TO: Mayor and City Council

FROM: McKinley Lloyd, Director of Personnel Services

SUBJECT: RESOLUTIONS APPROVING THE MEMORANDUM OF UNDERSTANDING FOR TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS' ASSOCIATION, AND THE TRANSFER AND APPROPRIATION OF FUNDS PURSUANT TO ARBITRATOR'S DECISION

On Tuesday evening, two (2) resolutions will be presented for your consideration authorizing: 1) the approval of the Memorandum of Understanding for new terms and conditions of employment between the City of Stockton and the Stockton Police Officers' Association, and 2) authorizing the Finance Director to make transfer and appropriation of funds pursuant to Arbitrator Anthony V. Leonis' decision dated January 13, 1993.

DISCUSSION

The proposed amendments to the terms and conditions of employment between the City of Stockton and the Stockton Police Officers' Association covers the period from January 1, 1993, through December 1, 1998. The proposed amendments were ratified by the membership of the Stockton Police Officers' Association on October 1, 1993.

The key provisions of the proposed amendments are consistent with the authorization approved by the City Council and are summarized below:

1. Term

   Six (6) year agreement.

2. Salary

   0% salary increase 1993
   80% of CPI, maximum of 4% - January 1994
   80% of CPI, maximum of 4% - January 1995
   80% of CPI, maximum of 4% - January 1996
   80% of CPI, maximum of 6% - January 1997
   80% of CPI, maximum of 6% - January 1998

   CPI Index - Urban Wage Earners and Clerical Workers, U.S. City Average, for the twelve (12) month period concluding with the November index of each preceding year.

3. Compensatory Time

   Officers may be compensated with paid leave for overtime worked at the rate of 1 1/2, to a maximum of forty (40) hours. Any hours worked beyond forty (40) hours is paid in cash.
Mayor and City Council

RE: RESOLUTIONS APPROVING THE MEMORANDUM OF UNDERSTANDING FOR TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS' ASSOCIATION, AND THE TRANSFER AND APPROPRIATION OF FUNDS PURSUANT TO ARBITRATOR'S DECISION

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4. Days & Hours of Work
The work scheduled for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of shift after providing written notification.

5. Uniform Allowance
Effective January 1, 1993 $550; January 1, 1994 $600; January 1, 1995 $650; and January 1, 1996 $700. City to provide safety protective vest and annual testing by lot number.

6. Vacation Sell-Back
Forty (40) hours vacation sell-back.

7. Health & Welfare Benefits
Effective November 1, 1993, the City's Modified Employee Medical Plan (no cap for term of agreement). Effective upon agreement, dental benefits increased from $600 to $1,000; back bills to March 1990.

Effective January 1, 1993, the City will also provide health insurance and related benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon remarriage. This medical coverage shall be secondary at age 65.

8. SPOA Health Arbitration Fund
Funds to be distributed in lump sum by months of service as calculated by the Association.

9. Retirement
At employee's expense, PERS Sections 20930.3 and 20930.33 Military Service Credit; PERS Section 21382.4 Third Level 1959 Survivors Benefits; and Section PERS 20862.8 Sick Leave Credit.

PERS Credit for Professional Growth (Earned Time) for employees whose retirement date is later than December 31, 1993, all pay provided to that employee as sell-back of professional growth (earned time) shall be reported to PERS as part of the "final compensation" that PERS is to use to determine the amount of that employee's retirement allowance.
Mayor and City Council

RE: RESOLUTIONS APPROVING THE MEMORANDUM OF UNDERSTANDING FOR TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS' ASSOCIATION, AND THE TRANSFER AND APPROPRIATION OF FUNDS PURSUANT TO ARBITRATOR'S DECISION

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10. Field Training Officer Compensation

Officers shall be paid five (5) hours per month, at the rate of one and one-half (1 1/2) time, for the time spent by officers on their off-duty time to complete evaluation reports for probationary officers.

11. SPOA Bank

SPOA members may donate to the Association any or all of their compensatory time balance to an hours bank reserved for release time.

12. Lawsuits

The City/SPOA agrees to withdraw in their entirety the 4/10 Plan, FLSA, and the Sick Leave/Blue Flu litigations.

13. Professional Growth Increment

Effective January 1, 1994, employees with twelve (12) years of continuous services shall earn on January of each year ten (10) days (100 hours) in time or pay.

14. Sixth Step Range

Effective January 1, 1994, employees shall be paid the sixth step upon the satisfactory completion of one (1) year at the fifth step.

15. Educational Incentive Pay

Effective January 1, 1994, City Manager's Administrative Directive, PER-031.

The proposed transfer and appropriation of funds is consistent with Arbitrator Anthony V. Leonis' decision dated January 13, 1993.

The Stockton Police Officers' Association filed a grievance regarding contract interpretation and the right to insurance plan reserve/open enrollment (14-91 SPOA No. 7). The grievance went to arbitration and Arbitrator Anthony V. Leonis ordered the City to place $158,000 into a trust fund for the Association, to cover future cost increase of health plan premiums.

FINANCIAL SUMMARY

The proposed amendments to the Memorandum of Understanding for the Police Unit represented by the Stockton Police Officers' Association are within the parameters set by the City Council.
Mayor and City Council

RE: RESOLUTIONS APPROVING THE MEMORANDUM OF UNDERSTANDING FOR TERMS AND CONDITIONS OF EMPLOYMENT BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS' ASSOCIATION, AND THE TRANSFER AND APPROPRIATION OF FUNDS PURSUANT TO ARBITRATOR'S DECISION

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Pursuant to Arbitrator Anthony V. Leonis' decision dated January 13, 1993, the City will place $158,000 and appropriate interest as earned by the City for the period of January 13, 1993, through October 12, 1993, into a trust fund for the Stockton Police Officers' Association for future cost increase of health plan premiums. The proposed transfer and appropriation is as follows and will be distributed in accordance with the 1993-98 contract.

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<tr>
<td>Acct #552-0000-282.10-01 City Health Benefits Fund/ Retained Earnings--Unreserved</td>
<td>$158,000 (plus interest)</td>
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<tr>
<td>Acct #631-0000-283.70-00 SPOA Health Arbitration Award Fund/Fund Balance Reserved</td>
<td>$158,000 (plus interest)</td>
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And appropriate the resulting total Fund Balance in Account #631-0000-283.70.00 to the applicable element/object account in Account #631-0220-530, Trust Current Operating Expenditures, to make the funds available for disbursement.

RECOMMENDATION

It is recommended that the subject resolutions be adopted.

Respectfully submitted,

MCKINLEY LLOYD
DIRECTOR OF PERSONNEL SERVICES

GEORGE F. BIST
DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

Approved by the City Manager

DWANE MILNES, CITY MANAGER
Resolution No. 93-0636

STOCKTON CITY COUNCIL

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the Police Unit Memorandum of Understanding agreed to between the representatives of the City of Stockton, by and through the City Manager and the Stockton Police Officers' Association (attached as Exhibit "A" and incorporated by reference) is hereby accepted and approved by this City Council for the period commencing January 1, 1993 and ending December 31, 1998.

2. That the City Manager is hereby authorized and directed, on behalf of the City of Stockton, to take such action as deemed necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED OCT 12 1993

JOAN DARRAH, Mayor
of the City of Stockton

ATTEST:

FRANCES HONG, City Clerk
of the City of Stockton

93-0636
CITY OF STOCKTON

POLICE UNIT
MEMORANDUM OF UNDERSTANDING

The Stockton Police Officers' Association and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees in the representation unit identified in Section 1, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of employees in the Police Unit.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milius Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the recommendations of the undersigned for salary and employee benefit adjustments for the period commencing January 1, 1993, and ending December 31, 1998.
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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 1. Recognition

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.

Section 2. Association Security

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the city for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to SFOA who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of checkoff of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.
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(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 Attendance at Meetings by Employees/Release Time Bank

(a) City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for such purposes shall not exceed five (5).

(b) For release time not covered under Section 2.3 (a), employees may voluntarily donate any or all of their compensatory time balance to an hours bank reserved for use by Association elected officers, board members, and/or designated S.P.O.A. members for release time. Release time must still be approved in advance by the employee supervisor, but charged to the hours bank rather than the employee's leave balance.

(c) Indemnity. The Association shall indemnify, defend, and hold the City harmless against any claim made and against any suit initiated against the City on account of the release time bank.
Section 3. Compliance with Federal Laws

3.1 The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, political affiliation or legitimate Association activity against any employee or applicant for employment, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

3.2 The Association shall cooperate with the City in the objectives of Affirmative Action as required by law.

MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 4. Probationary Period

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Personnel Services shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Personnel Services a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he was promoted unless charges are filed and he is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
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4.5 Probationer Advanced to Higher Rank

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
Section 5. Layoff

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

(1) City Attorney
(2) City Clerk
(3) City Manager
(4) Community Development
(5) Finance
(6) Fire
(7) Housing and Economic Development
(8) Library
(9) Management Information Services
(10) Municipal Utilities
(11) Parks and Recreation
(12) Personnel
(13) Police
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal c. Temporary
b. Provisional d. Probationary
Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the most recent performance evaluation shall determine seniority.

5.5 Employee Options

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Personnel Services as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
Section 6. Reemployment/Reinstatement

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement

A permanent employee who has resigned in good standing may, with the recommendation of the chief of his department, the City Manager, and the consent of the Civil Service Commission, be restored to a reemployment list of the same class as his/her previous position within a period of one (1) year from the effective date of his resignation.
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Section 7. Discipline

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 within ten (10) business days of written notification of the action, or fourteen (14) days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Personnel Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
Section 8. Grievance Procedures

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Personnel Services within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Personnel Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he has a grievance may discuss his complaint with such management official in the department in which he works as the department head may designate. If the issue is not resolved within the department within seven (7) days from the day of presentation, or if the employee elects to submit his grievance directly to the Association recognized as the representative of his classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Personnel Services Review. Any employee or any official of the Association may notify the Director of Personnel Services in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Personnel Services shall have fourteen (14) days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem.
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No grievance may be processed under the following two paragraphs which has not first been filed and investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Personnel Services. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Personnel Services to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of three (3) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association and three (3) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.

(e) **Step 5 - Arbitration.** If an Adjustment Board is unable to arrive at a majority decision, either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the city. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(f) **Effect of Decision.** The decision of Adjustment Boards and the arbitrator on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.
8.4 Scope of Arbitration

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board nor any arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Personnel Services in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgement for the judgement of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting
and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) or (e) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) or (e) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an Adjustment Board or arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Personnel Services will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.
Section 9. Leaves

9.1 Sick Leave

(a) Accrual. All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of ten (10) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) Usage. Employees are entitled to sick leave pay for those days which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates him from performing his duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) Usage for Family. Employees may utilize one day of sick leave per month in the case of illness or injury in the employee's immediate family. In addition, employees may utilize up to three (3) consecutive sick leave days once each calendar year for the aforesaid purpose.

For the purposes of this Section immediate family is defined as the employee's parents, spouse, siblings and dependent children.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.
Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

(e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness will be required by the department head.

The department head and the Director of Personnel Services may make such sick leave usage reviews and may require such physician's documentation as they deem necessary to insure proper use of the sick leave benefit.

(f) Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

   (1) Was hospitalized during the period for which sick leave is claimed, or

   (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee's department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

Jury duty or witness duty appearances shall be considered in terms of "whole days" (8 hours) or "half days" (4 hours) of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is sent home before noon and not required to return in the afternoon, he will be expected to work his usual afternoon schedule.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee's department head.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.

9.4 Bereavement Leave

In the event of a death in the immediate family of an employee, he shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, the immediate family shall be restricted to father, father-in-law, mother, mother-in-law, spouse, child, brother and sister of the employee.
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In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 Workers Compensation Leave
(Consistent with California State Labor Code.)

9.6 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his position by reason of an injury or disease for which he is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.
9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Personnel Services.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Personnel Services. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician's statement.

(b) Application for and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.

9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent without leave for two (2) or more consecutive days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.
9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay in accordance with the following schedule (employees shall accrue vacation on a monthly basis):

Less than 1 1/2 years continuous employment . 80 hours/year
After 1 1/2 years up to 7 1/2 years ........ 120 hours/year
After 7 1/2 years up to 15 years .......... 160 hours/year
After 15 years up to 25 years ............... 200 hours/year

Eight (8) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) Vacation Accumulation. An employee may be allowed to accumulate up to one hundred twenty (120) hours of vacation accrual in addition to the employee's regular vacation allowance for that calendar year. However, employees may accrue unlimited vacation time in excess of the maximum allowance when such vacation accrues because of remaining in a pay status during period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(c) Vacation Schedule. The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) Vacation Allowance for Separated Employees

(1) When an employee is separated from the service, his remaining vacation allowance, if any, shall be added to his final compensation.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(e) **Vacation Cash Payment Option** - An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year.
Section 10. Days and Hours of Work

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 11. Overtime

11.1 Authorization

All compensable overtime must be authorized by the department head or his designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized overtime work shall apply to those employees whose normal work period is eight (8) hours per day and forty (40) hours per week:

(a) Time worked in excess of forty (40) hours in any workweek shall be paid for at time and one-half (1 1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1 1/2) for actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

Police Unit employees required by proper authority to be present in court shall receive a minimum of two (2) hours and forty-five (45) minutes at time and one-half (1 1/2) or actual time worked at time and one-half (1 1/2), whichever is greater. If such employees must return to court for a p.m. appearance on the same day, an additional minimum of two (2) hours and forty-five (45) minutes at time and one-half (1 1/2) shall be paid or actual time worked at time and one-half (1 1/2), whichever is greater.

11.4 Call-Back Policy

When an employee is called back to work from off duty status, the employee shall be compensated for a minimum of two (2) hours and forty-five (45) minutes pay at time and one-half (1 1/2) or actual time worked at time and one-half (1 1/2) whichever is greater.
11.5 Compensation for Hirebacks

Police Department employees who voluntarily fill a vacant position or a specially funded position, such as D.U.I., shall be paid at the rate of time and one-half (1 1/2) for all hours worked. Compensation for overtime worked under this Section shall be in cash and is specifically excluded from coverage under Section 11.6.

11.6 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, SPOA agrees that compensatory leave shall be earned at the rate of time and one-half (1 1/2). No more than forty (40) hours (twenty-six and one-half (26 1/2) hours worked at time and one-half (1 1/2)) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment - Once forty (40) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time and accumulated Compensatory Time cannot exceed the forty (40) hours maximum.

11.7 Standby Compensation - Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of one-third (1/3) day's pay at regular time for each twenty-four (24) hours and time and one-half (1 1/2) for actual time worked during such assignment.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Employees who are placed on standby on holidays observed by the City shall be paid at the rate of one-half (1/2) day's pay at regular time for each twenty-four (24) hours, plus time and one-half (1 1/2) for actual time worked, and double time and one-half (2 1/2) for actual time worked in excess of eight (8) hours.

Employees who are placed on standby after their normal tour of a regular work day shall receive one (1) hour's pay and time and one-half (1 1/2) for actual time worked during such assignments.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within a forty-five (45) minute response time availability to the Police Department.

