



## Legislation Details (With Text)

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<b>On agenda:</b>	7/30/2015	<b>Final action:</b>		7/30/2015	
<b>Title:</b>	***Adopt a Memorandum of Understanding between the City of Fresno and City of Fresno Management Employees Association (Unit 14 - CFMEA, Management Confidential)				
<b>Sponsors:</b>	Personnel Services Department				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. CFMEA MOU 2015-2017 Mark-Up Version.pdf, 2. CFMEA MOU 2015-2017 Final.pdf, 3. CFMEA Performance Evaluation Form.pdf, 4. Summary of Estimated Savings-Costs of CFMEA MOU.pdf				

Date	Ver.	Action By	Action	Result
7/30/2015	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**July 30, 2015**

**FROM:** JEFF CARDELL, Director  
Personnel Services Department

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Personnel Services Department

## SUBJECT

\*\*\*Adopt a Memorandum of Understanding between the City of Fresno and City of Fresno Management Employees Association (Unit 14 - CFMEA, Management Confidential)

## RECOMMENDATION

It is recommended that Council approve the attached Memorandum of Understanding (MOU) to implement changes in wages, hours and other terms and conditions of employment for City employees in Unit 14, represented by CFMEA.

## EXECUTIVE SUMMARY

The City and CFMEA reached a tentative agreement on a successor MOU which replaces the MOU that expired on June 30, 2015. CFMEA members ratified the tentative agreement on July 23, 2015. Highlights of the agreement include a system for merit increases based on a new performance

appraisal, discontinuing the employee payment of 4% of the City's share of retirement costs retroactive to July 1<sup>st</sup>, and new employees picking up 1.5% of the City's share of retirement costs. Council is asked to approve the new MOU.

## BACKGROUND

The City and CFMEA have been in negotiations since May 1, 2015. A tentative agreement was reached on July 9, 2015 and CFMEA members ratified the agreement on July 23, 2015. The successor MOU includes the following, along with other updates as identified in the attached document.

- Term: Through June 30, 2017.
- Wages and Pension:
  - Employees above the top step of the appropriate salary table will continue to be Y-rated.
  - Current employees will stop paying an additional 4% towards the City's share of pension costs retroactively to July 1, 2015.
  - New employees hired on or after August 1, 2015 to pay an additional 1.5% towards their pension.
  - Established a new method for determining pension for employees who defer retirement after leaving City employment on or after July 1, 2015, tied to the Consumer Price Index.
  - Employees will be eligible for merit increases on their anniversary date. There will be no increase for an evaluation rating of 1 or 2, or if any competency is below a rating of 3. Employees with a 3 rating will receive 2%. Employees with a 4 or 5 rating will receive an increase relative to performance, but no more than the top of the range.
- Health Care Premiums. Employee share of premiums limited to a maximum of 30% of the Health and Welfare premium (to match other bargaining units).
- Annual Leave: Cash out of annual leave limited to 10%, and must cash out by March 31<sup>st</sup> of each fiscal year.
- Holidays:
  - Holidays increased by one personal holiday. Reduced by two holidays in the last MOU. This change matches what the City has negotiated with other units.
  - Cash out of holiday leave limited to 10%, and must cash out by March 31<sup>st</sup> of each fiscal year.
- Supplemental Sick Leave: Those employees who have not yet accrued 80 hours can accrue up to 80 hours. Once 80 hours has been accrued, no additional accrual.
- Sick Leave: Added language to conform with sick leave use mandated by AB 1522, the Healthy Workplaces, Healthy Families Act of 2014.
- Other language clean-up.

The City Attorney's Office has approved the new MOU as to form.

## ENVIRONMENTAL FINDINGS

Not applicable.

## LOCAL PREFERENCE

Not applicable.

## **FISCAL IMPACT**

Approval of the MOU and Salary Resolution Amendment will result in additional costs for Fiscal Year 2016-2017 of approximately \$271,019 in Fiscal Years 2015-2016 and 2016-2017 for all funds of which the General Fund share is approximately \$94,268. The detail is set forth in the attached summary.

### **Attachments:**

CFMEA MOU, Mark-Up Version

CFMEA MOU, Final

CFMEA Performance Evaluation Form

Summary of Estimated Savings/Costs of MOU