AMENDMENT TO AND EXTENSION OF THE 2016 – 2017 MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF POMONA AND

THE POMONA POLICE MANAGERS' ASSOCIATION (PPMA)

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 Managers' Association (PPMA) (Association), collectively referred to as "Parties".

On May 15, 2017, The City Council approved Resolution 2017-66 approving the 2016-2017 MOU between the parties.

This amendment is to extend the MOU for two years and authorize the amendments described herein related to salary, one-time payments, and term.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS – SECTION A

IV. COMPENSATION AND BENEFITS

- A. <u>COMPENSATION.</u>
 - 1. Effective October 1, 2015 and every October 1st thereafter, the City will implement the results of the Police Officer salary survey, not to exceed 2.5%.
 - 2. The City shall maintain the following salary alignment of 5% between steps, rounded to the nearest whole dollar:

Police Lieutenant - Top Step Police Lieutenant shall be 20% above Top Step Police Sergeant

- Police Captain Top Step Police Captain shall be 15% above Top Step Police Lieutenant
- 3. Salary rates are included in Appendix A.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS – SECTION H

H. <u>LIFE INSURANCE</u>. The City shall provide for life insurance, in the amount of \$50,000 plus Accidental Death and Dismemberment for all employees, and shall contribute, as appropriate, monthly premiums for those employees having completed a full calendar month of service. Effective within 90 days following City Council approval of the amendment and extension, the amount 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.

AMENDED ARTICLE IV. COMPENSATION AND BENEFITS – SECTION I- L (BENEFITS)

- I. <u>DENTAL INSURANCE</u>.
 - 1. Effective January 1, 2007, the City agrees to pay up to a maximum contribution of \$75 per month for City provided dental insurance for employee and dependents.
 - 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.

J. <u>HEALTH INSURANCE</u>.

- 1. <u>Health Insurance Plan Providers and Premium Contribution</u>. CALPERS: The City shall offer health insurance coverage through the California Public Employees' Retirement System (CALPERS). The availability, terms and conditions of such programs are solely within the scope and control of the CALPERS. The City agrees to pay up to a maximum contribution of \$700 per month for City provided health insurance.
- 2. Married City employees 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. Any balance from the City's contribution will remain with the City.
- 3. If any other City employees' association receives a health insurance increase which exceeds the current level of the PPMA, the PPMA's health insurance contribution shall be increased to equal that of the higher City employees' association. This "me too" provision applies only to increases in 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.
- 3.4. The parties agree to meet and confer on Article IV, Sections J, K, L and/or other health-related provisions to address the impacts of the Affordable Care Act or other alternative legislation.
- K. 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. <u>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.</u> The employee can take as cash the employee only premium that is equal to the least expensive City medical plan, not to exceed \$700 per month.

- L. <u>SECTION 125 BENEFIT PLAN.</u>
 - 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 Police Managers' Association and the City shall jointly notify employees of the flexible benefit plan and of their rights and their responsibilities under the plan. Each employee must be offered opportunity to participate in the Plan.

- 2. The 125 plan will consist of the current health insurance and dental insurance plans, plus any optional insurance benefits offered by the plan administrator. Employee only health and dental coverage will be mandatory to participate in the plan, unless the employee can provide proof of coverage in a medical plan comparable to those offered by the City that meets the requirements of the ACA or successor legislation for an Eligible Opt-Out Arrangement. plan to the City's.
- 3. Any cost for medical and dental insurance, which exceeds the City's contribution, is the responsibility of the employee and the employee will cover the cost through payroll deduction on a pre-tax basis. Any balance remaining from the City's contribution will remain with the City. The purchase of optional benefits will be the responsibility of the employee through payroll deduction reduction. No City contribution will be made towards optional benefits.
- 4. Section 125 Benefit Plan Contribution
 - a. Effective the first paycheck in December 2015, the City shall begin make_ing-a City contribution to the Section 125 Benefit Plan of \$25 per month. Effective the first paycheck In January 2019, the City contribution shall be \$25 per month for those who enroll in single coverage or waive medical coverage pursuant to Article IV.K and \$225 per month for those employees who enroll in two-party or family medical 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 the payroll system is able. Such delay shall not extend past the first paycheck in March 2019.
 - b. The <u>Section 125</u> Benefit Plan Contribution may be used to pay for excess health, dental or vision insurance premiums or may be taken in cash.
 - c. The <u>Section</u> 125 Benefit Plan Contribution is separate from the Health Contribution in IV.J and the Dental Contribution in IV.I. Retired City employees are not eligible to receive the <u>Section</u> 125 Benefit Plan Contribution.

