours	240 hours
11 years	4.92	128 hours	256 hours
12 years	5.23	136 hours	272 hours
13 years	5.54	144 hours	288 hours
14 years	5.85	152 hours	304 hours
15 years	6.15	160 hours	320 hours

- a. New employees may be provided with an initial vacation allotment of up to forty (40) hours of vacation with City Manager (City Attorney or City Clerk, when applicable) approval as long as the initial vacation allotment and the annual accrual does not exceed the vacation earned by the individual's prior employment.
- b. Upon reaching the maximum accrual, employees will cease earning vacation until

use of vacation brings the accrual below the maximum. If an employee has requested to use vacation and the request has been denied resulting in the employee reaching his/her maximum, the City Manager may authorize a cash out of vacation up to a maximum of forty hours.

- c. With the May 13, 2015 paycheck, employees will receive payment of all earned but unused vacation hours exceeding 1.5 of his/her annual accrual, as reflected in the table above, paid at the base rate of pay. Employees can elect to receive the payment in cash, convert it to sick leave (subject to the sick leave max), or complete a 457 deferred compensation form requesting some or all be deferred into the 457 plan (subject to annual plan maximum) or any combination of these three options by submitting the request in writing on the Leave Conversion Request Form to be provided by Human Resources. Employees can request to receive payment for hours exceeding two times his/her annual accrual by signing an acknowledgement form that the maximum will be enforced following the May 13, 2015 payment. The election/acknowledgement form will be due to Human Resources by 5:00 p.m. on April 15, 2015.
- d. Vacation use is subject to supervisor/department head approval.
- e. Upon separation of employment or death, employees or their beneficiary will be paid for all accrued and unused vacation with their final paycheck. Upon separation, employees can submit a 457 deferred compensation form requesting some or all of the leave cash out be deferred into the 457 plan (subject to annual plan maximum).

## **B. Sick Leave**

1. Sick leave may be granted for personal illness or injury; absences for medical, dental, and/or vision care appointments.
2. Every employee who is unable to report to work for his/her scheduled shift because of a need to use sick leave, shall either call, or have someone call his/her supervisor preceding the time he/she is scheduled to report to work to report the absence. If a supervisor doesn't answer at the time of the call, a contact phone number shall be left as part of the message regarding the absence.
3. The Department Head or his/her designee has the authority to approve sick leave for department employees.
4. Employees requesting to use sick leave for four consecutive business days or longer shall submit a signed verification of the need for absence due to illness/injury or the need to care for an immediate family member. The verification must be provided by the personal physician, osteopath, chiropractor, or Christian Science practitioner attending

to the employee or immediate family member, and presented to the employees' supervisor before returning to work.

5. Employees who while on vacation become ill/injured and who provide a doctor's verification of illness/injury prior to returning to work that verifies that leave for injury or illness in excess of four days was required, may request that the vacation time be substituted with sick leave. Such requests are subject to approval by the Department Head.
6. Sick Leave Accrual

Effective January 1, 2016 sick leave will accrue as follows:

- a. Employees are eligible to accrue on a per pay period basis, up to eighty (80) hours of sick leave per year (3.08 hours per pay period) up to a maximum of 2080 hours.
- b. Employees who retire from the City may convert up to 2080 hours of accrued and unused sick leave to CalPERS service credit.
- c. Each calendar year, employees may use up to one-half of his/her annual accrual (40 hours) for family sick leave purposes (for family members as identified in California Labor Code Section 233).
- d. Effective January 1, 2016, employees with unused extended or reserve sick leave will have those hours transferred to the sick leave accrual bank. The reserve and sick leave banks will then be eliminated. Upon promotion to a classification represented by PMA, employees who have reserve or extended sick leave will have those hours transferred to the accrued sick leave bank (up to the 2080 max) and then those banks will be eliminated.

### **C. Holidays**

1. The following eleven days shall be observed as holidays:
  - a. January 1;
  - b. The third Monday in January;
  - c. February 12;
  - d. the third Monday in February;
  - e. the last Monday in May;
  - f. July 4;
  - g. The first Monday in September;
  - h. The Monday or Friday closest to November 11 (if on a Wednesday, the holiday shall follow the City Hall calendar set by the City);

