



CITY OF POMONA COUNCIL REPORT

September 9, 2019

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Linda Matthews, Human Resources/Risk Management Director

SUBJECT: ADOPTION OF RESOLUTIONS APPROVING MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF POMONA AND THE POMONA POLICE OFFICERS' ASSOCIATION, INC. (PPOA) AND THE POMONA POLICE MANAGERS' ASSOCIATION FROM JULY 1, 2019 THROUGH JUNE 30, 2021

RECOMMENDATION:

It is recommended that the City Council adopt the following resolutions:

RESOLUTION NO. 2019-131 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING, RATIFYING, AND ORDERING IMPLEMENTATION OF A TWO (2) YEAR MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF POMONA AND THE POMONA POLICE OFFICERS' ASSOCIATION, INC. FROM JULY 1, 2019 THROUGH JUNE 30, 2021

RESOLUTION NO. 2019-135 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING, RATIFYING, AND ORDERING IMPLEMENTATION OF A TWO (2) YEAR MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF POMONA AND THE POMONA POLICE MANAGERS' ASSOCIATION FROM JULY 1, 2019 THROUGH JUNE 30, 2021

EXECUTIVE SUMMARY: The Pomona Police Officers' Association, Inc. (PPOA) represents sworn Police Officers up through the rank of Sergeant. The Pomona Police Managers' Association (PPMA) represents Police Lieutenants and Captains. Approval of the proposed resolutions (Attachments 1 and 2) will result in a two-year successor Memorandum of Understanding (MOU) with both PPOA and PPMA from July 1, 2019 through June 30, 2021. The change to terms include salary of increases of five percent (5%) in October 1, 2019 and 2020; increases to Section 125 Benefit Plan contributions to help offset the increasing cost of

medical insurance; a \$500 one-time payment to each employee in October 2019 and July 2020; increasing bilingual pay to \$58 per pay period; and other various terms as described herein.

FISCAL IMPACT: The estimated incremental cost for the new terms of these agreements is \$1,030,624 for Fiscal Year (FY) 2019-20 and \$1,051,696 for FY 2020-21, of which \$1,007,677 and \$1,028,270 is from the General Fund, respectively. Necessary budget adjustments for FY 2019-20 will be presented to the City Council for approval as part of the first quarter budget report. Already included in the FY 2019-20 Budget was \$556,292 for anticipated salary increases for PPOA and PPMA. Future costs for this agreement will be budgeted for in the appropriate fiscal year.

DISCUSSION:

The Pomona Police Officers' Association, Inc. (PPOA) represents sworn Police Officers up through the rank of Sergeant. The Pomona Police Managers' Association (PPMA) represents Police Lieutenants and Captains. The current MOUs with PPOA and PPMA expired June 30, 2019. The terms and conditions of the MOU continue in effect until a successor MOU is approved. The City met and conferred with PPOA and with PPMA regarding terms and conditions of employment. These negotiations resulted in tentative agreements with both PPOA and PPMA, which are being presented to the City Council for approval in Attachment 1 and Attachment 2, respectively. The key terms of the MOU are described below.

Term - The term will be for two (2) years from July 1, 2019 to June 30, 2021.

Salary - Employees in these units, along with other City employees, made significant concessions during the Great Recession. Among the numerous concessions that PPOA and PPMA members made, they waived the salary increases for five (5) years from 2009 through 2013. The MOU provides for a salary survey of 14 comparison cities and an annual salary adjustment up to the mean or median salary, whichever is greater. In 2014, continuing the trend of concessions, the PPOA agreed to cap the automatic salary increases at 2.5%, with the ability for either party to negotiate the amount of the salary increase during labor negotiations. PPMA salaries are automatically set based upon a differential from PPOA salaries. As of June 2019, the salary survey indicated that Police Officer was approximately 6% below the average of the comparison cities. In light of the survey information, known increases for other cities in 2020, and indications of difficulty in recruiting and retaining police officers, the parties agreed upon a 5% salary increase effective October 1, 2019 and another 5% increase effective October 1, 2020.

Medical Premiums and Section 125 Cafeteria Plan Contributions - Employees have absorbed most of the increasing cost of medical benefits since 2004 as the City's contributions remained fixed at up to \$700 per month for medical insurance only. In 2015, the City created a separate Section 125 Benefit Plan contribution of \$25 which could be used to be pay for medical, dental or vision insurance premiums, with any remaining amount paid as taxable cash. For benefit plan year 2019, this contribution was increased to \$225 for PPOA and PPMA employees who enroll in two-party or family medical coverage. Even with this increase, the monthly 2019 out-of-pocket cost for family coverage is \$683.46 for Kaiser Permanente, a frequently selected mid-range plan used as an indicator of out-of-pocket employee costs. In an effort to provide more affordable health coverage for employees, these agreements increase the Section 125 Plan Benefits for benefit plan years 2020 and 2021 as follows:

Level of Medical Coverage	Monthly Increase Effective December 2019 for Plan Year 2020	Monthly Increase Effective December 2020 for Plan Year 2021
Waive coverage	\$10	\$10
Single	\$20	\$20
Two-party	\$100	\$100
Family	\$200	\$200

One-time Payments – A one-time payment of \$500 will be provided to all employees in a paid status in November 2019 and in July 2020.

Bilingual Pay – Bilingual pay will be increased from \$1,250 per year to \$58 per pay period (\$1,508 per year) effective September 15, 2019.

Discipline – Any disciplinary action that is submitted to a Hearing Officer for review can be reviewed by the City Council. Currently it is a two-step review by the City Council, wherein the City Council determines whether or not to hear the issue, and then schedules the hearing. This agreement streamlines the review procedures. If either party (the employee or the Police Department), requests a review by the City Council, the review will be scheduled. If neither party requests a review by Council, the decision will be implemented. The parties will have 45 calendar days to request the review, and City Council will have 60 days to complete the review and issue a written decision.

On-Call Leave Bank (PPOA Only) - The cap of the on-call leave bank is currently 1,560 hours and will be lowered once upon approval of the agreement, and once after each mandatory buy-back of 80 hours of on-call leave in November 2019 and November 2020. Each time, the cap will be set to the highest leave balance that is accrued at the specified date. The maximum accrual rate shall not be lowered below 80 hours. Any hours over the maximum leave accrued shall be paid as cash compensation.

Overtime (PPOA only) – The definition of hours worked will be modified to include other types of leave, such as compensatory time off, military, and bereavement leave, but continue to exclude sick leave and leave related to workers compensation benefits.

Deferred Compensation Contribution (PPMA only) – Provide a contribution of \$46 per pay period to the City's deferred compensation plan effective September 15, 2019.

In addition, other minor language changes are being made as follows: clarify some language provisions; allow a reopener to negotiate changes that may be needed related to the upgrading of the human resources and payroll systems; and delete obsolete language. The complete MOU for PPOA and PPMA are included in Attachments 1 and 2, respectively, and show all of the changes, with new language underlined and old language shown with a strikethroughs.

COUNCIL PRIORITIES & GOALS:

This item supports the 2019-2020 City Council Priority 3: Safe and Clean Community – Goal M: Improve safety and cleanliness at parks and public spaces; and Goal N: Take actions to eliminate prostitution, human trafficking, and gang-related violence.

Prepared by: Linda Matthews, Human Resources/Risk Management Director

ATTACHMENT(S):

Attachment No. 1 – Resolution No. 2019-131

Exhibit A – Memorandum of Understanding with the Pomona Police Officers' Association

Attachment No. 2 – Resolution No. 2019-135

Exhibit A – Memorandum of Understanding with the Pomona Police Managers' Association