AMENDMENT TO AND EXTENSION OF THE 2016 – 2017 MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF POMONA AND THE POMONA POLICE OFFICERS' ASSOCIATION, INC. (PPOA)

PREAMBLE

The Amendment to the Memorandum of Understanding (MOU) on wages, hours and working conditions is entered into between the Pomona City Council (City) and the Pomona Police Officers' Association, Inc. (PPOA) (Association), collectively referred to as "Parties".

On February 6, 2017, The City Council approved Resolution 2017-15 approving the 2016-2017 MOU between the parties.

This amendment is to extend the MOU for two years, until June 30, 2019, and authorize the amendments described herein related to union leave, salary, life insurance, one-time payments, and term.

AMENDED ARTICLE II, EMPLOYEE ORGANIZATION RIGHTS AND RESPONSIBILITIES

B. TIME OFF FOR MEETING AND CONFERRING. Every February, each Police Association member shall give two (2) hours of accrued leave (non-paid leave bank, compensatory time or vacation in this order) to a bank. Police Association representatives may use these hours for the purpose of meeting and conferring with City or other related labor relations business.

Effective February 2019, the following provision will apply and will supersede the paragraph above: Every February, each Police Association member shall give four (4) hours of accrued vacation leave to a bank. If the employee does not have four (4) hours of vacation leave accrued in the pay period the deduction is made, the deduction shall be limited to the amount of vacation leave available. Police Association representatives may use these hours for the purpose of meeting and conferring with City or other related labor relations business.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS - SECTION A AND B

A. <u>COMPENSATION</u>.

1. Effective October 1, 2015 and each October 1st thereafter, the top step salary for Police Officer shall be adjusted to the median or mean salary, whichever is higher, of the fourteen (14) survey cities, not to exceed 2.5%. For example, if the survey results show Police Officer as 2% below the median/mean, salaries shall be adjusted by 2%. If the survey results indicate 3% below the median/mean, salaries shall be adjusted by 2.5%. Nothing in this language precludes either PPOA or the City from negotiating a different salary adjustment through the standard meet and confer process.

PPOA 2016-17 MOU Amendment and Extension through June 30, 2019 Page 2 of 7

2. The City shall maintain the salary alignment of 5% between steps rounded to the nearest whole dollar as follows:

Police Corporal – Top Step Police Corporal shall be 10% above

Top Step Police Officer

Police Investigator - Top Step Police Investigator shall be 12% above

Top Step Police Officer

Police Sergeant - Top Step Police Sergeant shall be 15% above

Top Step Police Investigator

3. The Survey Cities have been identified as Chino, Corona, Fullerton, Glendale, Inglewood, Ontario, Orange, Pasadena, Riverside, San Bernardino, Santa Ana, Torrance, Upland, and West Covina.

B. <u>SALARY</u>. Police Association employees' base salaries shall be established as follows:

Approximate Monthly Salary Effective October 1, 2016

Job Classification	Scale	Step 1	Step 2	Step 3	Step 4	Step 5
Police Officer	PS-0010	5,932	6,234	6,556	6,888	7,242
Police Corporal	PS-0030	6,525	6,858	7,212	7,576	7,967
Police Investigator	PS-0040	6,644	6,982	7,341	7,714	8,111
Police Sergeant	PS-0050	7,639	8,031	8,442	8,871	9,328

Approximate Monthly Salary Effective October 1, 2017

Job Classification	<u>Scale</u>	Step 1	Step 2	Step 3	Step 4	Step 5
_	_	_	_	_	_	_
Police Officer	PS-0010	6,080	6,390	6,720	7,060	7,423
Police Corporal	PS-0030	6,688	7,029	7,392	7,765	<u>8,166</u>
Police Investigator	PS-0040	<u>6,810</u>	<u>7,157</u>	<u>7,525</u>	<u>7,907</u>	<u>8,314</u>
Police Sergeant	PS-0050	<u>7,830</u>	<u>8,232</u>	<u>8,653</u>	9,093	<u>9,561</u>

The approximate monthly salary effective October 1, 2018 shall be determined pursuant to the salary survey provisions in Article IV.A. Pursuant to the 2018 survey and City Council action on July 2, 2018, effective October 1, 2018, the following salary scale shall be in effect:

Approximate Monthly Salary Effective October 1, 2018

Job Classification	<u>Scale</u>	Step 1	Step 2	Step 3	Step 4	Step 5
_	_	_	_	_	_	_
Police Officer	PS-0010	6,232	<u>6,550</u>	6,888	7,237	<u>7,609</u>
Police Corporal	PS-0030	<u>6,855</u>	<u>7,205</u>	<u>7,577</u>	7,959	<u>8,370</u>
Police Investigator	PS-0040	<u>6,980</u>	7,336	<u>7,713</u>	<u>8,105</u>	<u>8,522</u>
Police Sergeant	PS-0050	<u>8,026</u>	<u>8,438</u>	<u>8,869</u>	9,320	9,800