- i. The fourth Thursday in November;
  - j. The day following the fourth Thursday in November; and
  - k. December 25
2. Holidays have a value equal to the regularly scheduled hours of work on the day the holiday is observed.
3. If any of the foregoing holidays falls on a Friday that is the employee's regularly scheduled day off, the holiday hours will be added to the floating holiday bank in the pay period that the holiday occurs. If any of the foregoing holidays falls on a Saturday, the holiday will be observed on the preceding Friday. If the preceding Friday is a regularly scheduled day off as identified as the 9/80 plan closed Friday, the holiday hours will be added to the floating holiday bank in the pay period that the holiday occurs. If any of the foregoing holidays falls on a Sunday, the holiday will be observed on the following Monday.
4. With the May 13, 2015 paycheck, the City will combine previously banked and floating holiday hours and employees will receive a cash out of hours in excess of eighteen (18). The City will no longer use banked holidays.
5. All employees will receive nine floating holiday hours with the first paycheck in January. Floating holiday accrual is capped at fifty-four (54) hours. Should an individual be at the accrual maximum, no additional floating holiday hours will be granted until such time as the accrual is below fifty-four (54) hours.
6. Use of floating holiday time is subject to supervisor/department head approval.
7. At the time of separation from employment, earned but unused floating holiday hours will be paid to the employee with the final paycheck at the employees' base hourly rate of pay.

**D. Workers' Compensation Leave**

1. The City will comply with the workers' compensation laws of the State of California.
2. If eligible, FMLA/CFRA runs concurrently with workers' compensation leave.
3. In addition to the benefits provided under the law, for workers' compensation claims which have been accepted for payment by the City, the City will supplement workers' compensation temporary disability payments to provide salary continuance in an amount equal to the annual base pay of the employee (less any required state and/or federal taxes). Claims that have been denied are not eligible for this benefit.

4. Supplemental payments will begin from the date of accepted injury and will continue for a period of time not to exceed six (6) months. Employees who may return to work with work restrictions and who are offered modified/light duty which is consistent with the employee's work restrictions, as determined by his/her treating physician or workers' compensation physician will discontinue receiving supplemental payments.
5. If an employee returns to work or is able to return to work in a modified/light duty capacity and has not received the full six (6) months of supplemental payments and subsequently needs to be off work again for the same workplace injury/illness, the employee will be eligible for supplemental payments not to exceed a cumulative total of six (6) months for the same injury/illness.

**E. Bereavement Leave**

Employees absent from work due to the death of an immediate family member (spouse, child, step-child, parent, grandparent, brother, sister, parent of spouse, or domestic partner) may receive regular compensation for a maximum of three days. Three working days shall be defined as three regular work days under the employee's regular work schedule. Under special circumstances, the department head may, within his/her discretion, authorize bereavement leave for the death of an individual not specified as an employee's immediate family member, as herein defined. Three days bereavement is provided separate from sick leave provisions.

**F. Witness Leave**

1. An employee who is subpoenaed to appear in court as a witness shall be deemed to be on a leave of absence. With approval of the employee's department head or City Manager, the employee shall be granted leave with pay during the required absence.
2. Witness leave shall not be granted for time spent on cases in which the employee is party to the action.

**G. Military Leave**

Military leave will be granted and paid in accordance with law.

**H. Management Time Off (MTO)**

1. With the pay period following City Council approval, FLSA exempt employees will receive forty (40) hours of Management Time Off (MTO).
2. For calendar years beginning in 2016, FLSA exempt employees shall receive forty (40) hours of Management Time Off with the pay period that includes January 1<sup>st</sup> of each calendar year. The department head may (within his/her discretion not subject to being

grieved or challenged) grant additional MTO hours up to a maximum of eighteen (18) hours in a calendar year. MTO hours cannot exceed fifty-eight (58) hours. Upon reaching the maximum of fifty-eight hours, no additional MTO may be granted. MTO hours may be used in hourly increments. At the time of separation, earned but unused MTO hours will be paid with the final paycheck at the employee's hourly based rate of pay.

3. New employees and/or those promoted to a PMA exempt classification will receive an initial pro-rated amount of MTO based on date of hire as follows:
  - Individuals hired/promoted January 1-March 30<sup>th</sup> receive 40 hours
  - Individuals hired/promoted April 1 – June 30<sup>th</sup> receive 30 hours
  - Individuals hired/promoted July 1 – September 30<sup>th</sup> receive 20 hours
  - Individuals hired/promoted October 1 – December 31<sup>st</sup> receive 10 hours
4. Non-exempt unit members in PMA hired before April 1, 2006 and who are in the PMA bargaining unit on the date of City Council approval of this agreement shall receive a one-time allotment of nine (9) hours of Management Time Off for 2015. Following this one-time allotment, non-exempt unit members (regardless of date of hire) are no longer eligible to receive MTO.
5. Use of management time off is subject to supervisor/department head approval.

#### **I. Family Leave**

The City will comply with the provisions of the Federal Family and Medical Care Leave Act as well as the State of California Family Rights Act. The City will maintain a policy which employees may access which sets forth all of their rights and obligations under the laws as well as post the required posters setting forth the major provisions of the laws.

#### **J. Maternity Leave**

1. The City will provide an unpaid maternity leave of absence for up to six months, or a combination of unpaid leave for a maximum of six months combined with a reduced work week schedule of at least 20 hours or more per week. The total combination of unpaid leave plus the reduced work week schedule shall not exceed a total of nine months.
2. In addition, while the employee under this policy is on an unpaid leave of absence or reduced work week schedule, the City will continue providing health and dental contributions to the employee as if the employee is on a regular full time paid status.