V. ONE-TIME PAYMENTS.

- 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 June 1, 2018; and \$2,000 to each employee who waives medical coverage or is enrolled in single coverage as of June 1, 2018.
- 2. 2019 Effective the pay period beginning May 26, 2019 (pay day June 20, 2019), a onetime 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 enrolled in single coverage as of May 1, 2019. No onetime payment will be made to employees with two-party or family medical coverage (see Section 125 Benefit Contributions below). The one-time payment in 2019 is subject to the reconciliation process described below.
- 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, onetime payment each year.
- 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 on-going 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 for reconciliation 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.

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d. No one-time payment will be made to employees separating prior to the 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.

AMENDED ARTICLE XVI. TERM OF MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, notwithstanding dates otherwise specified herein, shall be effective for the period of July 1, 2016 to June 30, <u>2017–2019</u> to 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 a 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.

AMENDED APPENDIX A - SALARY RANGES AND RATES

Approximate salary rates. Actual rates to be calculated by payroll system.

Approximate Monthly Salary Enective October 1, 2010						
Job Classification	Scale	Step 1	Step 2	Step 3	Step 4	Step 5
Police Lieutenant	PM-0010	9,168	9,634	10,133	10,645	11,193
Police Lieutenant with EPMC	PM9-0010	9,993	10,501	11,045	11,603	12,200
Police Captain	PM-0020	10,540	11,081	11,651	12,242	12,872
Police Captain with EPMC	PM9-0020	11,489	12,078	12,700	13,344	14,033

Approximate Monthly Salary Effective October 1, 2016

Approximate Monthly Salary Effective October 1, 2017

Job Classification	<u>Scale</u>	Step 1	Step 2	Step 3	Step 4	Step 5
_				_		
Police Lieutenant	<u>PM-0010</u>	<u>9,397</u>	<u>9,875</u>	<u>10,386</u>	<u>10.911</u>	<u>11,473</u>
Police Lieutenant with EPMC	<u>PM9-0010</u>	10,243	<u>10.764</u>	<u>11,321</u>	<u>11,893</u>	12,505
Police Captain	<u>PM-0020</u>	<u>10,804</u>	<u>11,358</u>	<u>11,942</u>	<u>12,548</u>	<u>13,194</u>
Police Captain with EPMC	PM9-0020	<u>11,776</u>	<u>12,380</u>	<u>13,018</u>	<u>13,678</u>	14,381

The approximate monthly salary effective October 1, 2018 shall be determined pursuant to the salary survey provisions in Article IV.A and shall be increased by 2.5% as follows:

Approximate Monthly Salary Effective October 1, 2018							
Job Classification	Scale	Step 1	Step 2	Step 3	Step 4	Step 5	
	_	_	_	_	_	_	
Police Lieutenant	<u>PM-0010</u>	<u>9,632</u>	<u>10,122</u>	<u>10,646</u>	<u>11,184</u>	<u>11,760</u>	
Police Lieutenant with EPMC	<u>PM9-0010</u>	<u>10,499</u>	<u>11,033</u>	<u>11,604</u>	<u>12,190</u>	<u>12,819</u>	
Police Captain	<u>PM-0020</u>	11,074	<u>11,642</u>	12,241	12,862	13,524	
Police Captain with EPMC	<u>PM9-0020</u>	12,070	<u>12,690</u>	<u>13,343</u>	14,020	14,741	

Approximate Monthly Colony Effective October 1, 2019

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.

DATED: _____

DATED: _____

THE CITY OF POMONA:

THE POMONA POLICE MANAGERS' ASSOCIATION:

Linda Lowry City Manager

Linda Matthews Human Resources/Risk Management Director

APPROVED, RATIFIED AND ORDERED IMPLEMENTED BY THE CITY COUNCIL OF THE CITY OF POMONA ON THIS _____ DAY OF _____, 2018.

ATTEST:

THE CITY OF POMONA:

Marie Michel Macias, Interim City Clerk Tim Sandoval, Mayor

APPROVED AS TO FORM:

Arnold Alvarez-Glassman, City Attorney