11.8 Voluntary Court Standby

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the p.m.
Section 12. Holidays

12.1 Holiday Compensation

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed except for the employee's birthday.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1 1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of forty (40) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 Holidays Observed by the City

(1) January 1 ....................... New Year's Day
(2) Second Monday in February ...... Lincoln's Birthday
(3) Third Monday in February ...... Washington's Birthday
(4) Last Monday in May .............. Memorial Day
(5) July 4 ......................... Independence Day
(6) First Monday in September ..... Labor Day
(7) Second Monday in October ...... Columbus Day
(8) November 11 ..................... Veteran's Day
(9) Fourth Thursday in November ... Thanksgiving
(10) Fourth Friday in November ..... Day After Thanksgiving
(11) December 25 ................... Christmas Day
(12) Employee's Birthday

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City.

The department head with due consideration for the wishes of the employee and the needs of the department may authorize the birthday to be taken within fifteen (15) calendar days of the employee's actual birthdate.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 13. Compensation and Allowances Other Than Base Salary

13.1 Retirement Contribution Supplement

The City contributes nine percent (9%) of the employee's current base salary and other compensation as qualified by State law toward P.E.R.S. (effective October 1, 1984). Such amounts will be applied to the employee's individual account in accordance with Government Code Section 20615.

13.2 Military Service Credit

The City will make application to P.E.R.S. to provide for military service pursuant to the provisions of Government Code Section 20930.3 and Section 20930.33, at the employee's expense, effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.3 P.E.R.S. Credit for Professional Growth (Earned Time)

(a) For any bargaining unit member whose retirement date is later than December 31, 1993, all pay provided to that employee as a sell-back of Professional Growth (Earned Time) shall be reported by the City to the Public Employees' Retirement System as a part of the "final compensation" that P.E.R.S. is to use to determine the amount of that employee's retirement allowance.

(b) In no event shall this increment to "final compensation" consist of more than a one (1) year of Professional Growth (Earned Time).

13.4 P.E.R.S. Third Level 1959 Survivors Benefit and Sick Leave Credit

The City will request an actuarial study for Third Level 1959 Survivors Benefit and Sick Leave Credit in order to obtain potential cost, to be used at the Association's option. If exercised, the provision shall reduce the next scheduled salary increase, by the amount necessary to pay for the option(s) selected.

13.5 P.E.R.S. 2% At Age 50 Retirement

The City shall contribute an amount required by P.E.R.S. to retain the present 2% at age 50 Retirement Program.
13.6 Uniform Allowance

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance in the amount of FIVE HUNDRED AND FIFTY DOLLARS AND NO CENTS ($550.00), effective January 1, 1993; SIX HUNDRED DOLLARS AND NO CENTS ($600.00), effective January 1, 1994; SIX HUNDRED AND FIFTY DOLLARS AND NO CENTS ($650.00), effective January 1, 1995; and SEVEN HUNDRED DOLLARS AND NO CENTS ($700.00), effective January 1, 1996 per year. One-half (1/2) of the annual value of uniform allowance shall be paid to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.

13.7 Legal Defense Fund

The City shall contribute to Stockton Police Officers' Association not to exceed the amount of TWO DOLLARS AND NO CENTS ($2.00) per month per member for the purchase of legal defense insurance.

13.8 P.O.S.T. Incentive Pay

The City will pay three percent (3%) of the Police Officer top step pay for Police Unit employees who attain an Intermediate Certificate issued by P.O.S.T.

The City will contribute six percent (6%) of Police Officer top step pay for Police Unit employees who attain an Advanced Certificate issued by P.O.S.T.

13.9 Educational Incentive Pay

In accordance with the City Manager's Administrative Directive, PER-031, dated June 1, 1992, employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position, effective January 1, 1994. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position which matches his/her diploma/degree, the three percent (3%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.
Employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

13.10 Professional Growth Increment

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee, as follows:

(a) The City will pay 5% of top step pay in rank for professional growth, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) The City will pay an additional five percent (5%) for a total of ten percent (10%) of top step pay in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department.

(c) Effective January 1, 1994, employees with twelve (12) continuous years of service as a public safety officer with the Stockton Police Department, shall earn on January of each year ten (10) days (100 hours) in time or pay for Professional Growth. If not used during the calendar year, the remaining hours will be paid in December of each year at the employee’s current rate of pay. Professional Growth will not carry over.

In the event an employee terminates employment prior to December 31, the professional growth time will be prorated to reflect the actual term of employment.

(d) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year as long as the officer did not withdraw the officer’s contributions to P.E.R.S.

13.11 Payment for Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

13.12 Voluntary Deferred Compensation

Employees in this unit may participate, at no cost to the City, in the City's deferred compensation plan.

13.13 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1 1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.14 Motorcycle Officer Compensation

Employees assigned motorcycle responsibilities shall be paid a maximum of eight (8) hours per month, at the rate of one and one-half (1 1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.

13.15 Field Training Officer Compensation

During any month employees assigned field training responsibilities for a probationary officer shall be paid a maximum of five (5) hours per month, at the rate of one and one-half (1 1/2) time, for the time spent by officers on their off-duty time to complete evaluation reports for probationary officers. This Section does not apply to employees when the period of non-assignment (without a probationary officer) extends beyond two (2) months.
Section 14. Insurance Plans

14.1 Health Insurance and Related Benefits

(a) The City will provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits. Effective upon agreement, the City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. Effective November 1, 1993, the medical plan for active employees is the City's Modified Employee Medical Plan which is summarized on Appendix "A", attached hereto.

Effective January 1, 1993, the City will also provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon the remarriage of the officer's surviving spouse. This medical coverage shall be secondary at age 65.

(b) Effective upon agreement, the dental cap increases from SIX HUNDRED DOLLARS AND NO CENTS ($600.00) to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00) per person, per year. The City will reimburse employees with verified dental claims that exceeded SIX HUNDRED DOLLARS AND NO CENTS ($600.00), up to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00), back to March 1990.

(c) The City agrees to release the Association's medical fund established by Arbitrator Philip Tamoush's decision dated November 20, 1990, and Arbitrator Anthony V. Leonis' decision dated January 13, 1993. The money from this fund shall be distributed based on months of service as calculated by the Association.

(d) If it is the decision of the Union to select other than the present carrier(s) for any of the above benefits, the City shall continue its contribution amount limited to and not to exceed that for its current designated plan. Insured retirees shall be assigned to the carrier(s) selected. The retirees will move to the Modified Employee Medical Plan, effective July 1, 1994.

(e) Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(f) Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.

14.2 Retirement Medical Allowance

(a) Effective April 1, 1983, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. Such coverage shall include one (1) dependent and the following provisions shall apply:

(1) Normal Service Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) Disability Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

(3) Major Medical Deductible

Effective July 1, 1994, the major medical deductible will be ONE HUNDRED AND FIFTY DOLLARS AND NO CENTS ($150.00) per person per calendar year.

(b) When this agreement expires on December 31, 1998, as provided for in Section 19 of this agreement, then and in that event, any and all subsequent increased premium costs required to maintain the benefits provided for in this Section shall be the responsibility of the retiree and said increased costs shall be charged the retiree as may be necessary for the months subsequent to December 31, 1998, unless otherwise agreed to by the parties hereto.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 15. Salary Plan

15.1 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix B, C, D, E, F, and G, which are attached hereto and made a part hereof. All salaries hereby established and explained in other parts of Section 15 shall be salaries as fitted to the City of Stockton standard salary schedule matrix. The rates of pay set forth in the Appendix B, C, D, E, F, and G represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary for a new employee entering the classified service shall be the minimum salary for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary which is more than the minimum salary for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgement of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.
15.4 **Salary Step Plan**

There shall be six salary steps in each range.

The *first step* shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time employees.) If a department head recommends to withhold increases to salary steps two (2) through four (4) because an employee has not achieved the level of performance required, notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.

The *second step* shall be paid upon the satisfactory completion of six (6) months service at the first step.

The *third step* shall be paid upon the satisfactory completion of one (1) year service at the second step.

The *fourth step* shall be paid upon the satisfactory completion of one (1) year service at the third step.

The *fifth step* shall be paid upon the satisfactory completion of one (1) year at the fourth step and upon the written recommendation of the department head.

Effective January 1, 1994, the *sixth step* shall be paid upon the satisfactory completion of one (1) year at the fifth step and upon the written recommendation of the department head.

Regardless of an employee's length of service, step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step No. five (5) for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Changes in an employee's salary because of promotion, demotion, postponement of salary step increase, or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 Salary Step After Military Leave

All employees who have been granted a military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.6 Salary Step When Salary Range Is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.7 Salary Step After Promotion or Demotion

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

15.8 Salary On Reinstatement

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.

15.9 Acting Pay

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position, shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

Section 16. Residency

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

Section 17. Separability of Provisions

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

Section 18. Past Practices and Existing Memoranda of Understanding

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 19. Scope of Agreement

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

Section 20. Duration

All provisions of this Memorandum of Understanding shall be effective January 1, 1993, and shall remain in full force and effect to and including the 31st day of December, 1998, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of December 31, 1998, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.

Section 21. Maintenance of Operations

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agree that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

Section 22. City Rights

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgement and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion
over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

(d) In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

Section 23. Lawsuits

The City of Stockton and the SPOA agrees to withdraw in their entirety the following lawsuits, including any cross-complaints, cross-actions, grievances, or other administrative or related actions:

3 CIV 230848  
4/10 Plan Litigation  
252023  
Sick Leave/Blue Flu

CIVS-92-0195  
FLSA Action

Both parties will stipulate to a Settlement Agreement consisting of the withdrawal of the FLSA Action CIVS-92-0195. It is understood that FLSA Action CIVS-92-0195 requires individually named members of the SPOA to request the action be dismissed. SPOA to exercise all diligence possible in securing this dismissal by named members.

Section 24. Conclusiveness

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolution shall
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

be amended to conform with the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the City and the Association in a written and signed amendment to this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this ___ day of October 1993.

Stockton Police Officers' Association

BY DAVID L. KNACKERBOCKER, PRESIDENT,
STOCKTON POLICE OFFICERS' ASSOCIATION

BY JAMES HUGHES, VICE-PRESIDENT,
STOCKTON POLICE OFFICERS' ASSOCIATION

BY RICHARD L. NEELY, BOARD MEMBER

City of Stockton

BY DWANE MILNES
CITY MANAGER

BY GEORGE F. BIST, DEPUTY
DIRECTOR/EMPLOYEE RELATIONS OFFICER

BY MARK ANDERSON, BOARD MEMBER

BY NICK GARCIA, BOARD MEMBER

APPROVED AS TO FORM:

R. THOMAS HARRIS
CITY ATTORNEY

Deputy CITY ATTORNEY
# CITY OF STOCKTON
## MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)

**Plan Pays This Portion of Allowed Rate If Member Providers Used**

<table>
<thead>
<tr>
<th>Deductible</th>
<th>$150 per person, per year (maximum 3 per family).</th>
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<tbody>
<tr>
<td>$1,000,000 Lifetime $ Maximum</td>
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</tr>
<tr>
<td>Rx</td>
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</tr>
<tr>
<td>Hospitalization</td>
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</tr>
<tr>
<td>Surgeon/Anesthesiologist</td>
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<td>Radiation/Chemotherapy/Dialysis</td>
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<tr>
<td>Alcohol and Drug Counseling/ Detox/Treatment</td>
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**EMPLOYEE MAXIMUM OUT-OF-POCKET:** After the employee pays $1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

This is a brief recap only - for detailed benefits see Plan Document or call San Joaquin Foundation for Medical Care.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "B"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1993

Effective January 1, 1993, the Salary Schedule shall provide the following salary rates or ranges best fitted to the matrix for the following classifications:

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<thead>
<tr>
<th>Job Code</th>
<th>Unit Code</th>
<th>Title</th>
<th>Salary Range</th>
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<td>540 P</td>
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<td>Police Sergeant</td>
<td>$3237-3403-3577-3760-3953</td>
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</table>
**MEMORANDUM OF UNDERSTANDING (POLICE UNIT)**

**APPENDIX "C"**

**SALARY ADJUSTMENTS FOR CALENDAR YEAR 1994**

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Title</th>
<th>Grade</th>
<th>Salary Steps</th>
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<td>$3305-3475-3653-3840-4037-4244</td>
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<tr>
<td>25540</td>
<td>Police Officer</td>
<td>25B</td>
<td>$2789-2932-3082-3240-3406-3580</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "C"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1994

Effective January 1, 1994, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1994, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed four percent (4%) (e.g. a CPI-W increase of six percent (6%) would still result in a four percent (4%) increase).
APPENDIX "B"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1993

Effective January 1, 1993, the Salary Schedule shall provide the following salary rates or ranges best fitted to the matrix for the following classifications:

<table>
<thead>
<tr>
<th>Job Code</th>
<th>Unit Code</th>
<th>Title</th>
<th>Salary Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>540</td>
<td>P</td>
<td>Police Officer</td>
<td>$2731-2871-3018-3173-3335</td>
</tr>
<tr>
<td>325</td>
<td>P</td>
<td>Police Sergeant</td>
<td>$3237-3403-3577-3760-3953</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "D"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1995

Effective January 1, 1995, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1995, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed four percent (4%) (e.g. a CPI-W increase of six percent (6%) would still result in a four percent (4%) increase).
APPENDIX "E"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1996

Effective January 1, 1996, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1996, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed four percent (4%) (e.g. a CPI-W increase of six percent (6%) would still result in a four percent (4%) increase).
APPENDIX "D"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1995

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Title</th>
<th>Grade</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>25325</td>
<td>Police Sergeant</td>
<td>25A</td>
<td>$3379-3552-3734-3925-4126-4338</td>
</tr>
<tr>
<td>25540</td>
<td>Police Officer</td>
<td>25B</td>
<td>$2851-2997-3150-3312-3482-3660</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "E"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1996

Effective January 1, 1996, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1996, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed four percent (4%) (e.g. a CPI-W increase of six percent (6%) would still result in a four percent (4%) increase).
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "F"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1997

Effective January 1, 1997, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1997, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed six percent (6%) (e.g. a CPI-W increase of eight percent (8%) would still result in a six percent (6%) increase).
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "G"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1998

Effective January 1, 1998, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1998, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall not exceed six percent (6%) (e.g. a CPI-W increase of eight percent (8%) would still result in a six percent (6%) increase).
WHEREAS, on October 12, 1993, the City Council adopted Resolution No. 93-0636, authorizing the Police Unit Memorandum of Understanding ("MOU") between the representatives of the City of Stockton, by and through the City Manager and the Stockton Police Officers' Association, for the period commencing January 1, 1993, and ending December 31, 1998; and

WHEREAS, it is determined that an amendment to the MOU is necessary; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the "Addendum to the Police Unit Memorandum of Understanding, January 1, 1993 through December 31, 1998" is hereby authorized and approved, a copy of which is attached as Exhibit "A" and incorporated by this reference.

2. That the City Manager is hereby authorized and directed, on behalf of the City of Stockton, to take such action as deemed necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED ___ OCT 30 __ 1995 __

/S/ JOAN DARRAH

JOAN DARRAH, Mayor
of the City of Stockton

ATTEST: /S/ FRANCES HONG

FRANCES HONG, City Clerk
of the City of Stockton

95-0515
ADDENDUM TO THE POLICE UNIT MEMORANDUM OF UNDERSTANDING JANUARY 1, 1993 THROUGH DECEMBER 31, 1998

The City of Stockton and the Stockton Police Officers' Association representing the Police Unit mutually agreed to amend the Memorandum of Understanding dated October 7, 1993, and adopted October 12, 1993, by City Council Resolution No. 93-0636, as follows:

Section 13.10 Professional Growth Increment

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee, as follows:

(a) The City will pay five percent (5%) of top step pay in rank for professional growth, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of ten percent (10%) of top step pay in rank for professional growth, upon completion of twelve (12) continuous years of service as a public safety officer with the Stockton Police Department.

