

ADDENDUM TO MEMORANDUM OF UNDERSTANDING

CITY OF PLACERVILLE

AND

PLACERVILLE POLICE OFFICERS ASSOCIATION

Adoption by Placerville City Council

This Addendum to the current 2006-2008 Memorandum of Understanding (MOU), hereinafter referred to as the "Agreement," entered into by the Placerville Police Officer Association hereinafter referred to as "PPOA," and the City of Placerville, herein after referred to as "City," has as its purpose to amend the current MOU as outlined below.

This Addendum to the MOU between subject parties constitutes a mutual recommendation to be jointly submitted to the Placerville City Council on or before June 15, 2010.

It is agreed that this Addendum to the current MOU shall not be binding upon the parties either in whole or in part unless and until said City Council by majority vote, acts formally to approve said Addendum to the MOU.

The City's operating budget is entirely dependent upon the economic conditions that prevail in the community and legislative actions of the State of California. Given the continuing severe economic recession, and its unpredictable impact on the City's budgeted revenues and expenditures, City and PPOA agree to implement the following Cost Savings Plan outlined below.

PPOA and City agree that such Cost Savings Plan shall automatically terminate June 30, 2011, unless specifically extended in writing by the parties.

MANDATORY TIME OFF (MTO)

- (1.) If the City's operating budget during Fiscal Year 2010/2011 suffers a forecasted deficit due to forecasted shortfalls in revenues, and/or from legislative action by the State that reduces budgeted revenues and/or increases budgeted expenditures, and/or increases in CalPERS employer contribution rates primarily due to CalPERS investment losses, the following Cost Savings Plan will go into effect for all employees. City and PPOA agree that the City has suffered a loss in revenues as described above based on the forecasted budget deficit for Fiscal Year 2010/2011, and the Cost Savings Plan currently in effect shall continue in effect through 2010/2011 unless modified herein by both the City and PPOA.

- (2.) The City shall calculate the forecasted budget deficit quarterly, and divide such loss by each budgeted position or a portion thereof, to arrive at a percentage amount for each employee. The employee will receive the equivalent mandatory time off (MTO) without pay during the fiscal year. The City and PPOA agree that the initial MTO reduction shall be ten percent (10.00%) of employee's base salary effective May 30, 2009. Such MTO time shall not exceed ten (10.00%) of the employee's base salary. MTO time shall not have any cash value.
- (3.) Such MTO time will be shown on the employee's pay record and shall be used under the same procedures and conditions provided for in the use of vacation time except for the following conditions:
- a. If the request for MTO time is anticipated to cause overtime costs to be incurred by the City, the Chief of Police may reject such MTO request and ask the officer to reschedule such time.
 - b. The Chief of Police may grant such MTO request even though it may generate overtime costs, if such request is made in conjunction with a major life event such as a family wedding, family illness, or death of a family member. The Chief of Police shall have sole authority to make the determination to accept or reject the request, and any approval or rejection shall not be considered precedent setting for future requests.
 - c. All other requests for MTO time shall be treated the same way the Police Department treats vacation time.
 - d. City and PPOA also agree that during the term of this agreement the City's budgeted net operational revenues will be reviewed each quarter beginning with the quarter ended September 30, 2010, and if such forecasted revenues exceed forecasted expenditures by more than one (1.00%) percent, the City and PPOA agree to restore the reduction in base salary made to the extent of the improvement in its forecasted net revenues. Any restoration of base salary shall be effective the first pay period following the City Council's approval of the negotiated restoration plan.
- (4.) This Cost Savings Plan shall not affect current vacation or sick leave accrual rates, and MTO time shall count as "paid time" for purposes of calculating authorized overtime.
- (5.) Overtime Incentive-PPOA and City agree that a percentage of savings, of up to twenty-five percent (25%), experienced by the City's Fiscal Year 2010/2011 adopted overtime budgets for PPOA represented positions shall be treated as follows:

- a. The City shall calculate any overtime budget “savings” experienced in the overtime budgets mentioned above at the end of the Fiscal Year ending June 30, 2011;
 - b. The City shall calculate 25% of such savings (the total savings less the 75% of the savings the City retains);
 - c. The City shall allocate the amount of such 25% savings to each filled position that has a MTO leave bank balance, by exchanging one hour of current base salary, in for one hour of MTO time equally among all employees with MTO balances until the “savings” are exhausted, or the MTO hours are exhausted. The City may use fractions of an hour if necessary.
 - d. Such restoration of salary shall be paid on a separate check the first full pay period in July 2011, subject to normal payroll withholdings.
- (6.) Vacation Accruals-The parties agree that the MTO Program may result in delayed use of vacation in an effort to expend MTO hours, and such vacation may exceed the current 240 hour limit on vacation accruals. Therefore, PPOA and City agree that during the period of this Addendum, the 240 vacation accrual limit will be temporarily increased to 336 hours. Effective the first pay period in July 2011, the vacation accrual limit shall revert back to 240 hours. Employees who have more than 240 hours of vacation time in their leave bank as of the last full pay period in June 2010 may continue to accrue vacation time as long as the hours in excess of 240 hours are taken on or before the last full pay period in June 2012.
- (7.) Compensatory Time Off (CTO)- Under current conditions, CTO hours may be accumulated up to a maximum of fifty-four (54) hours. The City agrees to temporarily increase such maximum accumulation to eighty-four (84) hours during the term of this Addendum. Effective the first pay period in July 2011, such maximum accumulation shall revert back to fifty-four (54) hours. Employees who have CTO leave bank balances in excess of fifty-four (54) hours as of the last full pay period in June 2011, shall take or cash out the hours in excess of fifty-four (54) hours at the discretion of the City on or before the last full pay period in June 2012. The additional thirty hours of compensatory time shall be counted as overtime expenditures for purposes of the Overtime Incentive Program cited in (5.) above.
- (8.) Pension Taskforce-City and PPOA agree to establish a Pension Taskforce that shall meet three times Between June 2010 and March 2011.
- (9.) MOU Consolidation-City and PPOA agree to meet during 2010 to consolidate applicable provisions in various Addendums to the PPOA MOU, such as health insurance, and vacation accruals in order to memorialize those Addendum provisions that were intended by the parties to be part of an MOU. Other provisions that were intended to be transitory will expire with the Addendum or upon the date stated in the Addendum.

LAYOFFS

The City shall notify an employee of a layoff thirty (30) days prior to the layoff date.

Term of Agreement

City and PPOA agree to extend the current 2006-2008 Memorandum of Understanding until June 30, 2011.

The parties hereto have agreed to this Addendum to the current memorandum of Understanding to be executed by affixing their signatures below:

For the City of Placerville:
Association

For the Placerville Police Officers

Mayor, Pierre Rivas

John Meuser, President PPOA

Date

Date

John W. Driscoll, City Manager/City Attorney

Date