

CITY COUNCIL

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APPROVED

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DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 14
Date: February 24, 2010

TO: Honorable Mayor and Members of the City Council
FROM: Sheryl Bennett, Human Resources Director
SUBJECT: Memorandum of Understanding between the City of Escondido and the Police Officers' Association – Sworn Personnel.

RECOMMENDATION:

City Council adopt Resolution No. 2010-28, approving a Memorandum of Understanding between the City of Escondido and the Police Officers' Association for a two-year term commencing January 1, 2010 through December 31, 2011. Approve a budget adjustment with a cost savings of \$215,695 for Fiscal Year 2009-10, and a cost savings of \$733,960 for Fiscal Year 2010-11. For the two year contract the annual savings is 6.05%.

FISCAL ANALYSIS:

Cost savings to the City's budget is \$215,695 for Fiscal Year 2009-10, and \$733,960 for Fiscal Year 2010-11. Authorization should be given to the City Manager for appropriate budget adjustments.

PREVIOUS ACTION:

On March 18, 2009, the City Council voted to adopt the Terms and Conditions of Employment between the Escondido Police Officers' Association – Sworn Personnel, and the City of Escondido, for a one year term that expired on December 31, 2009.

BACKGROUND:

City staff has met with the Escondido Police Officers' Association – Sworn Unit, regarding cost-saving measures to the Terms and Conditions of Employment that expired on December 31, 2009. The attached resolution outlines changes to working conditions and compensation that have been agreed to during this negotiation process and will result in cost reductions to the City's overall budget.

Tentative agreement on issues before the negotiating group was reached on February 1, 2010. Members of the Bargaining Unit have overwhelmingly voted in support of the agreement.

Respectfully submitted,


Sheryl Bennett
Director of Human Resources

RESOLUTION NO. 2010-28

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING THE MEMORANDUM OF
UNDERSTANDING WITH THE ESCONDIDO
POLICE OFFICERS' ASSOCIATION-SWORN
PERSONNEL

JANUARY 1, 2010-DECEMBER 31, 2011

WHEREAS, negotiating teams from the City of Escondido and the Escondido Police Officers' Association have been duly appointed and have been conducting meet-and-confer sessions with respect to matters affecting both parties; and

WHEREAS, the Memorandum of Understanding ("MOU") by the City of Escondido ("City") and the Escondido Police Officers' Association ("Association") is necessary as a result of meeting and conferring in good faith concerning wages, hours, and other terms and conditions of employment; and

WHEREAS, it is the intent of the MOU to provide for continuation of the harmonious relationship between the City and the Association; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve to the MOU and certain other modifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. The City's negotiating team is authorized to execute, on behalf of the City, the MOU with a term from January 1, 2010 through December 31, 2011, and also including terms as set forth in Exhibit "A", attached to this resolution and incorporated by this reference.

**City of Escondido
Escondido Police Officers' Association – Sworn Personnel
Memorandum of Understanding
January 1, 2010 – December 31, 2011**

1. Term: January 1, 2010 – December 31, 2011.
2. Existing MOU Modifications: Changes to the Terms and Conditions of Employment that were adopted on March 18, 2009, shall remain in effect. Such changes will be incorporated into the MOU, as appropriate.
3. Section 2.02 Salary: During the term of this MOU, the City Manager may, in his/her sole discretion, activate all or part of the Section 2.02 step increases that have been suspended. The discretionary exercise of any such decision shall be prospective only from and after the date that such discretionary determination is rendered. Any such discretionary decision, whether or not resulting in activation of all or part of the Section 2.02 step increases that have been suspended, shall not be subject to administrative or civil challenge. Date of eligibility for any step increase provided for by discretionary City Manager determination, shall be based upon the affected officer(s) anniversary date(s).
4. Section 2.04 Bilingual Pay: This bilingual pay benefit shall only be authorized with the written approval of the Department Head.
5. Section 2.06 Uniform Allowance: There shall be no uniform allowance distributions made during the 2010 and 2011 calendar years. The amounts withheld shall not be reimbursed on or after the 2012 calendar year. Uniform allowance distributions shall recommence effective with the March 1, 2012 payroll period. Nonetheless, the one (1) time \$700.00 stipend provided to newly hired officers shall continue to be provided during the term of this MOU.
6. Section 2.11 Compensatory Time: The cash payout option for compensatory time shall be limited during the 2010 and 2011 calendar years to a total unit of representation cash payout of 1,750 hours each calendar year. Effective January 1, 2012, the cash payout limitation shall terminate.
7. Section 4.03 Retirement Benefits: The parties shall jointly participate in the City's Pension Review Ad Hoc Task Force, one purpose of which shall be the addressing of the adoption of a second tier retirement formula, and of modifications to the method of calculating retirement benefits for those future employees subject to a second tier retirement formula. The Task Force shall consist of representatives from each bargaining unit and from the City, and shall be constituted and commence meetings in February 2010.
8. Section 4.04 Life Insurance: Employees may opt to purchase at employee's expense supplemental group term life insurance via payroll deduction, in accord with the group carrier guidelines.