(c) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of fifteen percent (15%) of top step pay in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department.

(d) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year, as long as the officer did not withdraw the officer's contributions to P.E.R.S.

AGREED TO BY THE UNDERSIGNED THIS 1ST DAY OF OCTOBER 1995.

STOCKTON POLICE OFFICERS' ASSOCIATION

JAMES HUGHES, PRESIDENT

STOCKTON POLICE OFFICERS' ASSOCIATION

CITY OF STOCKTON

GEORGE F. BIST, DEPUTY DIRECTOR
EMPLOYEE RELATIONS OFFICER

DWANE MILNES, CITY MANAGER

95-0515

EXHIBIT "A"
MEMORANDUM

September 23, 1998

TO: L. PATRICK SAMSELL, Finance Director
ATTN: JUDY NG, Supervising Accounting Office Assistant

FROM: GEORGE F. BIST, Deputy Director/Employee Relations Officer

SUBJECT: POLICE UNIT - NEW SALARY/HOURLY RATES AND ADD PAY RATES

As a result of the new Memorandum of Understanding terms and conditions of employment between the City of Stockton and the Stockton Police Officers' Association (SPOA) adopted by the Stockton City Council on September 8, 1998, police unit members shall receive a 1.1% salary adjustment retroactive August 1, 1998. Therefore, the following represents new salary/hourly rates and add pay rates in accordance with the 1.1% salary adjustment:

**New Salary Range**

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Job Classification</th>
<th>Unit Code</th>
<th>Grade</th>
<th>Salary Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>25540</td>
<td>Police Officer</td>
<td>P</td>
<td>25B</td>
<td>$3060-3217-3382-3556-3738-3929</td>
</tr>
</tbody>
</table>

**Hourly Rates**

- $3060 $17.6538
- $3217 $18.5596
- $3382 $19.5115
- $3556 $20.5154
- $3738 $21.5654
- $3929 $22.6673

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Job Classification</th>
<th>Unit Code</th>
<th>Grade</th>
<th>Salary Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>25325</td>
<td>Police Sergeant</td>
<td>P</td>
<td>25A</td>
<td>$3627-3813-4009-4214-4430-4657</td>
</tr>
</tbody>
</table>

**Hourly Rates**

- $3627 $20.9250
- $3813 $21.9981
- $4009 $23.1288
- $4214 $24.3115
- $4430 $25.5577
- $4657 $26.8673
L. PATRICK SAMSELL, Finance Director
ATTN: JUDY NG, Supervising Accounting Office Assistant
RE: POLICE UNIT - NEW SALARY/HOURLY RATES AND ADD PAY RATES
September 23, 1998
Page 2

**Educational Incentive Pay**

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Pay Code</th>
<th>Add Pay Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Officer</td>
<td>EP - EIP</td>
<td>$118</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>ER - EIP</td>
<td>$140</td>
</tr>
</tbody>
</table>

**P.O.S.T. Educational Certificate Pay**

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Pay Code</th>
<th>Add Pay Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Officer</td>
<td>PB - Intermediate</td>
<td>$118 - 3%</td>
</tr>
<tr>
<td></td>
<td>PA - Advance</td>
<td>$236 - 6%</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>PB - Intermediate</td>
<td>$140 - 3%</td>
</tr>
<tr>
<td></td>
<td>PA - Advance</td>
<td>$279 - 6%</td>
</tr>
</tbody>
</table>

Please advise when payroll staff of the Personnel Services Department may make the appropriate data entries to the payroll system to reflect these changes. If you have any questions or need clarification in this regard, please do not hesitate to call me at 8344.

MCKINLEY LLOYD
DIRECTOR OF PERSONNEL SERVICES

GEORGE F. BIST
DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

ML/GFB/SGR

cc: EDWARD J. CHAVEZ, Chief of Police, Police Department
JOHN STAROPOLI, President of SPOA, c/o 22 East Market Street, Stockton
LUCY BROWN, Payroll Section, Police Department
LAURA McKinney, Payroll Section, Personnel Services Department
MEMORANDUM

September 21, 1998

TO: ALL DEPARTMENT HEADS

FROM: GEORGE F. BIST, Deputy Director/Employee Relations Officer
Personnel Services Department

SUBJECT: CITY OF STOCKTON AND STOCKTON POLICE OFFICERS’ ASSOCIATION
MEMORANDUM OF UNDERSTANDING

On September 8, 1998, the Stockton City Council approved and adopted Resolution No. 98-0382 Memorandum of Understanding new terms and conditions of employment between the City of Stockton and the Stockton Police Officers’ Association for the period of January 1, 1999 through December 31, 2003.

The key provisions of the Memorandum of Understanding between the City of Stockton and the Stockton Police Officers’ Association are summarized below for your reference:

- **Term**

- **Salary Increases**
  Effective August 1, 1998, 1.1% salary increase; effective January 1, 1999, 80% of CPI (minimum 2-1/2%, maximum of 6%), and each year thereafter for the term of the labor agreement. In addition, effective January 1, 2001, 2-1/2% salary increase.

- **Salary Step Range**
  Effective January 1, 1999, the Police Officer’s salary step range will be expanded from a 6-step range to a 9-step range.

- **Health and Welfare Benefits**
  Effective January 1, 1999, the City shall increase the orthodontic lifetime maximum benefit from One Thousand Dollars ($1,000.00) to Two Thousand Dollars ($2,000.00).

- **Supplemental Retirement Medical Allowance**
  A safety employee retiring on or after August 1, 1998, and eligible for retirement medical benefits, said retired employee and one (1) eligible dependent shall continue to be covered under the City’s medical plan when both persons reach age 65. The City’s medical plan shall be secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.
All Department Heads
RE: CITY OF STOCKTON AND STOCKTON POLICE OFFICERS’ ASSOCIATION
MEMORANDUM OF UNDERSTANDING
Page 2

- **Life Insurance**
  Effective January 1, 2000, the City shall provide each employee with group term life insurance coverage equal to their annual salary rounded to the nearest One Thousand Dollars ($1,000.00).

- **Long Term Disability Insurance**
  Effective January 1, 1999, the City shall add to base pay the amount of Twenty Dollars ($20.00) for the purpose of purchasing a Preferred Long Term Disability Program selected by Association members in lieu of providing long term disability coverage through the City's Long Term Disability Program.

- **Retirement Contribution Supplement**
  The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414(H)(2), whereby employee contributions shall be tax deferred will be concurrently implemented with P.E.R.S. California Government Code section 20692.

  The City will also make application to provide P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

- **Non Sworn Police Officer Trainee**
  The City will contribute seven percent (7%) of the employee’s current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan for those employees appointed as a non sworn Police Officer Trainee. Upon satisfactory completion of the Basic Peace Officer Academy those employees appointed as a non sworn Police Officer Trainee shall be transferred to the position of Police Officer and placed in the P.E.R.S. Safety Members Plan.
- **Deferred Compensation**
  Effective January 1, 1999, each employee in this unit shall receive a City paid deferred compensation contribution, as a supplement to the employee's voluntary deferred compensation contribution, in the amount of two percent (2%); effective January 1, 2000, an additional contribution of one percent (1%) for a total of three percent (3%); effective January 1, 2001, an additional contribution of one and one-half percent (1-1/2%) for a total of four and one-half percent (4-1/2%); effective January 1, 2002, an additional contribution of one percent (1%) for a total of five and one-half percent (5-1/2%); and effective January 1, 2003, an additional contribution of one percent (1%) for a total of six and one-half percent (6-1/2%).

- **Professional Growth Allowance**
  Effective January 1, 2000, the City will provide an additional compensation of two percent (2%) of top salary step in rank upon completion of nine (9) continuous years of service as a public safety officer.

  Effective January 1, 2003, the City will provide an additional compensation of two percent (2%) of top salary step in rank upon completion of eighteen (18) continuous years of service as a public safety officer.

- **Uniform Allowance**
  Effective January 1, 1999, the City will provide an additional compensation of One Hundred Dollars ($100.00) and each subsequent year thereafter for the term of the labor agreement.

- **Immediate Family Expansion**
  Family sick leaves and bereavement leave shall be restricted to employees' parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

- **Court Appearance (Off Duty Status)**
  In the event employees are required by proper authority to appear in court during off-duty status, the City shall provide a minimum compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.
In addition, the City shall provide compensation for employees required to return to court during off-duty hours on the same day, a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater. If court appearance is made in the morning and afternoon session on the same day, the City shall provide an additional compensation of one (1) hour at time and one-half (1-1/2).

No more than eighty (80) hours worked at time and one-half (1-1/2) shall be carried on the books at any time. Once hours of compensatory time are accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid.

The City and Association agreed to conduct a joint total compensation survey to determine the City's position relative to the bottom of the top one-third (1/3) of comparable agencies and to make appropriate salary equity adjustments as deemed necessary effective January 1, 2002.

A copy of the new Memorandum of Understanding is attached for your reference. Please ensure that you make appropriate copies and distribute to all holders of the Memorandum of Understanding including your managers and supervisors. Additional copies will be available in the Personnel Services Department.

If you have any questions or need clarification in this regard, please feel free to call me at 8344.

McKINLEY LLOYD
DIRECTOR OF PERSONNEL SERVICES

GEORGE F. BIST
DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

GFB/SGR

Attachment
Resolution No. 98-0382

STOCKTON CITY COUNCIL

WHEREAS, on July 23, 1998, the City of Stockton and the Stockton Police Officers' Association reached tentative agreement on new terms and conditions of employment to cover the period from January 1, 1999, through December 31, 2003; and

WHEREAS, on July 29, 1998, the membership of the Stockton Police Officers' Association ratified the tentative agreement; and

WHEREAS, a Memorandum of Understanding setting forth the terms and conditions between the City of Stockton and the Stockton Police Officers' Association, for the period commencing January 1, 1999, and ending December 31, 2003, is attached hereto as Exhibit "A" and incorporated by this reference; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the terms and conditions of employment as set forth in the attached Memorandum of Understanding between the City of Stockton and the Stockton Police Officers' Association, for the period commencing January 1, 1999, and ending December 31, 2003, is hereby accepted and approved.

2. That the City Manager is hereby authorized and directed to execute said Memorandum of Understanding.

PASSED, APPROVED and ADOPTED SEP - 8 1998.

GARY A. PODESTA, Mayor
of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
City Clerk
of the City of Stockton

98-0382

CITY ATTY REVIEW: SEP 8 1998
DATE: SEP 8 1998
MEMORANDUM OF UNDERSTANDING

between the

CITY OF STOCKTON

and the

STOCKTON POLICE OFFICERS’ ASSOCIATION

TERM OF AGREEMENT
JANUARY 1, 1999 THROUGH DECEMBER 31, 2003
<table>
<thead>
<tr>
<th>Section</th>
<th>Section Title</th>
<th>Page</th>
</tr>
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<td>3</td>
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<td>4</td>
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<td>Layoff</td>
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<td>11</td>
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<tr>
<td>12</td>
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<td>13</td>
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</tr>
<tr>
<td></td>
<td>Salary</td>
<td></td>
</tr>
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<td>Insurance Plans</td>
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<td>16</td>
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<td>17</td>
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<td>18</td>
<td>Past Practices and Existing Memoranda of Understanding</td>
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<tr>
<td></td>
<td>Understanding</td>
<td></td>
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<tr>
<td>19</td>
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<td>20</td>
<td>Duration</td>
<td>45</td>
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<td>21</td>
<td>Maintenance of Operations</td>
<td>45</td>
</tr>
<tr>
<td>22</td>
<td>City Rights</td>
<td>46</td>
</tr>
<tr>
<td>23</td>
<td>Conclusiveness</td>
<td>47 - 48</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

PREAMBLE

The Stockton Police Officers' Association and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees in the representation unit identified in Section 1, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of employees in the Police Unit.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the recommendations of the undersigned for salary and employee benefit adjustments for the period commencing January 1, 1999, and ending December 31, 2003.

Section 1. Recognition

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 2. Association Security

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of checkoff of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 Attendance at Meetings by Employees/Release Time Bank/Association Release Time

(a) Attendance at Meetings by Employees. City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for such purposes shall not exceed five (5).
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(b) Release Time Bank. For release time not covered under Section 2.3 (a), employees may voluntarily donate any or all of their compensatory time balance to an hours bank reserved for use by Association elected officers, board members, and/or designated Association members for release time. Release time must be approved, in advance, by the employee’s supervisor, but charged to the hours bank than the employee's leave balance.

(c) Indemnity. The Association shall indemnify, defend, and hold the City harmless against any claim made and against any suit initiated against the City on account of the release time bank.

(d) Association Release Time. The City shall allocate to the Association a minimum of two hundred (200) hours each year for the purpose of disbursing release time to official representatives or unit representatives of the Association to attend Association business not normally covered under this section, such as seminars, conferences, and training. The Association shall manage and monitor the distribution of Association Release Time, which is not to exceed a total of two hundred (200) hours each year.

The Association shall notify the City, in writing, the specific purpose of Association Release Time for official representatives or unit representatives and the hours of annual leave expended. The release time must be approved in advance.

The Association shall submit a cashier check to the City in the amount equal to the Association representative’s hourly rate of pay, multiplied by the annual leave hours expended for Association business. The City, upon receipt of cashier check, shall reimburse the Association representative’s annual leave balance expended for Association business in the form of hours.
Section 3. Compliance with Federal Laws

3.1 The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, political affiliation or legitimate Association activity against any employee or applicant for employment, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

3.2 The Association shall cooperate with the City in the objectives of Affirmative Action as required by law.

Section 4. Probationary Period

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Personnel Services shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Personnel Services a statement in writing to such effect and stating that the retention of such employee in the service is desired.
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During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he was promoted unless charges are filed and he is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.

4.5 **Probationer Advanced to Higher Rank**

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.

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Section 5. Layoff

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

(1) City Attorney
(2) City Auditor
(3) City Clerk
(4) City Manager
(5) Community Development
(6) Finance
(7) Fire
(8) Housing and Redevelopment
(9) Library
(10) Management Information Services
(11) Municipal Utilities
(12) Parks and Recreation
(13) Personnel Services
(14) Police
(15) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.
5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal  
b. Provisional  
c. Temporary  
d. Probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the most recent performance evaluation shall determine seniority.

5.5 Employee Options. Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Personnel Services as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
Section 6. Reemployment/Reinstatement

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement

A permanent employee who has resigned in good standing may, with the recommendation of the chief of his department, the City Manager, and the consent of the Civil Service Commission, be restored to a reemployment list of the same class as his/her previous position within a period of one (1) year from the effective date of his resignation.
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Section 7. Discipline

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 within ten (10) business days of written notification of the action, or fourteen (14) days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Personnel Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
Section 8. Grievance Procedures

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Personnel Services within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Personnel Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he has a grievance may discuss his complaint with such management official in the department in which he works as the department head may designate. If the issue is not resolved within the department within seven (7) days from the day of presentation, or if the employee elects to submit his grievance directly to the Association recognized as the representative of his classification, the procedures hereinafter specified may be invoked.
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(b) **Step 2 - Director of Personnel Services Review.** Any employee or any official of the Association may notify the Director of Personnel Services in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Personnel Services shall have fourteen (14) days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Personnel Services. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Personnel Services to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of three (3) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association and three (3) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.

