

## **SIDE LETTER OF AGREEMENT**

BETWEEN

**CITY OF CORONA**

AND

**CORONA SUPERVISORS ASSOCIATION**

This Side Letter of Agreement (“Agreement”) between the City of Corona (“City”) and the Corona Supervisors Association, (“CSA”) is entered into with respect to the following:

**WHEREAS**, the Parties are parties to Memoranda of Understanding (MOU) with terms of November 16, 2021 to December 31, 2024, and January 1, 2025 to December 31, 2027; and

**WHEREAS**, the City has been advised by the California Public Employees’ Retirement System (CalPERS), that the rate at which it reports pensionable holiday pay to CalPERS (i.e., 1.5 times the FLSA Regular Rate of Pay) is not sufficiently descriptive in the MOU; and

**WHEREAS**, CalPERS has advised the City that to be able to report the holiday pay at 1.5 times the FLSA regular rate of pay, the MOU needs to be amended to more sufficiently describe the rate at which holiday pay will be reported to CalPERS; and

**WHEREAS**, the Parties wish to make a change to the relevant language in the MOU for CSA to be able to report holiday pay to CalPERS at 1.5 times the FLSA Regular Rate of Pay; and

**WHEREAS**, the Parties wish to update MOU language regarding annual leave cash out to ensure compliance with regulations regarding Post Employee Health Plan administration;

**WHEREAS**, the changes set forth in Part 1 below will go into effect retroactively to the beginning of the MOU - November 16, 2021, and the changes in Part 2 below will go into effect on November 20, 2025; and

**WHEREAS**, the following sets forth the Parties’ Agreement:

Part 1. The parties agree to the changes set forth below in track changes in Section 20.2 of the CSA MOU:

### **Section 20.2 – How Holidays are Observed and Paid**

Employees in the unit work either “with regard to holidays” or “without regard to holidays”. Employees who work “with regard to holidays” have holidays off and employees who work “without regard to holidays” work in positions where the employee is required to work on a holiday.

**Employees who work with regard to holidays:** (Employees in all classifications, except those listed below):

All holidays in the above list will be observed on the actual day of the holiday except for holidays that occur on a Sunday. For holidays that occur on a Sunday the observed day

shall be the following Monday. If July 4th falls on a Sunday and an employee wishes to treat July 4th as the holiday (as opposed to the following Monday July 5th), the rules will apply to July 4th and the employee would need to use Annual Leave to cover July 5th.

If the observed holiday falls on an employee's regular workday, and the employee does not work on that day, they shall be paid for their regularly scheduled hours, up to ten hours. For employees who work schedules in excess of ten (10) hours per day, they can use annual leave to be paid for the hours above ten (10) hours on a holiday. Employees without such leave will only be paid for ten hours for the holiday.

If the employee is required to work on a holiday due to an emergency, other unintended event, or is assigned by the employee's supervisor or manager (whether it is their regularly scheduled workday or day off) the employee shall be paid time and one-half at the FLSA regular rate of pay (which includes those forms of additional compensation included in Article 3 of this MOU to which the City is required to include in calculating the FLSA regular rate of pay) for all hours worked, plus accrue 10 hours of Annual Leave.

For holidays that fall on the employee's regular day off, employees shall accrue Annual Leave hours equal to the number of hours of their regular shift, up to a maximum of ten (10) hours per day. These Annual Leave hours may be used by the employee (including employees on their initial probationary period) as Annual Leave.

**Employees who work without regard to holidays:** (Employees who work as Public Safety Dispatch Supervisors):

For employees who work "without regard to holidays", a holiday will be observed on the actual dates above. Since those employees typically work on a holiday, the employee shall be paid time and one-half at the FLSA regular rate of pay (which includes those forms of additional compensation included in Article 3 of this MOU to which the City is required to include in calculating the FLSA regular rate of pay) for all hours worked on the holiday, plus receive pay for 10 hours in lieu of holiday leave.

If the holiday falls on the employee's regular day off, the employee shall accrue 10 hours of Annual Leave.

If the holiday falls on the employee's regular workday but employee does not work on that day, then the employee will be paid for their regular shift, up to 10 hours. If the employee's regular shift is longer than 10 hours the employee may supplement Annual Leave to receive a full paycheck for that day.

**Rule Applicable to All Employees Whether They Work With or Without Regard to Holidays**

An employee is deemed to "work" on the day their shift starts. For example, if the holiday falls on Thursday, an employee working a shift that begins Wednesday night and ends on Thursday morning is not considered to work on the holiday; however, an employee whose shift begins Thursday night and ends Friday morning is considered to work on the holiday.

In compliance with the California Public Employees' Retirement System regulations and definition of Special Compensation the additional compensation paid to employees who are normally required to work on holidays because they work positions that require

scheduled staffing without regard to holidays shall be reported to CalPERS as compensation earnable or pensionable compensation per Title 2 CCR, Section 571(a)(5) and 571.1(b)(4) as a "Holiday Pay". However, it is ultimately CalPERS who determines whether any form of pay is reportable special compensation.

Part 2. The parties agree to the changes set forth below in track changes in Section 19.4 of the CSA MOU:

### **Section 19.4 – Cash Out or Conversion of the Value of Annual Leave**

There are three situations described below when an employee may have their Annual Leave cashed out or converted to deferred compensation, including Roth IRA, or paid as taxable wages by the City. All Annual Leave cashed out or converted to deferred compensation in this section will be valued at employees' base hourly rate of pay for employees in Tier II, and base hourly rate of pay plus the 3% Longevity Pay for employees in Tier I.

#### **19.4.1 – Maximum Accrual of Annual Leave – Conversion above 600 Hours**

On the last day of the last pay period that ends in each calendar year, if an employee has accrued more than 600 hours of Annual Leave, the Annual Leave hours in excess of 600 hours will be converted to the monetary equivalent as described in Section 19.4 and the dollar value placed in the employee's deferred compensation account (set up per IRS code section 457) or Roth IRA up to the maximum permitted by law. Any amounts over the IRS annual limit will be paid out as taxable wages.

For employees who have informed the City that they will be retiring at the end of the calendar year, they will have the option to allow the hours above 600 to be subject to section 19.4.2.

#### **FOR THE CITY OF CORONA**

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 Jacob Ellis

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Jacob Ellis

City Manager

Signed by:

 Lori Sassoon

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Lori Sassoon

Chief Talent Officer

12/15/2025

Date

12/11/2025

Date

#### **FOR THE CORONA SUPERVISORS ASSOCIATION**

DocuSigned by:

 Jeff Nelson

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Jeff Nelson

President, CSA

12/3/2025

Date