9. Section 5.01 Holiday Pay: Effective concurrent with City Council adoption of this MOU, the following provisions shall be applicable to use of holiday pay. The following provisions shall sunset at midnight on December 31, 2011, with the "floating holiday pay" provisions effective immediately preceding Council adoption of this 2010-11 MOU, being reinstated, but subject to modification pursuant to the 2012 meet and confer process.

The 2010 – 2011 Provisions:

- a. Commencing with and including the 2010 Presidents' Day designated holiday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day After Thanksgiving, and Christmas Day, ten (10) hours for each listed holiday shall be placed into a "furlough holiday bank" at the rate of 3.0769 hours per payroll period during the 2010 and 2011 calendar years (a total of 160 holiday hours). Earned and accumulated designated holiday hours are subject to use pursuant to these provisions but shall have no cash value. Accordingly, at no time, either during an affected Association member's employment or upon separation for any reason, or otherwise, shall earned accumulated designated holiday hours be convertible to cash. However, holiday hours represented by New Year's Day and Martin Luther King Day, shall be added to the "Pre-2010 Holiday Bank Utilization" section and shall be subject to the rules governing use of said "Pre-2010 Holiday Bank."
- b. Application for use of earned and accumulated "furlough holiday bank" hours shall be governed by the practices described in Section 2.11, Compensatory Time, of the MOU. However, use of "furlough holiday bank" hours shall be denied if such usage would cause Department-determined minimum staffing levels for any particular shift, to fall below said minimum staffing level, and/or would result in an overtime expenditure.
- c. Subject to the above rules and regulations governing use of "furlough holiday bank" hours, "furlough holiday bank" hours existing at midnight on December 31, 2011, shall be available for use through and including December 31, 2013. Any "furlough holiday bank" hours remaining unused on December 31, 2013, shall be extinguished with no cash value.
- d. During the 2010 and 2011 calendar years, any affected employee working a shift that falls on a "designated holiday," shall be compensated at straight time for hours worked (unless the hours worked otherwise entitle the officer to overtime separate and distinct from having worked on a designated holiday.)
- e. Where an affected employee was scheduled to work on a designated holiday and applies for and is granted use of ten (10) earned and accumulated "furlough holiday bank" time, shall be compensated with ten (10) hours of straight time during the payroll period within which the "furlough holiday bank" hours were utilized, and the "furlough holiday bank" shall be debited in the amount of ten (10) hours.
- f. Subject to the "Pre-2010 Holiday Bank Utilization" and the adding of New Year's Day and Martin Luther King Day holiday hours to said account for use as described therein, any and all of the holiday pay provisions and/or practices set forth in this

MOU and which pre-date the City Council adoption of this 2010-11 MOU, shall be of no force and effect, but shall be reinstated effective January 1, 2012, subject to later modification pursuant to the meet and confer process for the 2012 calendar year.