(e) **Step 5 - Arbitration.** If an Adjustment Board is unable to arrive at a majority decision, either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.
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(f) **Effect of Decision.** The decision of Adjustment Boards and the arbitrator on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board nor any arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 **Other Provisions**

If the Director of Personnel Services in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgement for the judgement of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

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All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) or (e) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) or (e) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an Adjustment Board or arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Personnel Services will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.

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Section 9. Leaves

9.1 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of ten (10) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) **Usage.** Employees are entitled to sick leave pay for those days which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease which incapacitates him from performing his duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) **Usage for Family.** Employees may utilize one (1) day of sick leave per month in the case of illness or injury in the employee's immediate family. In addition, employees may utilize up to three (3) consecutive sick leave days once each calendar year for the aforesaid purpose.

For the purposes of this Section immediate family is defined as the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.
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Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

(e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness will be required by the department head.

The department head and the Director of Personnel Services may make such sick leave usage reviews and may require such physician's documentation as they deem necessary to insure proper use of the sick leave benefit.

(f) Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

(1) Was hospitalized during the period for which sick leave is claimed, or

(2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as
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hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee's department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

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(b) Jury duty or witness duty appearances shall be considered in terms of "whole days" (8 hours) or "half days" (4 hours) of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is sent home before noon and not required to return in the afternoon, he will be expected to work his usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee's department head.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.

9.4 Bereavement Leave

In the event of a death in the immediate family of an employee, he shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.
9.5 **Workers Compensation Leave**

(Consistent with California State Labor Code.)

9.6 **Leave of Absence**

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his position by reason of an injury or disease for which he is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.
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9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Personnel Services.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Personnel Services. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician’s statement.

(b) Application for and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.

9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent without leave for two (2) or more consecutive days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.
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9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay in accordance with the following schedule (employees shall accrue vacation on a monthly basis):

Less than 1 1/2 years continuous employment ......................... 80 hours/year
After 1 1/2 years up to 7 1/2 years ................................... 120 hours/year
After 7 1/2 years up to 15 years ...................................... 160 hours/year
After 15 years up to 25 years ........................................... 200 hours/year

Eight (8) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) Vacation Accumulation. An employee may be allowed to accumulate up to one hundred twenty (120) hours of vacation accrual in addition to the employee's regular vacation allowance for that calendar year. However, employees may accrue unlimited vacation time in excess of the maximum allowance when such vacation accrues because of remaining in a pay status during period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(c) Vacation Schedule. The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) Vacation Allowance for Separated Employees

(1) When an employee is separated from the service, his remaining vacation allowance, if any, shall be added to his final compensation.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.

(e) Vacation Cash Payment Option. An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year.

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Section 10. Days and Hours of Work

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.
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Section 11. Overtime

11.1 Authorization

All compensable overtime must be authorized by the department head or his designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized overtime work shall apply to those employees whose normal work period is eight (8) hours per day and forty (40) hours per week:

(a) Time worked in excess of forty (40) hours in any workweek shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

An employee required by proper authority to appear in court during off-duty hours shall receive a minimum compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

In the event such employee is required by proper authority to return to court during off-duty hours on the same day, such employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

If court appearance is made in the morning and afternoon session on the same day, such employee shall be compensated for a minimum of, in addition to the above, one (1) hour at time and one-half (1-1/2).
11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

11.5 Compensation for Hirebacks

Police Department employees who voluntarily fill a vacant position or a specially funded position, such as D.U.I., shall be paid at the rate of time and one-half (1-1/2) for all hours worked. Compensation for overtime worked under this Section shall be in cash and is specifically excluded from coverage under Section 11.6.

11.6 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.
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(d)  Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

11.7  Standby Compensation

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of one-third (1/3) day's pay at regular time for each twenty-four (24) hours and time and one-half (1-1/2) for actual time worked during such assignment.

Employees who are placed on standby on holidays observed by the City shall be paid at the rate of one-half (1/2) day's pay at regular time for each twenty-four (24) hours, plus time and one-half (1-1/2) for actual time worked, and double time and one-half (2-1/2) for actual time worked in excess of eight (8) hours.

Employees who are placed on standby after their normal tour of a regular work day shall receive one (1) hour's pay and time and one-half (1-1/2) for actual time worked during such assignments.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within a forty-five (45) minute response time availability to the Police Department.

11.8  Voluntary Court Standby

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the p.m.

CITY OF STOCKTON
Section 12. Holidays

12.1 Holiday Compensation

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed except for the employee's birthday.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1-1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 Holidays Observed by the City

(1) January 1 ......................................................... New Year's Day
(2) Second Monday in February ............................ Lincoln's Birthday
(3) Third Monday in February ................................. Washington's Birthday
(4) Last Monday in May ........................................ Memorial Day
(5) July 4 ............................................................. Independence Day
(6) First Monday in September .............................. Labor Day
(7) Second Monday in October ............................... Columbus Day
(8) November 11 ................................................... Veteran's Day
(9) Fourth Thursday in November .......................... Thanksgiving
(10) Fourth Friday in November ............................. Day After Thanksgiving
(11) December 25 .................................................. Christmas Day
(12) Employee's Birthday

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City.

The department head with due consideration for the wishes of the employee and the needs of the department may authorize the birthday to be taken within fifteen (15) calendar days of the employee's actual birth date.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
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Section 13. Compensation and Allowances Other Than Base Salary

13.1 Retirement Contribution Supplement

(a) The City contributes nine percent (9%) of the employee's current base salary and other compensation as qualified by State law toward P.E.R.S. (effective October 1, 1984). Such amounts will be applied to the employee's individual account in accordance with Government Code Section 20615.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee’s last year of employment, such employee shall pay their employees’ nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee’s base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The City will contribute seven percent (7%) of the employee’s current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts will be applied to the employee’s individual account in accordance with Government Code section 20615.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer (Local Safety Member).

CITY OF STOCKTON
13.2 **Military Service Credit**

The City shall provide for military service pursuant to the provisions of Government Code Section 20930.3 and Section 20930.33, at the employee's expense.

13.3 **P.E.R.S. Credit for Professional Growth (Earned Time)**

(a) For any bargaining unit member whose retirement date is later than December 31, 1993, all pay provided to that employee as a sell-back of Professional Growth (Earned Time) shall be reported by the City to the Public Employees' Retirement System as a part of the "final compensation" that P.E.R.S. is to use to determine the amount of that employee's retirement allowance.

(b) In no event shall this increment to "final compensation" consist of more than a one (1) year of Professional Growth (Earned Time).

13.4 **P.E.R.S. Fourth Level of 1959 Survivor Benefits**

The City will make application to provide P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 **P.E.R.S. 2% At Age 50 Retirement**

The City shall contribute an amount required by P.E.R.S. to retain the present 2% at age 50 Retirement Program.

13.6 **Uniform Allowance**

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance each calendar year in the amount of Eight Hundred Dollars ($800.00) effective January 1, 1999; Nine Hundred Dollars ($900.00) effective January 1, 2000; One Thousand Dollars ($1,000.00) effective January 1, 2001; One Thousand One Hundred Dollars ($1,100.00) effective January 1, 2002; and One Thousand Two Hundred Dollars ($1,200.00) effective January 1, 2003.
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Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.

13.7 Legal Defense Fund

The City shall contribute to Stockton Police Officers' Association not to exceed the amount of Two Dollars and No Cents ($2.00) per month per member for the purchase of legal defense insurance.

13.8 P.O.S.T. Educational Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Personnel Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.
13.9 **Educational Incentive Pay**

In accordance with the City Manager's Administrative Directive, PER-031, dated June 1, 1992, employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position, effective January 1, 1994. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position which matches his/her diploma/degree, the three percent (3%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

Employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

13.10 **Professional Growth Increment - Police Officer Appointed prior to January 1, 1999**

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee under the 6-Salary Step Plan is as follows:

(a) The City will pay five percent (5%) of top salary step in rank for professional growth, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of ten percent (10%) of top salary step in rank for professional growth, upon completion of twelve (12) continuous year of service as a public safety officer with the Stockton Police Department.

(c) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of fifteen percent (15%) of top salary step in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department. Effective January 1, 2000, and effective January 1, 2003, this section shall be increased by the amount outlined in section (d) and (e).
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(d) Effective January 1, 2000, the City will pay an additional two percent (2%) for a total of seven percent (7%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(e) Effective January 1, 2003, the City will pay an additional two percent (2%) for a total of fourteen percent (14%) of top salary step in rank for professional growth, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

For the limited purpose of this section "compensation" for professional growth is defined as follows: a total of five percent (5%) upon completion of six (6) continuous years of service; a total of seven percent (7%) upon completion of nine (9) continuous years of service; a total of twelve percent (12%) upon completion of twelve (12) continuous years of service; a total of fourteen percent (14%) upon completion of eighteen (18) continuous years of service; and a total of nineteen percent (19%) upon completion of twenty-four (24) continuous years of service.

In the event an employee terminates employment prior to December 31, the professional growth time will be prorated to reflect the actual term of employment.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

13.11 Professional Growth Increment - Police Officer Appointed on or after January 1, 1999

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee under the 9-Salary Step Plan is as follows:

(a) The City will pay five percent (5%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(b) Effective January 1, 2000, the City will pay an additional two percent (2%) for a total of seven percent (7%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(c) The City will pay an additional five percent (5%) for a total of twelve percent (12%) of top salary step in rank for professional growth, upon completion of fifteen (15) continuous years of service as a public safety officer with the Stockton Police Department.

(d) Effective January 1, 2003, the City will pay an additional two percent (2%) for a total of fourteen percent (14%) of top salary step in rank for professional growth, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

(e) The City will pay an additional five percent (5%) for a total of nineteen percent (19%) of top salary step in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Officer.

In the event an employee terminates employment prior to December 31, the professional growth time will be prorated to reflect the actual term of employment.

For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

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13.12 Payment for Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value.

13.13 Deferred Compensation

Each employee in this unit shall receive a City paid deferred compensation contribution. The City paid contribution shall be in addition to the employee's voluntary deferred compensation contributions. Participants shall receive this benefit during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

(a) Effective January 1, 1999, the City will provide, in addition to regular salary, a contribution of two percent (2%) of the employee's current base salary toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(b) Effective January 1, 2000, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) of the employee's current base salary for a total of three percent (3%) toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(c) Effective January 1, 2001, the City will provide, in addition to regular salary, an additional contribution of one and one-half percent (1-1/2%) of the employee’s current base salary for a total of four and one-half percent (4-1/2%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(d) Effective January 1, 2002, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of five and one-half percent (5-1/2%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(e) Effective January 1, 2003, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of six and one-half percent (6-1/2%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

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13.14 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.15 Motorcycle Officer Compensation

Employees assigned motorcycle responsibilities shall be paid a maximum of eight (8) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcyles.

13.16 Field Training Officer Compensation

During any month employees assigned field training responsibilities for a probationary officer shall be paid a maximum of five (5) hours per month, at the rate of one and one-half (1-1/2) time, for the time spent by officers on their off-duty time to complete evaluation reports for probationary officers. This Section does not apply to employees when the period of non-assignment (without a probationary officer) extends beyond two (2) months.

13.17 Acting Pay

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position, shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

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Section 14. Insurance Plans

14.1 Health Insurance and Related Benefits

(a) The City will provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits. Effective upon agreement, the City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. Effective November 1, 1993, the medical plan for active employees is the City's Modified Employee Medical Plan which is summarized on Attachment "A", attached hereto.

Effective January 1, 1993, the City will also provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon the remarriage of the officer's surviving spouse. This medical coverage shall be secondary at age 65.

(b) Effective upon agreement, the dental cap increases from SIX HUNDRED DOLLARS AND NO CENTS ($600.00) to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00) per person, per year. The City will reimburse employees with verified dental claims that exceeded SIX HUNDRED DOLLARS AND NO CENTS ($600.00), up to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00), back to March 1990.

(c) Effective January 1, 1999, the City shall increase the orthodontic lifetime maximum benefit from One Thousand Dollars ($1,000.00) to Two Thousand Dollars ($2,000.00).

(d) The City agrees to release the Association's medical fund established by Arbitrator Philip Tamoush's decision dated November 20, 1990, and Arbitrator Anthony V. Leonis' decision dated January 13, 1993. The money from this fund shall be distributed based on months of service as calculated by the Association.

(e) If it is the decision of the Union to select other than the present carrier(s) for any of the above benefits, the City shall continue its contribution amount limited to and not to exceed that for its current designated plan. Insured retirees shall be assigned to the carrier(s) selected. The retirees will move to the Modified Employee Medical Plan, effective July 1, 1994.

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(f) Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.

(g) Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.

14.2 Retirement Medical Allowance

(a) Effective April 1, 1983, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. Such coverage shall include one (1) dependent and the following provisions shall apply:

1. Normal Service Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

2. Disability Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

3. Major Medical Deductible. Effective July 1, 1994, the major medical deductible will be ONE HUNDRED AND FIFTY DOLLARS AND NO CENTS ($150.00) per person per calendar year.

(b) Supplemental Retirement Medical Allowance. An employee retiring on or after August 1, 1998, and eligible for retirement medical benefits as provided in this section, said retired employee and one (1) eligible dependent shall continue to be covered under the City’s medical plan when both persons reach age 65. The City’s medical plan shall be secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.

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[Signature]
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(c) When this agreement expires on December 31, 2003, as provided for in Section 19 of this agreement, then and in that event, any and all subsequent increased premium costs required to maintain the benefits provided for in this Section shall be the responsibility of the retiree and said increased costs shall be charged the retiree as may be necessary for the months subsequent to December 31, 2003, unless otherwise agreed to by the parties hereto.

14.3 Life Insurance

Effective January 1, 2000, the City shall provide each employee group term life insurance coverage equal to their annual salary rounded to the nearest One Thousand Dollars ($1,000.00).

14.4 Long Term Disability Insurance

Effective January 1, 1999, the City shall contribute to the Association the amount of Twenty Dollars ($20.00) per month per employee for the purpose of purchasing a Preferred Long Term Disability Program selected by the Association in lieu of providing long term disability coverage through the City's Long Term Disability Program.

The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.

Effective January 1, 1999, the amount of Twenty Dollars ($20.00) shall be converted to base pay for all represented employees as best fitted to the City's Salary Schedule Matrix.
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Section 15. Salary Plan

15.1 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, B, and C, which are attached hereto and made a part hereof. All salaries hereby established and explained in other parts of Section 15 shall be salaries as fitted to the City of Stockton standard salary schedule matrix. The rates of pay set forth in the Appendix A, B, and C represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary for a new employee entering the classified service shall be the minimum salary for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary which is more than the minimum salary for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgement of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.
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15.4 Salary Step Plan - Police Officer Appointed prior to January 1, 1999

There shall be six (6) salary steps in each range.

The first step shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time employees.)

If a department head recommends to withhold increases to salary steps two (2) through six (6) because an employee has not achieved the level of performance required, notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.

The second step shall be paid upon the satisfactory completion of six (6) months service at the first step.

The third step shall be paid upon the satisfactory completion of one (1) year service at the second step.

The fourth step shall be paid upon the satisfactory completion of one (1) year service at the third step.

