

MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF REDLANDS
AND
REDLANDS ASSOCIATION OF SAFETY MANAGEMENT EMPLOYEES
JULY 1, 2014 – JUNE 30, 2017

Memorandum of Understanding

Between

City Of Redlands

and

Redlands Association of Safety Management Employees

July 1, 2014 – June 30, 2017

ARTICLE 1 - TERM OF AGREEMENT

Except where expressly stated otherwise herein, the City and Association agree that the provisions of this Memorandum of Understanding (MOU) shall become effective upon adoption by the City Council and shall expire on June 30, 2017.

ARTICLE 2 - PREAMBLE

It is the intent and purpose of this MOU to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, terms and conditions of employment between the City of Redlands (hereinafter referred to as "City") and the Redlands Association of Safety Management Employees (hereinafter referred to "Association" or "Unit").

ARTICLE 3 - RECOGNITION

The Association is the recognized employee organization for the personnel employed in the Police Department and occupying the classifications of Police Lieutenant and Police Commander.

ARTICLE 4 - SALARIES

Effective the first payroll period following adoption by the City Council of the 2014-2017 MOU, base salary shall be increased by three percent (3%).

Effective the first payroll period following July 1, 2015, base salary shall be increased by three percent (3%).

Effective the first payroll period following July 1, 2016, base salary shall be increased by three percent (3%).

The City shall maintain the following salary differentials at all times during the term of this MOU:

Between bottom step Sergeant and bottom step Lieutenant	30%
Between bottom step Lieutenant and bottom step Commander	10%

ARTICLE 5 - RETIREMENT – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (PERS)

- A. Effective the first payroll period following adoption by the City Council of the 2014-2017 MOU, all unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall individually pay 3% of “compensation earnable” as defined in Government Code Section 20636, representing the member employee’s contribution to CalPERS. These contributions shall, at the time of termination, belong to the employee. All other required contributions to CalPERS for unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall be made by the City.
- B. Effective July 1, 2015, all unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall individually pay an additional 3% of “compensation earnable” as defined in Government Code Section 20636, for a total of 6% of “compensation earnable” as defined in Government Code Section 20636, representing the member employee’s contribution to CalPERS. These contributions shall, at the time of termination, belong to the employee. All other required contributions to CalPERS for unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall be made by the City.
- C. Effective July 1, 2016, all unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall individually pay an additional 3% of “compensation earnable” as defined in Government Code Section 20636, for a total of 9% of “compensation earnable” as defined in Government Code Section 20630, representing the member employee’s contribution to CalPERS. These contributions shall, at the time of termination, belong to the employee. All other required contributions to CalPERS for unit members other than “new members” as defined by the PEPRAs and/or California Government Code section 7522.04(f) shall be made by the City.
- D. Only as to unit members hired prior to January 1, 2013, the City shall individually provide the following provisions in its contract with the PERS retirement system:

3% @ 50 Retirement Formula

Survivor Continuance

Highest Single Year

- E. The Public Employees' Pension Reform Act (PEPRA) and Application to PEPRA Defined "New Members"

Unit members who are "new members" as defined by the PEPRA and/or California Government Code section 7522.04(f), shall be required to pay a PERS member contribution in an amount equal to 50% of the normal cost rate for the Defined Benefit Plan provided for by PEPRA, in which the new member is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of similarly situated employees, whichever is greater, pursuant to Government Code section 7522.30.

Those new members shall be enrolled in the 2.7% at 57 Benefit Plan, as provided for in Government Code section 7522.25(e), with a final compensation measurement period of 36 consecutive months as set forth in Government Code Section 7522.32(a), and their retirement benefits shall be calculated based on "pensionable compensation" (Section 7522.10) rather than compensation earnable (Section 20636).

- F. To the extent permitted by law, retirement contributions herein made by the employees shall be made on a pre-tax basis.
- G. The City shall report to CalPERS as compensation only the percent, if any, of the Member contribution funded by the City.