10. Section 5.01 Floating Holiday Pay: Effective concurrent with City Council adoption of this Memorandum of Understanding, floating holiday pay shall be deposited into the "furlough holiday bank" described above. All rules governing use of the above described "furlough holiday bank" shall be equally applicable to those hours within the "furlough holiday bank" which represent "floating holiday" hours. As with other hours included within the "furlough holiday bank," deposited floating holiday hours shall have no cash value at any time. The pre-existing provisions governing this floating holiday provision shall be reinstated effective January 1, 2012, subject to later modification pursuant to the meet and confer process for the 2012 calendar year.
11. Section 5.01 Pre-2010 Holiday Bank Utilization: Concurrent with City Council adoption of this MOU, the "floating holiday bank" existing prior to the date of said Council adoption, and including the 2010 and 2011 New Year's Day and Martin Luther King Day holiday hours shall be "limited" in that no cash distributions shall be allowed from said earned and accumulated existing holiday bank time in excess of 3,300 hours in the unit representation per each calendar year 2010 and 2011. Computation of the 3,300 hours per calendar year shall commence on January 1, 2010 and January 1, 2011. Any employee separating from City employment during the term of the 2010 -11 MOU, shall be compensated for said pre-existing earned and accumulated holiday bank time, but only to the extent allowed by rules, regulations, policies and practices applicable to employment-separation related cash distribution of said holiday bank time.
12. Section 5.01 Holiday and Furlough Holiday Bank Reopeners: It is agreed and acknowledged by the parties that the principle purpose of the City in providing for the "holiday bank" concept during the 2010 -11 calendar years, is to provide economic savings to the City by an elimination of holiday cash value and/or in premium holiday payment to employees working on designated holidays. Therefore, it is agreed by the parties that every six (6) months starting from the date of City Council adoption of this MOU, representatives of the City shall be authorized to reopen this MOU if the City determines that the anticipated per annum holiday and floating holiday fiscal savings of \$550,000 related to creation and use of the above "furlough holiday bank" are not reasonably likely to be realized.
13. Section 5.04 Military/FMLA Leave: Upon verification of military orders, employees who are members of the military reserve or National Guard who have been called to active duty during national security, after the standard Military Leave Policy, shall receive the difference between the amount the employee would have received from their regular City gross biweekly wage (not including overtime) and the amount the employee receives from the military. Health benefits will be continued for the employee and family. An employee would continue to pay their respective portion of the benefit programs (including any premiums for family coverage,) unless benefits are waived.

14. Section 6.04 Probationary Testing Period: The probationary testing period for individuals hired in the police officer classification, shall be twelve (12) months, regardless of the hired police officer being a lateral hire or being an individual only having prior experience as a police academy graduate. Any such probationary testing period shall be subject to an extension for an additional six (6) months so long as the Chief of Police or designee files a notice of probationary extension with both the subject employee and the Human Resources Department, not less than five (5) calendar days prior to the date of expiration of the initial probationary testing period.
15. Article 9 General Fund-Based MOU Reopener: In addition to any other reopener in this MOU, the following reopener shall be effective concurrent with City Council adoption of the 2010 -11 MOU:

This Memorandum of Understanding shall be subject to a reopener only on issues of pay and/or benefits at direction of the City Council, upon adoption by the City Council of a Resolution evidencing a finding by the Council that any or all of the following events have occurred during the term of this MOU:

- a. 16.65% or greater reduction in general fund revenues during each fiscal year for the period July 1 through December compared to the immediately preceding same period of time; and/or the period January 1 through June 30 and the same preceding period of time. The decline, if any, shall be measured by receipts during the applicable period of time, (Revenue reductions attributed to state withholding of local funds, shall be included in measuring the 16.65% reduction.)
- b. A determination by the City Council to implement this Section a. or b. shall not be subject to administrative or judicial challenge.
16. Exhibit B Health Insurance:
Update employee contribution amounts in the MOU to reflect 2010 rates. All other language in the MOU related to Health Insurance will remain the same.

For the contract year 2010, effective January 1, 2010, employee participation in medical coverage shall be:

Employee Only	\$13.38 per month
Employee + One	\$26.74 per month
Family Coverage	\$40.12 per month