The fifth step shall be paid upon the satisfactory completion of one (1) year at the fourth step and upon the written recommendation of the department head.

Effective January 1, 1994, the sixth step shall be paid upon the satisfactory completion of one (1) year at the fifth step and upon the written recommendation of the department head.

Regardless of an employee's length of service, step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.
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Changes in an employee's salary because of promotion, demotion, postponement of salary step increase, or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 **Salary Step Plan - Police Officer Appointed on or after January 1, 1999**

There shall be nine (9) salary steps in range.

The *first step* shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time employees.)

If a department head recommends to withhold increases to salary steps two (2) through nine (9) because an employee has not achieved the level of performance required, notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.

The *second step* shall be paid upon passing all of the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer.

The *third step* shall be paid upon the satisfactory completion of one (1) year service at the second step upon the written recommendation of the department head.

The *fourth step* shall be paid upon the satisfactory completion of one (1) year service at the third step upon the written recommendation of the department head.

The *fifth step* shall be paid upon the satisfactory completion of one (1) year at the fourth step and upon the written recommendation of the department head.

The *sixth step* shall be paid upon the satisfactory completion of one (1) year at the fifth step and upon the written recommendation of the department head.

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The **seventh step** shall be paid upon the satisfactory completion of one (1) year at the **sixth step** and upon the written recommendation of the department head.

The **eighth step** shall be paid upon the satisfactory completion of one (1) year at the **seventh step** and upon the written recommendation of the department head.

The **ninth step** shall be paid upon the satisfactory completion of one (1) year at the **eighth step** and upon the written recommendation of the department head.

Regardless of an employee's length of service, step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

Changes in an employee's salary because of promotion, demotion, postponement of salary step increase, or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.6 **Salary Step Plan - Non Sworn Police Officer Trainee**

An employee appointed to the classification of Non Sworn Police Officer Trainee shall be paid at Step 1 of the salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 2 of the salary range of Police Officer.

15.7 **Salary Step After Military Leave**

All employees who have been granted a military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

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15.8 **Salary Step When Salary Range Is Increased**

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.9 **Salary Step After Promotion or Demotion**

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.

15.10 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.

15.11 **Salary Survey**

The City and the Association agrees to conduct a joint total compensation survey of six (6) agencies above and six (6) agencies below the population of the City of Stockton surveyed by and most updated publication of the U.S. Bureau of the Census, to determine the City's position relative to the bottom of the top one-third (1/3) of those agencies, and to make appropriate salary equity adjustments as deemed necessary effective January 1, 2002. The City and the Association agrees to begin the joint total compensation survey on October 1, 2001.
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Section 16. Residency

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

Section 17. Separability of Provisions

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

Section 18. Past Practices and Existing Memoranda of Understanding

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

Section 19. Scope of Agreement

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

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Section 20. Duration

All provisions of this Memorandum of Understanding shall be effective January 1, 1999, and shall remain in full force and effect to and including the 31st day of December, 2003, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of December 31, 2003, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.

Section 21. Maintenance of Operations

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinafore, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 22. City Rights

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgement and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

(d) In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 23. Conclusiveness

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolution shall be amended to conform with the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the City and the Association in a written and signed amendment to this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 9TH day of September 1998.

Stockton Police Officers’ Association

JOHN STAROPOLI, PRESIDENT
STOCKTON POLICE OFFICERS’ ASSOCIATION

ALVEN C. MAYER II, VICE PRESIDENT
STOCKTON POLICE OFFICERS’ ASSOCIATION

MARK D. ANDERSON, DIRECTOR
STOCKTON POLICE OFFICERS’ ASSOCIATION

JAMES E. PICKENS, DIRECTOR
STOCKTON POLICE OFFICERS’ ASSOCIATION

EDWARD C. JORGENSEN, DIRECTOR
STOCKTON POLICE OFFICERS’ ASSOCIATION

City of Stockton

DWANE MILNES, CITY MANAGER

GEORGE F. BIST, DEPUTY DIRECTOR
EMPLOYEE RELATIONS OFFICER

SYLVIA RAMIREZ
PERSONNEL ANALYST I

APPROVED AS TO CONTENT:

DWANE MILNES, CITY MANAGER
BY:
CITY MANAGER

APPROVED AS TO FORM:
CYNTHIA HUMBERT NEELY
CITY ATTORNEY
BY:
DEPUTY CITY ATTORNEY

CITY OF STOCKTON
APPENDIX "A"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1998

Effective August 1, 1998, the Salary Schedule shall provide the following salary rates or ranges as best fitted to the Stockton Salary Matrix for the following classifications:

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Unit Code</th>
<th>JobTitle</th>
<th>Grade</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>25540</td>
<td>P</td>
<td>Police Officer</td>
<td>25B</td>
<td>$3060-3217-3382-3556-3738-3929</td>
</tr>
<tr>
<td>25325</td>
<td>P</td>
<td>Police Sergeant</td>
<td>25A</td>
<td>$3627-3813-4009-4214-4430-4657</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX "B"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 1999

Effective January 1, 1999, the Salary Schedule shall provide the following salary rates or ranges as best fitted to the Stockton Salary Matrix for the following classifications:

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Unit Code</th>
<th>Job Title</th>
<th>Grade</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P</td>
<td>Police Officer Trainee (Non Sworn)</td>
<td></td>
<td>$2634</td>
</tr>
<tr>
<td>25540</td>
<td>P</td>
<td>Police Officer (6-Step Plan) 25B</td>
<td></td>
<td>$3060-3217-3382-3556-3738-3929</td>
</tr>
<tr>
<td></td>
<td>P</td>
<td>Police Officer (9-Step Plan) 25B</td>
<td></td>
<td>$2634-2769-2911-3060-3217-3382-3556-3738-3929</td>
</tr>
<tr>
<td>25325</td>
<td>P</td>
<td>Police Sergeant 25A</td>
<td></td>
<td>$3627-3813-4009-4214-4430-4657</td>
</tr>
</tbody>
</table>

Effective January 1, 1999, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 1999, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).
APPENDIX "C"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2000

Effective January 1, 2000, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2000, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2001

Effective January 1, 2001, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2001, shall be two and one-half percent (2-1/2%) plus an additional salary increase equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2002

Effective January 1, 2002, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2002, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).
APPENDIX "C" (CONTD.)

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2003

Effective January 1, 2003, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2003, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).
CITY OF STOCKTON

**MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)**

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Plan Pays This Portion of Allowed Rate if Member Provides Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deductible</td>
<td>$150 per person, per year (maximum 3 per family).</td>
</tr>
<tr>
<td><strong>$1,000,000 Lifetime &amp; Maximum</strong></td>
<td></td>
</tr>
<tr>
<td>Rx</td>
<td>100%</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>100%</td>
</tr>
<tr>
<td>Surgeon/Anesthesiologist</td>
<td>100%</td>
</tr>
<tr>
<td>Outpatient Surgery</td>
<td>100%</td>
</tr>
<tr>
<td>Outpatient Lab/Xray</td>
<td>100%</td>
</tr>
<tr>
<td>OB Maternity</td>
<td>100%</td>
</tr>
<tr>
<td>Home Health Care and Hospice</td>
<td>100%</td>
</tr>
<tr>
<td>Radiation/Chemotherapy/Dialysis</td>
<td>100%</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>100%</td>
</tr>
<tr>
<td>ER Physician</td>
<td>100%</td>
</tr>
<tr>
<td>Ambulance</td>
<td>80%</td>
</tr>
<tr>
<td>Preventive Care</td>
<td>80%</td>
</tr>
<tr>
<td>Phys. Office Visits</td>
<td>80%</td>
</tr>
<tr>
<td>Chiropractic Visits</td>
<td>80%</td>
</tr>
<tr>
<td>Other Covered Services</td>
<td>80%</td>
</tr>
<tr>
<td>Outpatient Psychotherapy</td>
<td>80%</td>
</tr>
<tr>
<td>Inpatient Psychiatric</td>
<td>80%</td>
</tr>
<tr>
<td>Alcohol and Drug Counseling/Detox/Treatment</td>
<td>80%</td>
</tr>
</tbody>
</table>

- Rx: 100% of cost after $3 Generic/38 Brand name employee co-pay for up to 60 day supply of prescription drugs & insulin. No vitamins, no birth control. Does not apply to deductible or max out-of-pocket.
- Hospitalization: 100% of cost. Semi-private room rate. Pre-admit certification req’d, if non-emerg. Concurrent utilization review req’d. If non-member hospital used in area where member hospitals are available (70%).
- Surgeon/Anesthesiologist: 100% of cost.
- Outpatient Surgery: 100% of cost.
- Outpatient Lab/Xray: 100% of cost. Includes preventive care: pap, mammogram, prostate – frequency by age guidelines.
- OB Maternity: 100% of cost. Normal or C-Section for emp. or spouse.
- Home Health Care and Hospice: 100% of cost. Subject to Utilization Review and Case Management.
- Radiation/Chemotherapy/Dialysis: 100% of cost.
- Emergency Room: 100% of cost. 1st treatment of accid. inj. within 72 hrs. if health endangering or life threat. acute illness. Otherwise 50%.
- ER Physician: 100% of cost. For surgery or for other approved emergency services. (Non-emergency illness 50%).
- Ambulance: 80% of cost. Ground or Air.
- Phys. Office Visits: 80% of cost. When ill.
- Chiropractic Visits: 80% of cost. Of allowable amounts. Subject to utilization review. Getting panel providers.
- Other Covered Services: 80% of cost.
- Outpatient Psychotherapy: 80% of cost. 1st 5 visits per year. 60% next 10 visits per year. (Max. 15 visits per year. Does not apply to max out-of-pocket.) Must initiate thru the City's E.A.P. Program.
- Inpatient Psychiatric: 80% of cost. To max. $3,500 per year.
- Alcohol and Drug Counseling/Detox/Treatment: 80% of cost. To max. $2,000 lifetime. For alcohol & drug counseling/detox/treatment. Must initiate thru the City's E.A.P. Program. For active only, not retirees.

**EMPLOYEE MAXIMUM OUT-OF-POCKET:** After the employee pays $1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

This is a brief recap only - for detailed benefits see Plan Document or call San Joaquin Foundation for Medical Care.

ATTACHMENT "A"
### MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

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**CITY OF STOCKTON**
# Memorandum of Understanding (Police Unit)

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*CITY OF STOCKTON*
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

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WHEREAS, on September 8, 1998, by Resolution No. 98-0382, the City Council accepted and approved the negotiated Memorandum of Understanding between the City of Stockton ("City") and the Stockton Police Officers' Association ("SPOA"), which covered the period commencing January 1, 1998, and ending December 31, 2003 (hereafter referred to as "MOU"); and

WHEREAS, on July 19, 2000, after having negotiated with the City’s designated labor representative, the membership of the SPOA ratified a tentative agreement regarding modifications to be made to the MOU, which are set forth in Attachment "A" hereto and incorporated herein by reference; and

WHEREAS, in a closed session held on July 25, 2000, the City Council consulted with and gave direction to the City Manager and the City’s labor negotiator to amend the MOU to reflect the modifications set forth in Attachment "A" hereto, which includes extending the term of the MOU through December 31, 2006; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the modifications to be made to the MOU for the SPOA, as set forth in Attachment "A" hereto, are accepted and approved by the City Council effective August 1, 2000.

2. That the City Manager or the City Manager’s designee is hereby authorized and directed to prepare and execute, on behalf of the City, an MOU that reflects the modifications set forth in Attachment "A," which included an extension of the MOU term through December 31, 2006.
Attachment A

AMENDED CONTRACT FOR 3% @ 50
Stockton Police Officers’ Association

The agenda item should authorize the City Manager to sign a Memorandum of Understanding that extends and modifies the current Memorandum of Understanding with the Police Officers’ Association to include the following:

3% @ 50 immediately implemented (upon PERS' and City of Stockton’s adoption)

2001
80% of CPI – 2.5% minimum 6% maximum
2.2% equity (eliminated) (leaving .3%)
4.5% deferred compensation (reduced by 2.5% - 2% remaining)
5% reduction in entry level, not to effect academy graduates and laterals
$100 uniform

2002
Current language salary survey
80% of CPI - 2.5% minimum 6% maximum
1% deferred compensation
$100 uniform

2003
80% of CPI – 2.5% minimum 6% maximum
1% deferred compensation
$100 uniform
2% 18 year longevity

2004
80% of CPI – 2.5% minimum 6% maximum
$100 uniform
$1,400 dental ($1,000 to $1,400 annually)

2005
80% of CPI – 2.5% minimum 6% maximum
$100 uniform

2006
Salary survey
80% of CPI – 2.5% minimum 6% maximum
$100 uniform
MEMORANDUM OF UNDERSTANDING

between the

CITY OF STOCKTON

and the

STOCKTON POLICE OFFICERS ASSOCIATION

TERM OF AGREEMENT

AUGUST 1, 2000 Through DECEMBER 31, 2006
# MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

PREAMBLE

The Stockton Police Officers' Association and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees in the representation unit identified in Section 1, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of employees in the Police Unit.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the recommendations of the undersigned for salary and employee benefit adjustments for the period commencing August 1, 2000, and ending December 31, 2006.

Section 1. Recognition

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 2. Association Security

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of checkoff of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.
2.3 Attendance at Meetings by Employees/Release Time Bank/Association Release Time

(a) Attendance at Meetings by Employees. City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for such purposes shall not exceed five (5).

(b) Release Time Bank. For release time not covered under Section 2.3 (a), employees may voluntarily donate any or all of their compensatory time balance to an hours bank reserved for use by Association elected officers, board members, and/or designated Association members for release time. Release time must be approved, in advance, by the employee's supervisor, but charged to the hour's bank than the employee's leave balance.

(c) Indemnity. The Association shall indemnify, defend, and hold the City harmless against any claim made and against any suit initiated against the City on account of the release time bank.

(d) Association Release Time. The City shall allocate to the Association a minimum of two hundred (200) hours each year for the purpose of disbursing release time to official representatives or unit representatives of the Association to attend Association business not normally covered under this section, such as seminars, conferences, and training. The Association shall manage and monitor the distribution of Association Release Time, which is not to exceed a total of two hundred (200) hours each year.

The Association shall notify the City, in writing, the specific purpose of Association Release Time for official representatives or unit representatives and the hours of annual leave expended. The release time must be approved in advance.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

The Association shall submit a cashier check to the City in the amount equal to the Association representative's hourly rate of pay, multiplied by the annual leave hours expended for Association business. The City, upon receipt of cashier check, shall reimburse the Association representative's annual leave balance expended for Association business in the form of hours.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 3. Compliance with Federal Laws

3.1 The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, political affiliation or legitimate Association activity against any employee or applicant for employment, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

3.2 The Association shall cooperate with the City in the objectives of Affirmative Action as required by law.

Section 4. Probationary Period

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Personnel Services shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Personnel Services a statement in writing to such effect and stating that the retention of such employee in the service is desired.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he was promoted unless charges are filed and he is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.

4.5 Probationer Advanced to Higher Rank

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 5. Layoff

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

1. City Attorney
2. City Auditor
3. City Clerk
4. City Manager
5. Community Development
6. Administrative Services
7. Fire
8. Housing and Redevelopment
9. Library Services
10. Management Information Services
11. Municipal Utilities
12. Parks and Recreation
13. Personnel Services
14. Police
15. Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.
5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal
b. Provisional
c. Temporary
d. Probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the most recent performance evaluation shall determine seniority.