C. HOURLY RATE DEFINED.

- 1. <u>BASE HOURLY RATE</u>. For purposes of payroll computation, the base hourly rate for all affected employees shall be the applicable base salary as set forth in Article IV.B multiplied by 12 and divided by 2080.
- 2. <u>REGULAR HOURLY RATE</u>. For purposes of payroll computation, the regular hourly rate for all affected employees shall be the applicable base salary as set forth in Article IV.B plus Education Incentive and Longevity pay multiplied by 12 and divided by 2080.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS – SECTION R TO U (RELATED TO BENEFITS)

R. DENTAL INSURANCE.

- 1. The City agrees to pay up to a maximum contribution of \$75 per month for City provided dental insurance premiums.
- 2. So long as they are available, the City shall continue to offer two (2) dental plans with plan selection at the employee's option. The plans offered are: Dental Health Services Plan "A", and Delta Dental.

S. HEALTH INSURANCE.

- 1. CalPERS: The City shall offer health insurance coverage through the California Public Employees' Retirement System (CalPERS) to make available those health insurance benefits provided under the Public Employees' Medical and Hospital Care Act (PEMHCA). The availability, terms and conditions of such programs are solely within the scope and control of CalPERS. The City agrees to pay up to a maximum contribution of \$700 per month for City provided health insurance.
- 2. In the event that the City wishes to adopt any alternate/additional health plans, the parties agree to meet and confer.
- Any cost for medical and dental insurance that exceeds the City's contribution is the responsibility of the employee and the employee shall cover the cost through payroll deduction on a pre tax basis. Any balance remaining from the City's contribution shall remain with the City.
- 4. If any other City employees' association receives a health insurance increase that exceeds the current level of the Police Association, the Police Association's health insurance contribution shall be increased equal to the highest amount. This "me too" provision applies only to increases to the \$700 health insurance contribution and does not apply to the Section 125 Benefit Plan Contribution. which is initially being implemented the first pay period in December 2015.

5. The parties agree to meet and confer on Sections S, T, U or other health-related provisions to address the impacts of the Affordable Care Act or other alternative legislation.

T. CASH IN LIEU.

- Employees who provide the City with satisfactory proof of medical insurance coverage comparable to the City's medical insurance plan can decline, in writing, coverage on the City's medical insurance plans. The alternative medical coverage must meet all of the requirements of the Affordable Care Act (ACA) or successor legislation and related regulations for an eligible Opt-Out Arrangement. The employee who declines enrolling in health insurance coverage and meets the applicable legal requirements shall receive the "employee only" premium which is equal to the least expensive City medical insurance plan, not to exceed \$700 per month.
- Married City employees, which includes registered domestic partners may combine the City's contribution for medical insurance to pay the cost for dependent medical insurance which exceeds the City's contribution or being covered under their spouse's City insurance plan and receive the employee only premium provided for under Article IV.T.1.

T.U. SECTION 125 BENEFIT PLAN.

- 1. An IRS Code Section 125 Benefit Plan shall be established providing employees with the opportunity, through payroll deduction, to pay for legally permissible benefits. The City shall designate a Plan Administrator to administer the Plan. Any and all charges, including charges for reimbursement accounts under the Plan, shall be paid by the employee for whom the charge is assessed. The City shall not be responsible for the cost of administering the Plan. The City shall notify employees of the flexible benefit plan and of their rights and their responsibilities under the Plan. Each employee shall be offered opportunity to participate in the Plan.
- The 125 Plan shall consist of the current health insurance and dental insurance plans, plus any optional insurance benefits offered by the Plan Administrator. It is mandatory that employees participate in the employee only health and dental coverage plans, unless the employee can provide proof of coverage in a plan comparable to those offered by the City that meets the requirements of the ACA or successor legislation for an Eligible Opt-Out Arrangement.
- 2.3. Any cost for medical and dental insurance that exceeds the City's contribution is the responsibility of the employee and the employee shall cover the cost through payroll deduction on a pre-tax basis. The purchase of optional benefits shall be the responsibility of the employee through authorized payroll deduction. No City contribution shall be made towards optional benefits.

4. Section 125 Benefit Plan Contribution.

a. Effective the first paycheck in December 2015, the City shall begin making make a City contribution to the Section 125 Benefit Plan of \$25 per month. Effective the first paycheck January 2019, or the pay period after City Council approval, whichever is later), the City contribution shall be \$25 month for

those who enroll in single coverage or waive coverage pursuant to Section IV.T and \$225 per month for those employees who enroll in two-party or family coverage. The initial implementation of the increase may be delayed due to the implementation of the new payroll system scheduled to be implemented the first paycheck in January 2019. If the benefit increase is delayed, employees will be paid retroactively to the first paycheck in January 2019 as soon as the payroll system is able. Such delay shall not extend past the first paycheck in March 2019.