ARTICLE 6 – HEALTH AND OTHER INSURANCE

Health Insurance

- A. Only for Unit members hired by the City prior to the adoption of the 2014-2017 MOU, the monthly health insurance rates described below in effect on January 1, 2013 are the "flat dollar" City contribution amount that shall be made regardless of unit members being enrolled in Heath Net or other plans. The City shall fund employee and eligible dependent medical insurance in an amount not less than the January 1, 2013 PERS Choice health insurance rates (the highest of either the Los Angeles area or other Southern California area as those terms are defined by CalPERS.)

2013 PERS Choice Rates

Coverage Level	Premium Contribution: PERS Choice Los Angeles Area	Premium Contribution: PERS Choice Other Southern California Areas
Employee Only:	\$587.46	\$611.30
Employee Plus One Dependent:	\$1,174.92	\$1,222.60
Employee plus Two or more Dependents:	\$1,527.40	\$1,589.38

- B. Only for Unit members hired by the City prior to the adoption of the 2014-2017 MOU, effective January 1, 2015, and each January 1 thereafter, the City's funding of employee and eligible dependent health insurance, regardless of unit members being enrolled in Health Net or other plans, shall be increased in an amount equal to 50% of the dollar amount of the increase, if any, in PERS Choice health insurance rates (up to the higher of the Los Angeles or Southern California areas). The initial January 1, 2015 increase, if any, shall represent the differential between the 2014 and 2015 rates.
- C. Only as to Unit members hired on and after City Council adoption of the 2014-2017 MOU, the City shall contribute to employee and eligible dependents the following health insurance amounts:

<i>COVERAGE LEVEL</i>	<i>TOTAL CITY CONTRIBUTION</i>
EE Only	\$400
EE + 1 Dependent	\$600
EE + Family	\$800

- D. The City agrees to provide a stipend of \$350.00 on a monthly basis for those employees with alternative medical coverage who opt for the stipend in lieu of the medical insurance benefit.

Dental Insurance

The City shall pay the full monthly premium for dental insurance under the Principal Financial dental plan, or its equivalent, for Association members, spouses and all eligible

dependents. Association members may select from dental plans that are offered to members of the RPOA.

Life Insurance

The City provides Association members with \$25,000 of life insurance. Employees may also purchase additional increments of life insurance at the City's group rate.

Vision Plan

The City agrees to contribute the entire monthly premium for members of this unit and their eligible dependents for a vision insurance plan with Medical Eye Services, or its equivalent.

Legal Defense Insurance

The City shall pay the premium for CPOA legal defense insurance for Association members.

Retiree Insurance Benefits

A. Employees Hired Prior to Adoption of 2014-2017 MOU

1. RASME Members As of the Adoption of the MOU Who Have Served a Minimum of 15 Years of Service

For existing RASME members as of the adoption of the 2014-2017 MOU who have served a minimum of 15 years of service with the City of Redlands, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement shall be provided lifetime medical, dental and vision insurance for the employee, spouse and eligible dependents under the Association's current medical insurance program existing at the time of retirement. This health insurance shall be at no cost to the retired employee and shall cover the employee, spouse and eligible dependents.

In addition, for existing RASME members as of the adoption of the 2014-2017 MOU who have served a minimum of 15 years of service with the City of Redlands, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement may elect to:

- (1) Convert all remaining sick leave accrued at the time of retirement to cash value at the current rate of pay, and apply said cash value to applicable premiums payable under the City's medical insurance program for the employee, spouses and eligible dependents until the cash value is exhausted;
- (2) Calculate the value of all accrued sick leave at the current rate of pay and convert it into a cash payment;

- (3) Convert all remaining sick leave accrued at the time of retirement to PERS service credit; or
- (4) A combination of options 2 and 3.

2. Non-RASME Members As of the Adoption of the MOU Who Have Served a Minimum of 15 Years of Service

For non-RASME members as of the adoption of the 2014-2017 MOU who have served a minimum of 15 years of service with the City of Redlands, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement shall be provided lifetime medical, dental and vision insurance for the employee, spouse and eligible dependents under the Association's current medical insurance program existing at the time of retirement. This health insurance shall be at no cost to the retired employee and shall cover the employee, spouse and eligible dependents.