5.5 Employee Options

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Personnel Services as having the least seniority in that classification. This option shall be exercised before any other option.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee’s seniority in the classification to which demoted shall be determined by the demotee’s dates of hire in the lower classification.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 6. Reemployment/Reinstatement

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement

A permanent employee who has resigned in good standing may, with the recommendation of the chief of his department, the City Manager, and the consent of the Civil Service Commission, be restored to a reemployment list of the same class as his/her previous position within a period of one (1) year from the effective date of his resignation.

CITY OF STOCKTON
Section 7. Discipline

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 within ten (10) business days of written notification of the action, or fourteen (14) days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Personnel Services Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
Section 8. Grievance Procedures

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Personnel Services within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Personnel Services Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he has a grievance may discuss his complaint with such management official in the department in which he works as the department head may designate. If the issue is not resolved within the department within seven (7) days from the day of presentation, or if the employee elects to submit his grievance directly to the Association recognized as the representative of his classification, the procedures hereinafter specified may be invoked.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) **Step 2 - Director of Personnel Services Review.** Any employee or any official of the Association may notify the Director of Personnel Services in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Personnel Services shall have fourteen (14) days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Personnel Services. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Personnel Services to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of three (3) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association and three (3) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.
(e) **Step 5 - Arbitration.** If an Adjustment Board is unable to arrive at a majority decision, either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(f) **Effect of Decision.** The decision of Adjustment Boards and the arbitrator on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board nor any arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.
8.5 Other Provisions

If the Director of Personnel Services in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgement for the judgement of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) or (e) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) or (e) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

If any award by an Adjustment Board or arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Personnel Services will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.
Section 9. Leaves

9.1 Sick Leave

(a) Accrual. All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of ten (10) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) Usage. Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him from performing his duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) Usage for Family. Employees may utilize one (1) day of sick leave per month in the case of illness or injury in the employee's immediate family. In addition, employees may utilize up to three (3) consecutive sick leave days once each calendar year for the aforesaid purpose.

For the purposes of this section immediate family is defined as the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.
Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

(e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness will be required by the department head.

The department head and the Director of Personnel Services may make such sick leave usage reviews and may require such physician's documentation, as they deem necessary to insure proper use of the sick leave benefit.

(f) Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

(1) Was hospitalized during the period for which sick leave is claimed, or

(2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.
9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee's department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

(b) Jury duty or witness duty appearances shall be considered in terms of "whole days" (8 hours) or "half days" (4 hours) of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is sent home before noon and not required to return in the afternoon, he will be expected to work his usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee's department head.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.
9.4 Bereavement Leave

In the event of a death in the immediate family of an employee, he shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 Workers Compensation Leave

(Consistent with California State Labor Code.)

9.6 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.
The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his position by reason of an injury or disease for which he is entitled to and currently receiving Workers’ Compensation benefits shall be included in computing length of service for the purpose of determining that employee’s salary adjustments.

9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Personnel Services.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Personnel Services. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician’s statement.

(b) Application for and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.
9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent without leave for two (2) or more consecutive days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.

9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay in accordance with the following schedule (employees shall accrue vacation on a monthly basis):

<table>
<thead>
<tr>
<th>Employment Duration</th>
<th>Hours Accrued/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 1/2 years continuous employment</td>
<td>80 hours/year</td>
</tr>
<tr>
<td>After 1 1/2 years up to 7 1/2 years</td>
<td>120 hours/year</td>
</tr>
<tr>
<td>After 7 1/2 years up to 15 years</td>
<td>160 hours/year</td>
</tr>
<tr>
<td>After 15 years up to 25 years</td>
<td>200 hours/year</td>
</tr>
</tbody>
</table>

Eight (8) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) Vacation Accumulation. An employee may be allowed to accumulate up to one hundred twenty (120) hours of vacation accrual in addition to the employee's regular vacation allowance for that calendar year. However, employees may accrue unlimited vacation time in excess of the maximum allowance when such vacation accrues because of remaining in a pay status during period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(c) **Vacation Schedule.** The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) **Vacation Allowance for Separated Employees**

(1) When an employee is separated from the service, his remaining vacation allowance, if any, shall be added to his final compensation.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.

(e) **Vacation Cash Payment Option.** An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 10. Days and Hours of Work

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 11. Overtime

11.1 Authorization

All compensable overtime must be authorized by the department head or his designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized overtime work shall apply to those employees whose normal work period is eight (8) hours per day and forty (40) hours per week:

(a) Time worked in excess of forty (40) hours in any workweek shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

An employee required by proper authority to appear in court during off-duty hours shall receive a minimum compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

In the event such employee is required by proper authority to return to court during off-duty hours on the same day, such employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

If court appearance is made in the morning and afternoon session on the same day, such employee shall be compensated for a minimum of, in addition to the above, one (1) hour at time and one-half (1-1/2).
11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

11.5 Compensation for Hirebacks

Police Department employees who voluntarily fill a vacant position or a specially funded position, such as D.U.I., shall be paid at the rate of time and one-half (1-1/2) for all hours worked. Compensation for overtime worked under this Section shall be in cash and is specifically excluded from coverage under Section 11.6.

11.6 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(d) Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

11.7 Standby Compensation

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of one-third (1/3) day's pay at regular time for each twenty-four (24) hours and time and one-half (1-1/2) for actual time worked during such assignment.

Employees who are placed on standby on holidays observed by the City shall be paid at the rate of one-half (1/2) day's pay at regular time for each twenty-four (24) hours, plus time and one-half (1-1/2) for actual time worked, and double time and one-half (2-1/2) for actual time worked in excess of eight (8) hours.

Employees who are placed on standby after their normal tour of a regular work day shall receive one (1) hour's pay and time and one-half (1-1/2) for actual time worked during such assignments.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within a forty-five (45) minute response time availability to the Police Department.

11.8 Voluntary Court Standby

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the p.m.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 12. Holidays

12.1 Holiday Compensation

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed except for the employee's birthday.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1-1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 Holidays Observed by the City

(1) January 1.................................................................New Year's Day
(2) Second Monday in February ..................................Lincoln's Birthday
(3) Third Monday in February .................................Washington's Birthday
(4) Last Monday in May ...............................................Memorial Day
(5) July 4..............................................................Independence Day
(6) First Monday in September .................................Labor Day
(7) Second Monday in October ................................Columbus Day
(8) November 11 ................................................Veteran's Day
(9) Fourth Thursday in November ............................Thanksgiving
(10) Fourth Friday in November ...............................Day After Thanksgiving
(11) December 25..................................................Christmas Day
(12) Employee's Birthday

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City.

The department head with due consideration for the wishes of the employee and the needs of the department may authorize the birthday to be taken within fifteen (15) calendar days of the employee's actual birth date.

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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 13. Compensation and Allowances Other Than Base Salary

13.1 Retirement Contribution Supplement

(a) The City contributes nine percent (9%) of the employee's current base salary and other compensation as qualified by State law toward P.E.R.S. (effective October 1, 1984). Such amounts will be applied to the employee's individual account in accordance with Government Code Section 20615.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee's last year of employment, such employee shall pay their employees' nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee's base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the "local miscellaneous" retirement plan rather than the "local safety" retirement plan.

The City will contribute seven percent (7%) of the employee's current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts will be applied to the employee's individual account in accordance with Government Code section 20615.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer (Local Safety Member).
13.2 Military Service Credit

The City shall provide for military service pursuant to the provisions of Government Code Section 20930.3 and Section 20930.33, at the employee's expense.

13.3 P.E.R.S. Credit for Professional Growth (Earned Time)

(a) For any bargaining unit member whose retirement date is later than December 31, 1993, all pay provided to that employee as a sell-back of Professional Growth (Earned Time) shall be reported by the City to the Public Employees' Retirement System as a part of the "final compensation" that P.E.R.S. is to use to determine the amount of that employee's retirement allowance.

(b) In no event shall this increment to "final compensation" consist of more than a one (1) year of Professional Growth (Earned Time).

13.4 P.E.R.S. Fourth Level of 1959 Survivor Benefits

The City will make application to provide P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 P.E.R.S. 3% At Age 50 Retirement

On July 21, 2000, the City made application to PERS to provide P.E.R.S. California Government Code section 21362.2 (3% at age 50) as an amendment retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.
13.6 Uniform Allowance

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance each calendar year in the amount of Eight Hundred Dollars ($800.00) effective January 1, 1999; Nine Hundred Dollars ($900.00) effective January 1, 2000; One Thousand Dollars ($1,000.00) effective January 1, 2001; One Thousand One Hundred Dollars ($1,100.00) effective January 1, 2002; One Thousand Two Hundred Dollars ($1,200.00) effective January 1, 2003; One Thousand Three Hundred Dollars ($1,300.00) effective January 1, 2004; One Thousand Four Hundred Dollars ($1,400.00) effective January 1, 2005; and One Thousand Five Hundred Dollars ($1,500.00) effective January 1, 2006.

Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.

13.7 Legal Defense Fund

The City shall contribute to Stockton Police Officers' Association not to exceed the amount of Two Dollars and No Cents ($2.00) per month per member for the purchase of legal defense insurance.

13.8 P.O.S.T. Educational Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Personnel Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.

13.9 Educational Incentive Pay

In accordance with the City Manager's Administrative Directive, PER-031, dated June 1, 1992, employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position, effective January 1, 1994. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his/her diploma/degree, the three percent (3%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

Employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

13.10 Professional Growth Increment

**Police Officer Appointed prior to January 1, 1999**

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee under the 6-Salary Step Plan is as follows:

(a) The City will pay five percent (5%) of top salary step in rank for professional growth, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of ten percent (10%) of top salary step in rank for professional growth, upon completion of twelve (12) continuous year of service as a public safety officer with the Stockton Police Department.

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(c) Effective July 1, 1994, the City will pay an additional five percent (5%) for a total of fifteen percent (15%) of top salary step in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department. Effective January 1, 2000, and effective January 1, 2003, this section shall be increased by the amount outlined in section (d) and (e).

(d) Effective January 1, 2000, the City will pay an additional two percent (2%) for a total of seven percent (7%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(e) Effective January 1, 2003, the City will pay an additional two percent (2%) for a total of fourteen percent (14%) of top salary step in rank for professional growth, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

For the limited purpose of this section "compensation" for professional growth is defined as follows: a total of five percent (5%) upon completion of six (6) continuous years of service; a total of seven percent (7%) upon completion of nine (9) continuous years of service; a total of twelve percent (12%) upon completion of twelve (12) continuous years of service; a total of fourteen percent (14%) upon completion of eighteen (18) continuous years of service; and a total of nineteen percent (19%) upon completion of twenty-four (24) continuous years of service.

In the event an employee terminates employment prior to December 31, the professional growth time will be prorated to reflect the actual term of employment.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

13.11 Professional Growth Increment
Police Officer Appointed on or after January 1, 1999

The Professional Growth Increment Program shall be effective the first pay period following the anniversary date of hire of the employee under the 9-Salary Step Plan is as follows:

(a) The City will pay five percent (5%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(b) Effective January 1, 2000, the City will pay an additional two percent (2%) for a total of seven percent (7%) of top salary step in rank for professional growth, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(c) The City will pay an additional five percent (5%) for a total of twelve percent (12%) of top salary step in rank for professional growth, upon completion of fifteen (15) continuous years of service as a public safety officer with the Stockton Police Department.

(d) Effective January 1, 2003, the City will pay an additional two percent (2%) for a total of fourteen percent (14%) of top salary step in rank for professional growth, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

(e) The City will pay an additional five percent (5%) for a total of nineteen percent (19%) of top salary step in rank for professional growth, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Officer.

In the event an employee terminates employment prior to December 31, the professional growth time will be prorated to reflect the actual term of employment.

For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

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13.12 Payment for Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value.

13.13 Deferred Compensation

Each employee in this unit shall receive a City paid deferred compensation contribution. The City paid contribution shall be in addition to the employee's voluntary deferred compensation contributions. Participants shall receive this benefit during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

(a) Effective January 1, 1999, the City will provide, in addition to regular salary, a contribution of two percent (2%) of the employee's current base salary toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(b) Effective January 1, 2000, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) of the employee's current base salary for a total of three percent (3%) toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(c) Effective January 1, 2001, the City will reduce the deferred compensation contribution to two percent (2%) of the employee's current base salary.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(c) Effective January 1, 2002, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of three percent (3%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(e) Effective January 1, 2003, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of four percent (4%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

13.14 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.15 Motorcycle Officer Compensation

Employees assigned motorcycle responsibilities shall be paid a maximum of eight (8) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.

13.16 Field Training Officer Compensation

During any month employees assigned field training responsibilities for a probationary officer shall be paid a maximum of five (5) hours per month, at the rate of one and one-half (1-1/2) time, for the time spent by officers on their off-duty time to complete evaluation reports for probationary officers. This Section does not apply to employees when the period of non-assignment (without a probationary officer) extends beyond two (2) months.

13.17 Acting Pay

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position, shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 14. Insurance Plans

14.1 Health Insurance and Related Benefits

(a) The City will provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits. Effective upon agreement, the City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. Effective November 1, 1993, the medical plan for active employees is the City's Modified Employee Medical Plan which is summarized on Attachment "A", attached hereto.

Effective January 1, 1993, the City will also provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon the remarriage of the officer's surviving spouse. This medical coverage shall be secondary at age 65.

(b) i. Effective upon agreement, the dental cap increases from SIX HUNDRED DOLLARS AND NO CENTS ($600.00) to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00) per person, per year. The City will reimburse employees with verified dental claims that exceeded SIX HUNDRED DOLLARS AND NO CENTS ($600.00), up to ONE THOUSAND DOLLARS AND NO CENTS ($1,000.00), back to March 1990.

ii. Effective January 1, 2004, the City shall increase the annual dental maximum benefit from ONE THOUSAND DOLLARS ($1,000.00) to ONE THOUSAND FOUR HUNDRED DOLLARS ($1,400.00).

(c) Effective January 1, 1999, the City shall increase the orthodontic lifetime maximum benefit from One Thousand Dollars ($1,000.00) to Two Thousand Dollars ($2,000.00).

(d) The City agrees to release the Association's medical fund established by Arbitrator Philip Tamoush's decision dated November 20, 1990, and Arbitrator Anthony V. Leonis' decision dated January 13, 1993. The money from this fund shall be distributed based on months of service as calculated by the Association.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(e) If it is the decision of the Union to select other than the present carrier(s) for any of the above benefits, the City shall continue its contribution amount limited to and not to exceed that for its current designated plan. Insured retirees shall be assigned to the carrier(s) selected. The retirees will move to the Modified Employee Medical Plan, effective July 1, 1994.

(f) Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.

(g) Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.

14.2 Retirement Medical Allowance

(a) Effective April 1, 1983, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. Such coverage shall include one (1) dependent and the following provisions shall apply:

(1) **Normal Service Retirement.** Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) **Disability Retirement.** Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

(3) **Major Medical Deductible.** Effective July 1, 1994, the major medical deductible will be ONE HUNDRED AND FIFTY DOLLARS AND NO CENTS ($150.00) per person per calendar year.

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) Supplemental Retirement Medical Allowance. An employee retiring on or after August 1, 1998, and eligible for retirement medical benefits as provided in this section, said retired employee and one (1) eligible dependent shall continue to be covered under the City's medical plan when both persons reach age 65. The City's medical plan shall be secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.