3. An employee may request that all or part of their earned sick leave, vacation time or other accrued leave time not be used or run out prior to the leave of absence, but remain on the books for the employee's future use upon return to work.
4. The leave provided in this section will run concurrently with Pregnancy Disability Leave, California Family Rights Act (CFRA), and/or the Federal Family Medical Leave Act (FMLA) when applicable.
5. Maternity leave will be eliminated as of January 1, 2016. Following that date, employees are eligible for benefits pursuant to Pregnancy Disability Leave, California Family Rights Act (CFRA), and/or the Federal Family Medical Leave Act (FMLA), when applicable, for purposes of parenthood leave (e.g., pregnancy, childbirth, adoption, or foster care placement). Pregnancy Disability Leave (which runs concurrently with FMLA) provides for up to four months of leave for pregnancy disability (with health insurance paid for during such leave). CFRA provides the right to take up to an additional 12 weeks of leave (for up to one year after the birth, adoption or placement of a child in foster care) for caring for a newborn child, an adopted child or a child placed in the home for foster care. The department head may grant additional unpaid leaves of absence, with no additional benefits, for an additional period of up to four months for parenthood leaves (including employees of both genders) when such leave will not have a detrimental effect in maintaining operational needs.

#### **K. Accrued Leaves – Part-time Members**

Part-time bargaining unit members working twenty (20) hours a week or more shall be entitled to vacation, sick, and management time off on a pro-rata basis. That is, members working twenty-five (25) hours per week would accrue leaves at the rate of 62.5% of a full-time employee. Members working thirty (30) hours per week would accrue leaves at 75% of the rate of full-time employees, etc.

#### **L. Jury Duty Leave**

1. If a member is required to be absent from work to report for jury duty, the employee will notify his/her supervisor of the absence as soon as possible, including, a phone message the night before if the employee finds out via a phone recording that he/she must report the next day.
2. There will be no reduction in pay for a unit member who is required to be absent from work for jury duty. Jury duty includes time in court awaiting assignment or release. In those cases in which the employee is released by the court with four or more hours remaining on his/her shift, the employee will report for duty as soon as possible and work the balance of the shift. By returning to work, the employee will receive a full day's pay, and shall pay to the City any amount received from the court for the jury duty, excluding mileage. Exempt employees who can work from a location other than



their primary work location may request authorization from his/her department head to work the remainder of the day in an alternate location.

3. In those cases in which the employee is not released by the court with four or more hours remaining on his/her shift, the employee need not return to work. The employee shall receive the full day's pay, and shall pay to the City any amount received from the court for jury duty, excluding mileage.
4. Employees will submit proof of jury service to his/her supervisor.

**M. Compensatory Time**

1. Employees with accrued compensatory time off will receive cash out of all hours in his/her leave bank at the base rate of pay with the May 13, 2015 paycheck.
2. For future promotions to exempt PMA represented classifications, those employees will be required to cash out any accrued and unused compensatory time off at rate of pay of the classification immediately prior to appointment to the PMA classification. Exempt employees in PMA are not eligible to earn compensatory time off.

**N. Partial Day Absences**

1. FLSA exempt employees who are absent from work for three hours or more of their regularly assigned work schedule are required to utilize appropriate leave time to cover the absence. If accrued leave is unavailable, the time will be recorded as leave without pay.
2. Non-exempt employees must account for all regularly scheduled hours with work or leave.

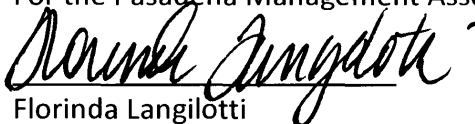
For the City of Pasadena:

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Michael J. Beck, City Manager


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Kristi Recchia, Director of Human Resources

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Peter J. Brown  
Liebert Cassidy Whitmore

For the Pasadena Management Association:

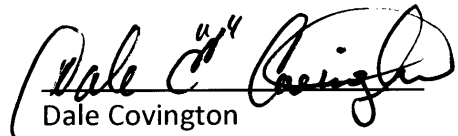
  
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Florinda Langilotti  
Negotiation Committee Chair

  
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Larry Hammond  
Negotiation Committee Member

  
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Glenn Rothner  
Rothner, Segall & Greenstone

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Jaime Arellano, Management  
Analyst III



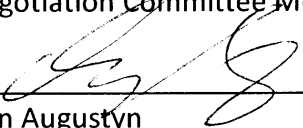
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Dale Covington  
Negotiation Committee Member



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Richard Thompson  
Negotiation Committee Member



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Dan Augustyn  
Negotiation Committee Member

Approved by City Council:

March 2, 2015