In the alternative to receiving the above retiree insurance benefits, at the sole discretion of the employee, for non-RASME members as of the adoption of the 2014-2017 MOU who have served a minimum of 15 years of service with the City of Redlands, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement may elect to:

- (1) Convert all remaining sick leave accrued at the time of retirement to cash value at the current rate of pay, and apply said cash value to applicable premiums payable under the City's medical insurance program for the employee, spouses and eligible dependents until the cash value is exhausted;
- (2) Calculate the value of all accrued sick leave at the current rate of pay and convert it into a cash payment; or
- (3) Convert all remaining sick leave accrued at the time of retirement to PERS service credit.

3. Non-RASME Members As of the Adoption of the MOU Who Have Served Less Than 15 Years of Service

For non-RASME members as of the adoption of the 2014-2017 MOU who have served less than 15 years of service with the City of Redlands, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement may elect to:

- (1) Convert all remaining sick leave accrued at the time of retirement to cash value at the current rate of pay, and apply said cash value to applicable premiums payable under the City's medical insurance program for the employee, spouses and eligible dependents until the cash value is exhausted;
- (2) Calculate the value of all accrued sick leave at the current rate of pay and convert it into a cash payment; or

(3) Convert all remaining sick leave accrued at the time of retirement to PERS service credit.

B. Employees Hired On or After Adoption of 2014-2017 MOU

All employees hired on or after the adoption of the 2014-2017 MOU shall not be eligible for retiree insurance benefits or conversion of accrued sick leave.

State Disability Insurance

Participation in the State Disability Insurance (SDI) program shall be optional and all costs, funding and premiums associated with participation in SDI shall be paid entirely by the participating Unit members.

ARTICLE 7 - DEFERRED COMPENSATION

Each April the City shall make a contribution to deferred compensation on behalf of each Association member in the amount of \$1,125 per year + 2% of gross annual salary.

ARTICLE 8 - POST CERTIFICATION PAY

Association members shall receive POST certificate pay in the amount of 7.5% of base salary for an Advanced POST certificate. Additionally, Association members shall also receive POST Supervisory or Management certificate pay in the amount of 10% of base salary. The maximum amount any Association member shall receive in certificate pay shall be 17.5% of base salary.

ARTICLE 9 - UNIFORM ALLOWANCE

Association members shall receive a uniform allowance in the amount of \$1,200 per year. The uniform allowance shall be paid as follows: fifty percent (50%) paid the first week in January of each year and fifty percent (50%) paid the first week in July of each year.

ARTICLE 10 - LONGEVITY PAY

Association members with twenty (20) years of continuous service with the City of Redlands shall advance to Step "F" step on the current salary resolution.

In the event that an Association member is not at "E" step when he/she is eligible for the F step, at the completion of twenty (20) years of service, the member shall advance to the next step in their salary range, and continue to advance based on merit until the employee reaches "F" step.

ARTICLE 11 – MOBILE DEVICE PAY

Association members shall receive Mobile Device Pay in the amount of \$100 per month in addition to their regular base pay. All members receiving this incentive are required to carry a mobile device at all times.

ARTICLE 12 – REIMBURSEMENT OF EDUCATIONAL EXPENSES

Each Unit employee enrolled in a degree program on or before the City Council's adoption of this MOU, shall be entitled to tuition reimbursement for courses, books and other learning aids while attending an accredited school of higher learning. The course(s) must be career related, must be necessary for obtaining of a degree, must be pre-approved by the Unit employee's department head and the Unit employee must earn a passing grade to receive reimbursement.

Those employees enrolled in a degree program on or before the City Council's adoption of this MOU shall receive 100% reimbursement for the actual cost of degree program-related fees, including tuition and books, in an amount charged by the University of California, Riverside, for the same or similar courses.

Employees not enrolled in a degree program on or before the City Council's adoption of this MOU, shall be reimbursed up to the dollar amount charged for the same number of units per term by the University of California, Riverside. However, any such employee shall not receive reimbursement in excess of Two Thousand dollars (\$2,000) in any one fiscal year. The difference between the City's maximum obligation during any fiscal year and the amount of any actual reimbursement received by the employee during that fiscal year shall not be carried over or be available to use by the employee in any subsequent fiscal year.

