



## **CITY OF MENIFEE**

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SUBJECT: Memorandums of Understanding with the Menifee City Employees' Associations: General, Professional, and Mid-Management Units

MEETING DATE: August 7, 2024

TO: Mayor and City Council

PREPARED BY: Bryan Melton, Human Resources Analyst

REVIEWED BY: Jonathan Nicks, Deputy City Manager

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Adopt a resolution approving a successor Memorandum of Understanding (MOU) between the City and the Menifee City Employees Association (MCEA), General Unit, for the period of July 1, 2024 through June 30, 2027; and
2. Adopt a resolution approving a successor MOU between the City and the MCEA, Professional Unit, for the period of July 1, 2024 through June 30, 2027; and
3. Adopt a resolution approving a successor MOU between the City and the MCEA, Mid-Management Unit, for the period of July 1, 2024 through June 30, 2027; and
4. Authorize the City Manager or their designee to execute and implement terms of the MOU and resolutions; and
5. Adopt a resolution approving the Classification and Compensation Plan known as the Authorized Position Listing.

### **DISCUSSION**

The three preceding MOUs between the City of Menifee (City) and the Menifee City Employees Association (MCEA), General, Professional, and Mid-Management Units expired on June 30, 2024. Beginning in November 2023, the City negotiation team had numerous communication exchanges and meetings with the MCEA representatives from all Units.

All three proposed MOUs are for a three-year term and all parties have come to agreement with the proposed changes as indicated in the three attached MOUs. The primary changes are summarized as follows:

### **Major Deal Points**

- A three-year term from July 1, 2024, through June 30, 2027, retroactive upon adoption.
- All represented employees shall receive a base salary increase as follows:
  - July 1, 2024 – 4% Increase
  - July 1, 2025 – 4% Increase
  - July 1, 2026 – 4% Increase
- Revenue Based Salary Increase (New Provision) - In the event property tax and sales tax revenue exceeds budget estimates, excluding Measure DD Quality of Life taxes and one time sales tax collections, base salary amounts would be increased as follows:
  - Beginning on July 1, 2025
    - 0.5% Base salary increase (4.5% total) if prior year revenue exceeds estimated revenue by \$500,000; or
    - 1% Base salary increase (5% total) if the prior year revenue exceeds estimated revenue by \$1,000,000.
  - Beginning on July 1, 2026
    - 0.5% Base salary increase (4.5% total) if prior year revenue exceeds estimated revenue by \$500,000; or
    - 1% Base salary increase (5% total) if the prior year revenue exceeds estimated revenue by \$1,000,000.
- Education/Certification Incentive Pay (New Provision) - Degrees and/or Certifications must directly align with the skills and knowledge required for the employee's current classification, be above the minimum requirements, and require Department and Human Resources approval. Employees may not compound multiple degrees and/or certifications.
  - Bachelor's Degree (BA/BS) – 2.0%; or
  - Job related certifications above minimum requirements – 2.0%; or
  - Master's Degree (MA/MS) – 4.0%
- Healthcare Contributions for "Employee Plus Family" would increase as follows:
  - Effective July 1, 2024, increase by \$150 per month (to \$2,100/month)
  - Effective January 1, 2026, another increase of \$150 per month (to \$2,250/month)
  - Effective January 1, 2027, another increase of \$150 per month (to \$2,400/month)

- Midwinter Holiday Closure – Agreement on a standardized schedule for facility closure of non-public safety City facilities for the midwinter holidays occurring between Christmas Eve and New Year’s Day for 2024, 2025, and 2026. The schedule of closure dates is outlined below.

Year 1 (2024)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
22	23 OPEN	24 CLOSED	25 CLOSED	26 CLOSED	27 CLOSED	28
29	30 CLOSED	31 CLOSED	1 CLOSED	2 OPEN	3 OPEN	4

Year 2 (2025)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
21	22 OPEN	23 OPEN	24 CLOSED	25 CLOSED	26 CLOSED	27
28	29 CLOSED	30 CLOSED	31 CLOSED	1 CLOSED	2 OPEN	3

Year 3 (2026)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
20	21 OPEN	22 OPEN	23 OPEN	24 CLOSED	25 CLOSED	26
27	28 CLOSED	29 CLOSED	30 CLOSED	31 CLOSED	1 CLOSED	2

- Bereavement Leave – Allows for recognition of verifiable significant other or unregistered partner living with the employee and updates for compliance with Assembly Bill 1949.
- Class A Driver’s License – Increases monthly stipend from \$50 to \$75 for employees who operate City vehicles which require a valid Class A California Driver’s License.
- Tool Allowance – Increases the allowance for Fleet Division positions utilizing their personal tools for City use from \$750 to \$2,000 annually.
- Parental Leave (New Provision/Current Practice) - Incorporates the current practice of providing 40 hours of paid leave for the birth or placement of a child into the employee’s home.
- Compensatory Time Off (CTO) Cap – The maximum accumulation increases from 120 hours to 160 hours.

The MCEA MOU 2024-2027 for each Unit represents the full and complete negotiated and agreed upon MOU. Upon approval of the MOU and adoption of the attached resolutions, the MCEA MOUs for General, Professional, and Mid-Management Units shall be ratified and fully executed.

### **Background**

Section 3505.1 of the Meyers-Milias-Brown Act provides that "If a tentative agreement is reached by the authorized representatives of the public agency and a recognized employee organization or recognized employee organizations, the governing body shall vote to accept or reject the tentative agreement within 30 days of the date it is first considered at a duly noticed public meeting. A decision by the governing body to reject the tentative agreement shall not bar the filing of a charge of unfair practice for failure to meet and confer in good faith. If the governing body adopts the tentative agreement, the parties shall jointly prepare a written memorandum of understanding". Once approved by the governing body of a local agency, a memorandum of understanding becomes a binding agreement between the employee organization and the local agency.

### **STRATEGIC PLAN OBJECTIVE**

Regular City Business

### **FISCAL IMPACT**

A portion of the negotiated changes for the MCEA MOUs (all Units) salary and benefits outlined in the MOUs are included in the City's adopted budgets for Fiscal Year (FY) 2024/2025 and result in a fiscal impact of approximately \$1,251,651. The portion not included in the FY 2024/25 budget amounts to approximately \$264,514 and would be addressed during the mid-year budget review depending on vacancies and other factors. The costs for FY 2025/26 and 2026/27 are anticipated to be approximately \$2,584,777 and \$3,712,739, respectively. These costs would be appropriated into the respective years' budget as part of the next two-year budget cycle. The compensation schedule (Authorized Position Listing & Compensation) shall be adjusted accordingly.

### **ATTACHMENTS**

1. Resolution - MCEA General Unit MOU
2. Exhibit A - MCEA General Unit MOU
3. Resolution - MCEA Professional Unit MOU
4. Exhibit A - MCEA Professional Unit MOU
5. Resolution - MCEA Mid-Management Unit MOU
6. Exhibit A - MCEA Mid-Management Unit MOU
7. Resolution - Authorized Position and Compensation Listing
8. Exhibit A - Authorized Position and Compensation Listing