- a.b. The 125 Benefit Plan Contribution may be used to pay for excess health, dental or vision insurance premiums or may be taken in cash.
- b.c. The 125 Benefit Plan Contribution is separate from the Health Contribution in IV.S and the Dental Contribution in IV.R. Retired City employees are not eligible to receive the Section 125 Benefit Plan Contribution.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS - SECTION V. LIFE INSURANCE

V. <u>LIFE INSURANCE</u>. The City shall provide and pay for life insurance in the amount of \$50,000 for all employees. <u>Effective within 90 days following City Council approval of the amendment and extension, the life insurance shall be increased to \$200,000 and include Accidental Death and Dismemberment Insurance. The specific effective date shall be determined by the Human Resources/Risk Management Director.</u>

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS - SECTION Y (ONE-TIME PAYMENT

- Y. ONE-TIME PAYMENTS. Effective July 1, 2015, employees shall receive a one-time flat payment of \$300. Said payment is not PERSable compensation.
 - 1. 2018 Effective within a few pay periods following City Council approval, a one-time payment will be made to each active employee in a paid status in the pay period the payment is made. The amount of the payment will be as follows: \$2,400 to each employee who is enrolled in family or two-party medical coverage as of May 1, 2018; and \$2,000 to each employee who waives medical coverage or is in single coverage as of June 1, 2018.
 - 2. 2019 Effective the pay period beginning May 26, 2019 (pay date June 20, 2019), a one-time payment will be made to each active employee in a paid status in the pay period the payment is made. The amount of the payment will be \$2,000 to each employee who waives medical coverage or is in single coverage as of May 1, 2019. No one-time payment will be made to employees with two-party or family medical coverage (see Section 125 Benefit Contributions).
 - 3. The payments will not be reported to PERS as compensation (i.e. they are not "PERSable"). Employees who change bargaining units are only eligible for a single one-time payment each year of the agreement.
 - 4. Reconciliation of One-time Payment and Increase of On-going Medical Coverage.

During the benefit plan year of 2019, an employee with a qualifying life event may change coverage levels that would affect the amount of total compensation received pursuant to the one-time payment and the Section 125 Benefit Contributions combined. The intent is that no employee will receive more than \$2,000 or less than \$1,200 for the period of January 1, 2019 through June 30, 2019 (i.e. the paycheck dated January 3, 2019 through the paycheck dated June 20, 2019) through a combination of the \$200 ongoing benefit contribution and the \$1,200 one-time payment. The reconciliation will be addressed as follows:

- a. All calculations exclude the \$25 Section 125 Benefit Contribution already provided to the employees. The applicable time period is from the paycheck dated January 3, 2019 through the paycheck dated June 20, 2019.
- b. An employee who receives the \$200 additional Section 125 benefit contribution prior to the pay period beginning May 26, 2019 but subsequently qualifies for the \$2,000 one-time payment shall have the one-time payment reduced by the amount of additional Section 125 Benefit contributions received. For instance, if the employee received \$100 for 3 pay periods, \$300 shall be deducted from the one-time payment and the employee shall receive \$1,700 as the one-time payment. No employee shall receive more than \$2,000 combined.
- c. An employee who enrolls in two-party or family coverage subsequent to January 2019, shall receive a one-time payment in June 2019 that will equal a total of \$1,200 including the \$200 Section 125 payments received through June 2019. For instance, an employee who received \$800 in Section 125 contributions shall receive a \$400 one-time payment.
- d. No one-time payment will be made to employees separating prior to paycheck dated June 20, 2019.
- e. It is anticipated that some individual situations and logistical issues will arise that have not been adequately addressed by these procedures. As such, these procedures may be modified by mutual agreement of the parties, with the approval by the City Manager, consistent with the intent of active employees not receiving more than \$2,000 or less than \$1,200 for the applicable time period.

XVIII. TERM OF MEMORANDUM OF UNDERSTANDING

This Agreement shall be effective July 1, 2016 and shall continue in force and effect unless otherwise specified herein, until June 30, 20172019, with and from year to year thereafter, unless one (1) party serves notice on the other of its intent to modify the Agreement, one hundred and twenty (120) days or more prior to the annual expiration date.

The City is implementing a new human resources and payroll system. During the implementation, issues may arise that require modification to terms and conditions of employment. If those proposed modifications are subject to meet and confer pursuant to Government Code Section 3504 and this MOU, the parties agree to meet and confer regarding said issues and proposed modifications.

PPOA 2016-17 MOU Amendment and Extension through June 30, 2019 Page 7 of 7

Except as modified herein, all other wages, hours and terms and conditions of employment listed in the 2016-17 MOU are to remain in full force until a successor agreement is reached.

APPROVALS

DATED:	DATED:
THE CITY OF POMONA:	THE POMONA POLICE OFFICERS' ASSOCIATION:
Linda Lowry City Manager	
Linda Matthews Human Resources/Risk Management Director	
APPROVED, RATIFIED AND ORDERED THE CITY OF POMONA ON THIS D	IMPLEMENTED BY THE CITY COUNCIL OF, 2018.
ATTEST:	THE CITY OF POMONA:
	THE GITT OF FOWIONA.
Eva Buice, MMC, City Clerk	Tim Sandoval, Mayor
Eva Buice, MMC, City Clerk APPROVED AS TO FORM:	