(c) When this agreement expires on December 31, 2006, as provided for in Section 19 of this agreement, then and in that event, any and all subsequent increased premium costs required to maintain the benefits provided for in this Section shall be the responsibility of the retiree and said increased costs shall be charged the retiree as may be necessary for the months subsequent to December 31, 2006, unless otherwise agreed to by the parties hereto.

14.3 Life Insurance

Effective January 1, 2000, the City shall provide each employee group term life insurance coverage equal to their annual salary rounded to the nearest One Thousand Dollars ($1,000.00).

14.4 Long Term Disability Insurance

Effective January 1, 1999, the City shall contribute to the Association the amount of Twenty Dollars ($20.00) per month per employee for the purpose of purchasing a Preferred Long Term Disability Program selected by the Association in lieu of providing long term disability coverage through the City's Long Term Disability Program.

The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.

Effective January 1, 1999, the amount of Twenty Dollars ($20.00) shall be converted to base pay for all represented employees as best fitted to the City's Salary Schedule Matrix.
Section 15. Salary Plan

15.1 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, B, and C, which are attached hereto and made a part hereof. All salaries hereby established and explained in other parts of Section 15 shall be salaries as fitted to the City of Stockton standard salary schedule matrix. The rates of pay set forth in the Appendix A, B, and C represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary for a new employee entering the classified service shall be the minimum salary for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary, which is more than the minimum salary for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgement of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

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15.4 **Salary Step Plan - Police Officer Appointed prior to January 1, 1999**

There shall be six (6) salary steps in each range.

The *first step* shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time employees.)

If a department head recommends to withhold increases to salary steps two (2) through six (6) because an employee has not achieved the level of performance required, notice must be received by the City Manager at least four (4) weeks in advance of the employee’s eligibility date. The affected employee shall be furnished a copy of the department head’s recommendation.

The *second step* shall be paid upon the satisfactory completion of six (6) months service at the first step.

The *third step* shall be paid upon the satisfactory completion of one (1) year service at the second step.

The *fourth step* shall be paid upon the satisfactory completion of one (1) year service at the third step.

The *fifth step* shall be paid upon the satisfactory completion of one (1) year at the fourth step and upon the written recommendation of the department head.

Effective January 1, 1994, the *sixth step* shall be paid upon the satisfactory completion of one (1) year at the fifth step and upon the written recommendation of the department head.

Regardless of an employee’s length of service, step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Changes in an employee's salary because of promotion, demotion, postponement of salary step increase, or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 Salary Step Plan - Police Officer Appointed on or after January 1, 1999

There shall be ten (10) salary steps in the range.

The first step shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time employees.)

If a department head recommends to withhold increases to salary steps two (2) through nine (9) because an employee has not achieved the level of performance required, notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.

The second step shall be paid upon passing all of the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer.

The third step shall be paid upon the satisfactory completion of one (1) year service at the second step upon the written recommendation of the department head. Employees hired who have a post-approved Academy Certificate will be hired at Step III.

The fourth step shall be paid upon the satisfactory completion of one (1) year service at the third step upon the written recommendation of the department head.

The fifth step shall be paid upon the satisfactory completion of one (1) year at the fourth step and upon the written recommendation of the department head.

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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

The **sixth step** shall be paid upon the satisfactory completion of one (1) year at the **fifth step** and upon the written recommendation of the department head.

The **seventh step** shall be paid upon the satisfactory completion of one (1) year at the **sixth step** and upon the written recommendation of the department head.

The **eighth step** shall be paid upon the satisfactory completion of one (1) year at the **seventh step** and upon the written recommendation of the department head.

The **ninth step** shall be paid upon the satisfactory completion of one (1) year at the **eighth step** and upon the written recommendation of the department head.

The **tenth step** shall be paid upon the satisfactory completion of one (1) year at the **ninth step** and upon the written recommendation of the department head.

Regardless of an employee's length of service, step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

Changes in an employee's salary because of promotion, demotion, postponement of salary step increase, or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

**15.6 Salary Step Plan - Non Sworn Police Officer Trainee**

An employee appointed to the classification of Non Sworn Police Officer Trainee shall be paid at Step 1 of the salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 2 of the salary range of Police Officer.

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15.7 **Salary Step After Military Leave**

All employees who have been granted a military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.8 **Salary Step When Salary Range Is Increased**

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.9 **Salary Step After Promotion or Demotion**

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.

15.10 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.
15.11 Salary Survey

The City and the Association agree to conduct a joint “total compensation” survey of six (6) California agencies above and six (6) agencies below the population of the City of Stockton, as determined by the most updated publication of the U.S. Bureau of the Census or a State of California Department of Finance publication, whichever is most current. The purpose of the survey shall be to determine the City’s position among the agencies surveyed and enable the city to make such adjustments as may be necessary (after the January 1, 2002 and January 1, 2006 salary adjustment set forth in Appendix C has been applied.) to bring the City to a position at the bottom of the top one-third (1/3) of agencies surveyed.

The City and the Association agree to begin the joint total compensation survey on October 1, 2001, for the adjustment to be made effective January 1, 2002, and on October 1, 2005, for the adjustment to be made effective January 1, 2006. For purposes of the survey, “total compensation” shall consist of the top step of base salary for the position of Police Officer, plus the dollar equivalent value of the following benefits: City-paid employer and employee P.E.R.S. contributions; City-paid deferred compensation contributions; the City cost to provide the City health, dental, vision, life insurance, long-term disability, uniform allowance, professional growth, P.O.S.T. certificates, holidays, vacation, sick leave, and educational incentive pay. To the extent possible, comparisons with the surveyed agencies shall be made between like positions and benefits.

Examples of how this provision shall be applied on January 1, 2002, and on January 1, 2006, are as follows: If the total compensation survey conducted in 2001 indicates that as of January 1, 2002, it would take an increase of five percent (5%) to bring total compensation (as defined in this section) to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association’s members would receive on January 1, 2002, a two and one-half percent (2.5%) increase as set forth in Appendix C, plus an additional two and one-half percent (2.5%) increase as a result of this section. If, on the other hand, the total compensation survey conducted in 2001 indicates that as of January 1, 2002, it would take an increase of two percent (2%) to bring the total compensation figure to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association’s members would receive on January 1, 2002, a two and one-half percent (2.5%) increase as set forth in Appendix C, but no additional increase as a result of this section.
Section 16. Residency

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

Section 17. Separability of Provisions

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

Section 18. Past Practices and Existing Memoranda of Understanding

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

Section 19. Scope of Agreement

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.
Section 20. Duration

All provisions of this Memorandum of Understanding shall be effective August 1, 2000, and shall remain in full force and effect to and including the 31st day of December, 2006, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of December 31, 2006, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.

Section 21. Maintenance of Operations

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinafore, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Section 22. City Rights

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgement and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

(d) In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

CITY OF STOCKTON
Section 23. Conclusiveness

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolution shall be amended to conform with the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(b) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the City and the Association in a written and signed amendment to this Agreement.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX “A”

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2001

Effective January 1, 2001, the Salary Schedule shall provide salary rates according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2001, shall be three-tenths of one percent (0.3) plus an additional salary increase equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November Index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2002

See Section 15.11 – Salary Survey

SALARY ADJUSTMENTS FOR CALENDAR YEARS 2003, 2004, and 2005

Effective January 1, 2003, January 1, 2004, and January 1, 2005, the Salary Schedule shall provide salary rates according to the following formula as best fitted to the Stockton Salary Matrix:

Salary increases effective January 1, 2003, January 1, 2004, and January 1, 2005, shall be equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for the twelve (12) month period concluding with the November Index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g., CPI-W of nine percent (9%) would result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2006

See Section 15.11 – Salary Survey
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 27th day of September, 2000.

Stockton Police Officers' Association

JOHN STAROPOLI, PRESIDENT
STOCKTON POLICE OFFICERS' ASSOCIATION

ALVIN C. MAYER
VICE PRESIDENT
STOCKTON POLICE OFFICERS' ASSOCIATION

MARK D. ANDERSON
STOCKTON POLICE OFFICERS' ASSOCIATION

JAMES E. PICKENS
STOCKTON POLICE OFFICERS' ASSOCIATION

EDWARD C. JORGENSEN
STOCKTON POLICE OFFICERS' ASSOCIATION

City of Stockton

DWANE MILNES, CITY MANAGER

GEORGE F. BIST, DEPUTY DIRECTOR
EMPLOYEE RELATIONS OFFICER

LEHUA MACIAS
LABOR RELATIONS SECRETARY

APPROVED AS TO CONTENT:
DWANE MILNES, CITY MANAGER
BY: CITY MANAGER

APPROVED AS TO FORM:
LAUREN P. THOMASSON
CITY ATTORNEY'S OFFICE - UPT
BY: DEPUTY CITY ATTORNEY

CITY OF STOCKTON

SPOA
CITY
MEMORANDUM

October 20, 2005

TO: MARK MOSES, Administrative Services Officer
    ATTN: LINDA RAMIREZ, Supervising Accounting Office Assistant
          Administrative Services Department

FROM: TERRY PARKER, Director of Human Resources

SUBJECT: CITY OF STOCKTON AND STOCKTON POLICE OFFICERS’
         ASSOCIATION NEW TERMS AND CONDITIONS OF
         EMPLOYMENT FOR CONTRACT PERIOD FOR WAGES,
         HOURS, AND OTHER TERMS AND CONDITIONS OF
         EMPLOYMENT FOR THE PERIOD FROM JULY 1, 2005
         THROUGH JUNE 30, 2010

At its meeting of Tuesday, September 27, 2005, the Stockton City Council
approved and adopted Resolution No. 05-0434 authorizing and directing the City
Manager to execute the Memorandum of Understanding between the City of
Stockton (“City”) and Stockton Police Officers’ Association (“SPOA”) for wages,
hours, and other terms and conditions of employment for contract period July 1,

A summary of the “key” terms and conditions of employment between the City
and SPOA are referenced below.

- **Term of Agreement** – Effective July 1, 2005 through June 30, 2010.

- **CPI Index** – Effective July 1, 2007, July 1, 2008, and July 1, 2009, the City
  shall provide 100% of Consumer Price Index (“CPI”) for Urban Wage
  Earners and Clerical Workers’ U.S. City Average (CPI-W) for cost-of-living
  adjustments during term of labor agreement. The salary adjustment shall
  be a minimum of two and one-half percent (2.5%) but not to exceed six
  percent (6.0%). For example, a CPI-W of nine percent (9.0%) would
  result in a six percent (6.0%) adjustment, and a CPI-W of two percent
  (2.0%) would result in a two and one-half percent (2.5%) adjustment.

- **Market Salary Surveys** – The City shall conduct market salary surveys to
  remain competitive in total compensation with other competitive public
  entities for salary adjustments effective January 1, 2006 (and effective
  July 1, 2008 – CPI Index or Market Salary Survey, whichever is greater).

- **Timeframe to Reach Top Nine (9) Salary Step of Police Officer** – Effective
  July 1, 2005, the City shall compress the timeframe to reach top salary-
  step of the Police Officer salary range from seven and one-half (7-1/2)
years to five and one-half (5-1/2) years. Form CS-23s shall be prepared and submitted to Payroll for processing.

- **Medical insurance** – Effective January 1, 2006, the City shall contribute eighty percent (80%) toward any increase associated with the monthly employee health premium, and the employee shall contribute twenty percent (20%) up to a maximum of one percent (1.0%) of top salary step of Police Officer.

- **Deferred Compensation** – Effective July 1, 2005, the City-paid contribution of four percent (4.0%) placed into the employee’s deferred compensation account shall be reduced to two percent (2.0%). That two percent (2.0%) is reallocated into and considered as the City’s contribution towards the retiree medical trust fund.

- **Retiree Medical Trust Fund** – Effective January 1, 2006, the City and SPOA shall establish a Retiree Medical Trust (“Trust”) to be governed by Trustees selected by the employees and the City for purposes of receiving employee and City contributions and for paying a monthly distribution for health benefits for those retiring after January 1, 2006. [Note: While the Trust is being established, the contributions shall be held in a discrete and separate City fund to be distributed into the Trust when established.] The City shall seek an IRS pre-tax exempt qualification for earnings and distribution of benefits paid from Trust including the contribution of employee accrued sick leave pay-offs.

- **Required Contribution toward Retiree Medical Trust Fund for Unit Members Hired Before July 1, 2005** - Effective January 1, 2006, the City shall contribute two percent (2.0%) of employee’s base salary (salary schedule) into the Trust for each unit member who is hired prior to July 1, 2005; and each unit member shall contribute one percent (1.0%) of employee’s base salary (salary schedule) into the Trust. In addition, upon retirement, an employee is required to contribute pre-tax up to 100% of their accrued sick leave payout (cash value) into the Trust.

- **Defined Contribution Plan for Retiree Medical Benefits for Members Hired After July 1, 2005** – A shared City and employee defined contribution plan for retiree medical benefits for employees hired after July 1, 2005, for monthly distribution upon retirement. The employee shall contribute three percent (3.0%) of base salary (salary schedule), and the City shall contribute two percent (2.0%) of employee’s base salary (salary schedule) into Trust. Unit members shall no longer be eligible for either the Regular
Retiree Medical Insurance Allowance (to age 65) and Supplemental Retiree Medical Insurance Allowance (after age 65) as set forth in Section 14.2 of the Agreement.

- Payment For Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value. For service retirement, the payout for unused sick leave may be made during the period of eighteen (18) to twelve (12) months prior to retirement date, at the request of the employee.

- Medicare Medical Coverage – The Supplemental Retiree Medical Insurance Allowance Plan is secondary to Medicare Medical Coverage or any other medical benefit coverage available to the retired employee and eligible dependent. Those unit members retiring after July 1, 2005, who must pay a monthly premium to Medicare to obtain Part A coverage (possessing less than 40-quarters of covered Social Security/Medicare employment) shall be reimbursed by the City for the cost of their Medicare Part A premium.

- Longevity Pay for Police Sergeant – The City shall pay five percent (5.0%) of top salary step in rank for longevity upon completion of fifteen (15) continuous years of service with the Stockton Police Department and upon placement at salary step 6 of the Sergeant's pay schedule (Payroll Code "PW"). A memorandum shall be prepared identifying the names of employees eligible for this pay provision and forwarded to Payroll for processing.

- Specialty Premium Pays:

1. **EOD and SWAT Compensation** – Effective July 1, 2005, unit members assigned to EOD or SWAT shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time (non-reportable compensation to PERS);
2. **Field Training Officer Pay** – Effective July 1, 2005, unit members assigned as a Field Training Officer shall be paid five percent (5.0%) of the top salary step of rank (Payroll Code "PF");
3. **Master Officer Pay** – Effective July 1, 2005, unit members who complete and receive a departmental certification of qualifying
specialties assignments shall be paid five percent (5.0%) of the top salary step of rank (Payroll Code "PC"); and

(4) **Bilingual Pay** – Effective July 1, 2005, unit members who are certified to meet the functional needs of the department for a bilingual skill shall be paid two and one-half percent (2.5%) of the top salary step of rank (Payroll Code "PG").

Forms CS-23s shall be prepared for those employees eligible for Field Training Officer, Master Officer and/or Bilingual premium pays and forwarded to Payroll for processing.