Upon the approval of the department head, a Unit employee may use up to two hundred-fifty dollars (\$250.00) per year of their available \$2,000 per fiscal year Tuition Reimbursement for attendance at a seminar or conference for the purpose of professional development.

Unit members hired on or after adoption of the 2014-2017 MOU shall not be eligible to receive the benefits described herein this article.

ARTICLE 13 - HOLIDAYS

The City of Redlands currently observes the following holidays, established by Resolution:

New Year's Day (January 1)
Martin Luther King, Jr. Day (Third Monday in January)
President's Day (Third Monday in February)
Memorial Day (Last Monday in May)
Independence Day (July 4th)
Labor Day (First Monday in September)

Columbus Day (Second Monday in October)
Veteran's Day (November 11th)
Thanksgiving Day
The Friday after Thanksgiving Day
Christmas Day (December 25th)

Christmas Eve shall be observed as a holiday when Christmas falls on Tuesday, Wednesday, Thursday, or Friday.

Association members may opt to "bank" these holidays at the rate of ten (10) hours for each holiday and be paid for them in January of the following year.

In addition to the recognized holidays listed above, Association members shall receive two (2) floating holidays per year. Floating holidays accrued but not taken shall be paid in January of the following year in which they were accrued.

ARTICLE 14 - SICK LEAVE

Association members shall receive eight (8) hours of sick leave per month.

Sick Leave Buy-Back Program

Association members may accumulate sick leave from calendar year to calendar year to an unlimited amount, or participate in the City's Sick Leave Buy Back program. In order to participate in the buy-back, the member must have a minimum of 96 hours of sick leave accrued on the books. In November of each year, members may elect to be paid cash at their current hourly rate in accordance with the schedule below, less any sick leave hours used during that period.

<u>Years of Service</u>	<u>Maximum Buy-Back Per Year</u>
2-6	48 hours
7	56 hours
8	64 hours
9	72 hours
10	80 hours
11	88 hours
12	96 hours

ARTICLE 15 - PERSONAL LEAVE

Association members may use up to a maximum of eight (8) hours of accrued sick leave per year for personal leave, subject to advance approval by his/her supervisor.

ARTICLE 16 - VACATION

Vacation shall accrue for Association members according to the following schedule:

1 - 5 years of service	80 hours
6 - 7 years of service	120 hours
8 - 9 years of service	128 hours
10 - 11 years of service	136 hours
12 - 13 years of service	144 hours
14 - 15 years of service	152 hours
16 - 20 years of service	160 hours
21 years of service	168 hours
22 years of service	176 hours
23 years of service	184 hours
24 years of service	192 hours
25 years of service	200 hours

ARTICLE 17 - BEREAVEMENT LEAVE

In the event of the death in the immediate family, Association members shall be compensated with four (4) days paid leave. In addition, eligible employees may be allowed to use accrued sick leave with full pay not to exceed three (3) days.

ARTICLE 18 - EXECUTIVE LEAVE

Association members shall receive one hundred (100) hours of executive leave annually. This type of leave must be used within the calendar year, or it will be removed from the books as of December 31st of each year.

ARTICLE 19 - FURLOUGH LEAVE

Furlough leave accrued by Association members prior to the adoption of the 2014-2017 MOU shall be rolled into the members' vacation leave bank. Members may treat such furlough leave in the same manner as accrued vacation leave.

ARTICLE 20 - COMPENSATORY TIME OFF AND OVERTIME

Association members are exempt from the requirements of the FLSA and therefore ineligible to accrue compensatory time off or earn overtime pay at 1 ½ times their hourly rate.

Members are ineligible to receive overtime compensation and may therefore receive the equivalent of overtime pay at time and one half of salary ONLY if the hours are reimbursed by a third party, such as reimbursable mutual aid calls or billable contracts.

ARTICLE 21 - WORKWEEK

Association members shall have a standard workweek consisting of four ten-hour days followed by three consecutive days off unless an alternate schedule is agreed upon by the member(s) and department head.

ARTICLE 22 - POLICE VEHICLE USAGE

Upon authorization by the Police Chief, Association members may utilize department vehicles for personal use.

ARTICLE 23 - NO STRIKE PROVISIONS

The Association agrees that it will not authorize, instigate, aid, condone, or engage in any strike which will interrupt or interfere with the operation of the City. The City places the Association on notice of its intention and right to terminate any employee who instigates or engages in any strike or work stoppage which interrupts or interferes with the operation of the City.

ARTICLE 24 – DEFINED CONTRIBUTION & CONTRIBUTION PLANS

The City shall make available to Association members a qualified 401a, 401 Defined Contribution, Defined Distribution plan(s) and a Retirement Health Savings Plan, as allowed by law. All programs shall be structured in accordance with the latest IRS rulings.

ARTICLE 25 – ACCRUED VACATION TIME SELL BACK

Association members with a minimum of three hundred (300) hours of accumulated vacation time shall have the option of selling back accrued vacation time in excess of the 300 hours accumulation, and may elect one of the following options for disbursement: a cash payment, a deposit into a qualified pre-tax savings or medical plan, or a combination of the aforementioned two options.

Association Members who elect to receive a cash payment under this Article must advise the City of the amount of accrued vacation time they wish to sell back and the City shall distribute a check within 30 days of such advisement.

Association Members with accumulated vacation leave in excess of 300 hours in the first week of August shall advise the City of their election to deposit sell back amounts on a pre-tax basis into a qualified 401(a), 457, or retirement health savings plan. Any accumulated vacation leave in excess of 300 hours shall be used to fund Association Members' 401(a) accounts annually. The conversion and deposit of available vacation time shall occur during the third week of September. Members shall contribute up to 100% of accrued vacation time in excess of the 300 hours accumulation up to the IRS maximum allowed.

Upon separation from the City, members may elect one of the following options for the payment of unused vacation leave:

- A. A cash payment for the full amount at the date of separation;
- B. Deposit into a qualified pre-tax savings, defined distribution account or medical plan;
- C. Payment over a period of time, not to exceed five (5) years;
- D. A combination of options B and C.

ARTICLE 26 – ON DUTY DEATH BENEFITS

In the event an Association member dies while on duty, the City shall calculate compensation for the entire shift. The eligible dependents of the deceased member shall be entitled to benefits as follows: sick leave accruals, vacation accruals, medical benefits and any other applicable benefits. All benefits shall be calculated and compensated in accordance with the requirements of the current MOU and PERS contracts.

In the event the deceased member qualified for a service retirement (i.e. age 50 with a minimum of five years of service in PERS), the City shall calculate and compensate benefits in the same manner as an employee service retirement. If the death of the member is job related, benefits may be calculated and compensated in the same manner as a disability retirement.

The City will inter at Hillside Cemetery, at no cost to the public safety officer or his/her family, any active public safety officer who dies in the line of duty, or dies from any disease that is recognized by the State of California as being associated with the job of being a public safety officer.

ARTICLE 27 - PREVAILING BENEFITS

All terms and conditions of employment set forth in the MOU and all past practices recognized under prevailing law will remain in full force and effect for the term of the agreement unless modified by mutual agreement of the parties. All other matters affecting terms and conditions of employment shall be subject to change during the term of this MOU either by mutual agreement or by virtue of the meet and confer processes and any applicable impasse resolution procedures being completed.

ARTICLE 28 - SAVINGS CLAUSE

Should any provision of this agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the City and Association shall meet and confer immediately upon what constitutes an equivalent benefit to that which was determined to be unlawful. Such

equivalent benefit will be implemented retroactive to the date the old benefit ceased. The remaining parts or portions of the Agreement shall remain in full force and effect.

CITY OF REDLANDS



Paul W. Foster, Mayor

6-2-2015
Date

ATTEST:



Sam Irwin, City Clerk

**REDLANDS ASSOCIATION OF
SAFETY MANAGEMENT EMPLOYEES**



Shawn Ryan, President

4/29/15
Date