- **Uniform Allowance Compensation** – Compensation of $1,500.00 effective January 1, 2006, and increased annually by one-hundred dollars ($100.00) each year thereafter through January 1, 2010.

- **Salary Schedule Matrix** – The method of application used to set and establish all salaries for all classifications assigned to the Police Unit or explained in other parts of the MOU in reference to “as best fitted to the City of Stockton standard Salary Schedule Matrix” shall be no longer applicable, effective January 1, 2006.

Staff of Human Resources is currently assembling the SPOA MOU for appropriate duplication and distribution. In the interim, if you have any questions or need additional clarification in this regard, you may contact Deputy Director of Human Resources Di Smith at Ext. 8617 and/or Senior Human Resources Analyst Sylvia Ramirez at Ext. 8091.

![Signature](signature)

TERRY PARKER
DIRECTOR OF HUMAN RESOURCES

TP/SGR

cc: CHRISTINE TIEN, Deputy City Manager II
    MARK HERDER, Chief of Police
    DI SMITH, Deputy Director of Human Resources
    ETHEL FRANCOIS, Program Manager III
    CATHY LUCAS, Accounting Manager
    SYLVIA RAMIREZ, Senior Human Resources Analyst
September 27, 2005

TO: MAYOR and CITY COUNCIL

FROM: TERRY PARKER, Director of Human Resources

SUBJECT: RESOLUTION: APPROVE AND ADOPT THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND STOCKTON POLICE OFFICERS' ASSOCIATION FOR WAGES, HOURS, AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR THE PERIOD FROM JULY 1, 2005 THROUGH JUNE 30, 2010

RECOMMENDATION

The City Council of the City of Stockton approve and adopt the Resolution to the Memorandum of Understanding between the City of Stockton and Stockton Police Officers' Association regarding wages, hours, and other terms and conditions of employment for unit members of the Police Unit for the period from July 1, 2005 through June 30, 2010 (Exhibit "A"). It is further recommended that the Resolution authorize the City Manager to execute the Memorandum of Understanding and/or authorize such action as deemed necessary to carry out the purpose and intent of the Resolution.

SUMMARY

The City of Stockton ("City") and the Stockton Police Officers' Association ("SPOA") entered into negotiations to reopen its Memorandum of Understanding ("MOU") for contract period August 1, 2000 through December 31, 2006. The primary reason the parties reopened its labor agreement was to preserve the integrity of the City's employee health plan in managing the exploding costs of the current and retiree medical benefits, and work in partnership in developing alternatives and solutions to address the larger health care crisis.

The City and SPOA negotiated a tentative agreement for new wages, hours, and other terms and conditions of employment for the period from July 1, 2005 through June 30, 2010, and the unit members of SPOA successfully ratified the tentative agreement on or about July 29, 2005.

DISCUSSION

Background

On September 21, 2004, through July 29, 2005, the City and SPOA have met and conferred in good faith for wages, hours, and other terms and conditions of
employment to include an employer-employee shared contribution towards any associated increase in health premiums and the structuring of a medical expense reimbursement plan regarding medical coverage for contributions made to and distribution made from a benefit trust (Retiree Medical Trust Fund) for the purpose of funding future retiree health benefits.

Present Situation

On or about July 29, 2005, the unit members of the SPOA successfully ratified a tentative agreement on negotiable items between representatives of the City and SPOA. The key provisions of the amendments to the MOU are:

- **Term of Agreement** – Effective July 1, 2005 through June 30, 2010.

- **CPI Index** – 100% of CPI for Urban Wage Earners and Clerical Workers’ U.S. City Average (CPI-W) for cost-of-living adjustments during term of labor agreement (e.g., effective July 1, 2007; July 1, 2008; and July 1, 2009). The salary adjustment shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6.0%). For example, a CPI-W of nine percent (9.0%) would result in a six percent (6.0%) adjustment, and a CPI-W of two percent (2.0%) would result in a two and one-half percent (2.5%) adjustment.

- **Market Salary Surveys** – Effective January 1, 2006 (and effective July 1, 2008 – CPI Index or Market Salary Survey, whichever is greater) to remain competitive in total compensation with other competitive public entities.

- **Timeframe to Reach Top Nine (9) Salary Step of Police Officer** – Effective July 1, 2005, the City shall compress the timeframe to reach top salary-step of the Police Officer salary range from seven and one-half (7-1/2) years to five and one-half (5-1/2) years.

- **Medical Insurance** – Effective January 1, 2006, the City shall contribute eighty percent (80%) toward any increase associated with the monthly employee health premium, and the employee shall contribute twenty percent (20%) up to a maximum of one percent (1.0%) of top salary step of Police Officer.

- **Deferred Compensation** – Effective July 1, 2005, the City contribution of four percent (4.0%) shall be reduced to two percent (2.0%); said two percent (2.0%) City contribution shall be reallocated into the Retiree Medical Trust Fund.
• **Retiree Medical Trust Fund** – Effective January 1, 2006, a Retiree Medical Trust ("Trust") to be governed by Trustees selected by the employees and the City for purposes of receiving employee and City contributions, and for paying a monthly distribution for health benefits for those retiring after January 1, 2006; an IRS pre-tax exempt qualifications, earnings, and distribution of benefits paid from Trust, and upon service or disability retirement, the employee shall be required to contribute pre-tax the cash value of the unused sick leave into the Trust.

Effective January 1, 2006, the City shall contribute two percent (2.0%) of base salary into the Trust for each unit member who is hired prior to July 1, 2005; and each unit member shall contribute one percent (1.0%) of base salary to the Trust.

• **Defined Contribution Plan for Retiree Medical Benefits for Members Hired After July 1, 2005** – A shared City and employee defined contribution plan for retiree medical applicable to employees hired after July 1, 2005, for monthly distribution upon retirement; three percent (3.0%) employee contribution of base salary and two percent (2.0%) City contribution into Trust. Unit members shall no longer be eligible for either the Regular Retiree Medical Insurance Allowance (to age 65) and Supplemental Retiree Medical Insurance Allowance (after age 65) as set forth in Section 14.2 of the Agreement.

• **Medicare Medical Coverage** – The Supplemental Retiree Medical Insurance Allowance Plan is secondary to Medicare Medical Coverage or any other medical benefit coverage available to the retired employee and eligible dependent. Those unit members retiring after July 1, 2005, who must pay a monthly premium to Medicare to obtain Part A coverage (possessing less than 40-quarters of covered Social Security/Medicare employment) shall be reimbursed by the City for the cost of their Medicare Part A premium.

• **Longevity Pay for Police Sergeant** – The City shall pay five percent (5.0%) of top salary step in rank for longevity upon completion of fifteen (15) continuous years of service with the Stockton Police Department and upon placement at salary step 6 of the Sergeant’s pay schedule.

• **Specialty Premium Pays:**

  (1) **EOD and SWAT Compensation** – Effective July 1, 2005, unit members assigned to EOD or SWAT shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time (non-reportable compensation to PERS);
(2) **Field Training Officer Compensation** – Effective July 1, 2005, unit members assigned as a Field Training Officer shall be paid five percent (5.0%) of the top salary step of rank;

(3) **Master Officer Program** – Effective July 1, 2005, unit members who complete and receive a departmental certification of qualifying specialties assignments shall be paid five percent (5.0%) of the top salary step of rank; and

(4) **Bilingual Pay** – Effective July 1, 2005, unit members who are certified to meet the functional needs of the department for a bilingual skill shall be paid two and one-half percent (2.5%) of the top salary step of rank.

- **Uniform Allowance Compensation** – Compensation of $1,500.00 effective January 1, 2008, and increased annually by one-hundred dollars ($100.00) each year thereafter through January 1, 2010.

- **Salary Schedule Matrix** – The method of application used to set and establish all salaries for all classifications assigned to the Police Unit or explained in other parts of the MOU in reference to "as best fitted to the City of Stockton standard Salary Schedule Matrix" shall be no longer applicable.

**Financial Summary**

The proposed Memorandum of Understanding include costs for wages from the full payment of Cost of Living adjustments up to six percent, from new categories of special pay given to officers who perform specialized duties, from accelerated progression through the salary steps, and from increases in uniform allowance. The proposed amendments provide for long term savings to the City through the future sharing of increases in medical costs and from the institution of a defined medical benefit for retired officers which reduces the City's long term liability for unpaid medical benefit payments.

Respectfully submitted,

\[Signature\]

**TERRY PARKER**
**DIRECTOR OF HUMAN RESOURCES**

TP/SGR

Attachment: Exhibit "A"

\[Signature\]

**MARK LEWIS, City Manager**
Resolution No. 05-0434

STOCKTON CITY COUNCIL

RESOLUTION TO APPROVE THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS' ASSOCIATION FOR WAGES, HOURS, AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR THE PERIOD FROM JULY 1, 2005 THROUGH JUNE 30, 2010

WHEREAS, the Stockton City Council of City of Stockton ("City") and Stockton Police Officers' Association ("SPOA") are parties to a Memorandum of Understanding ("MOU") for wages, hours, and other terms and conditions of employment for the period from August 1, 2000 through December 31, 2006; and

WHEREAS, on September 21, 2004, the City and SPOA entered into negotiations to reopen the MOU to amend the wages, hours, and other terms and conditions of employment; and

WHEREAS, on or about July 29, 2005, the unit members of the SPOA successfully ratified the tentative agreements negotiated between the City and SPOA; and

WHEREAS, the City and SPOA in good faith have completed the meet and confer process and the parties have mutually agreed to amend the MOU for wages, hours, and other terms and conditions of employment for the period from July 1, 2005 through June 30, 2010; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Manager is hereby authorized and directed to execute the Memorandum of Understanding, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by this reference.

2. The City Manager is hereby authorized to take and/or authorize such actions as deemed necessary to carry out the purpose and intent of this Resolution.

PASSED, APPROVED and ADOPTED SEP 27 2005

EDWARD J. CHAVEZ
Mayor of the City of Stockton

KATHERINE GONG MEISNER
City Clerk of the City of Stockton

DATE SEP 27 2005
MEMORANDUM OF UNDERSTANDING

CITY OF STOCKTON
STOCKTON POLICE OFFICERS’ ASSOCIATION

TERM OF AGREEMENT
JULY 1, 2005 through JUNE 30, 2010
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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

PREAMBLE

The Stockton Police Officers' Association and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees in the representation unit identified in Section 1, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of employees in the Police Unit.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the recommendations of the undersigned for salary and employee benefit adjustments for the period commencing July 1, 2005 through June 30, 2010.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of check off of Association dues or premiums for
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 Attendance at Meetings by Employees/Release Time Bank/Association Release Time

(a) Attendance at Meetings by Employees. City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for such purposes shall not exceed five (5).

(b) Release Time Bank. For release time not covered under Section 2.3 (a), employees may voluntarily donate any or all of their compensatory time balance to an hours-bank reserved for use by Association elected officers, board members, and/or designated Association members for release time. Release time must be approved, in advance, by the employee's supervisor, but charged to the hour's bank than the employee's leave balance.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(c) Indemnity. The Association shall indemnify, defend, and hold the City harmless against any claim made and against any suit initiated against the City on account of the release time bank.

(d) Association Release Time. The City shall allocate to the Association a minimum of four hundred (400) hours each year for the purpose of disbursing release time to official representatives or unit representatives of the Association to attend Association business not normally covered under this section, such as seminars, conferences, and training. The Association shall manage and monitor the distribution of Association Release Time, which is not to exceed a total of four hundred (400) hours each year.

The Association shall notify the City, in writing, the specific purpose of Association Release Time for official representatives or unit representatives and the hours of annual leave expended. The release time must be approved in advance.

The Association shall submit a cashier check to the City in the amount equal to the Association representative's hourly rate of pay, multiplied by the annual leave hours expended for Association business. The City, upon receipt of cashier check, shall reimburse the Association representative's annual leave balance expended for Association business in the form of hours.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, political affiliation or legitimate Association activity against any employee or applicant for employment, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

3.2 The Association shall cooperate with the City in the objectives of Affirmative Action as required by law.

MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 4. PROBATIONARY PERIOD

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection Of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he was promoted unless charges are filed and he is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
4.5 Probationer Advanced To Higher Rank

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

(1) Administrative Services
(2) City Attorney
(3) City Auditor
(4) City Clerk
(5) City Manager
(6) Community Development
(7) Fire
(8) Housing and Redevelopment
(9) Human Resources
(10) Library Services
(11) Municipal Utilities
(12) Parks and Recreation
(13) Police
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal
b. Provisional
c. Temporary
d. Probationary
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the most recent performance evaluation shall determine seniority.

5.5 Employee Options

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Human Resources as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 6. REEMPLOYMENT/REINSTATEMENT

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last-laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement

A permanent employee who has resigned in good standing may, with the recommendation of the chief of his department, the City Manager, and the consent of the Civil Service Commission, be restored to a reemployment list of the same class as his/her previous position within a period of one (1) year from the effective date of his resignation.
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SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) business days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 within ten (10) business days of written notification of the action, or fourteen (14) business days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Human Resources Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
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SECTION 8. GRIEVANCE PROCEDURES

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Human Resources Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he has a grievance may discuss his complaint with such management official in the department in which he works as the department head may designate. If the issue is not resolved within the department within seven (7) business days from the day of presentation, or if the employee elects to submit his grievance directly to the Association recognized as the representative of his classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. Any employee or any official of the Association may notify the Director of Human Resources in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have fourteen (14) business days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) Step 3 - City Manager Review. Any grievance which has not been resolved by the procedures herein above set forth may be referred to the City Manager by the complainant or by the Director of Human Resources. Such referral
shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Human Resources to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) business days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of three (3) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association and three (3) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.

(e) **Step 5 - Arbitration.** If an Adjustment Board is unable to arrive at a majority decision, either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(f) **Effect of Decision.** The decision of Adjustment Boards and the arbitrator on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board nor any
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arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) or (e) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) or (e) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.
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If any award by an Adjustment Board or arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Human Resources will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.
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SECTION 9. LEAVES

9.1 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of ten (10) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) **Usage.** Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him from performing his duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) **Usage for Family.** Employees may utilize one (1) day of sick leave per month in the case of illness or injury in the employee’s immediate family. In addition, employees may utilize up to three (3) consecutive sick leave days once each calendar year for the aforesaid purpose.

For the purposes of this section immediate family is defined as the employee’s parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.

Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.
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(e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness will be required by the department head.

The department head and the Director of Human Resources may make such sick leave usage reviews and may require such physician's documentation, as they deem necessary to insure proper use of the sick leave benefit.

(f) Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

1. Was hospitalized during the period for which sick leave is claimed, or
2. Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when
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appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee’s department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

(b) Jury duty or witness duty appearances shall be considered in terms of "whole days" (8 hours) or "half days" (4 hours) of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is sent home before noon and not required to return in the afternoon, he will be expected to work his usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee’s department head.

Notwithstanding the foregoing, attendance in court in connection with an employee’s official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.

9.4 Bereavement Leave

In the event of a death in the immediate family of an employee, he shall, upon request be granted up to three (3) days bereavement leave with pay without charge

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to his accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 Workers Compensation Leave

(Consistent with California State Labor Code.)

9.6 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his position by reason of an injury or disease for which he is entitled to and currently receiving Workers' Compensation benefits shall be
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included in computing length of service for the purpose of determining that employee's salary adjustments.

9.7 Leave of Absence Without Pay

(a) **Purpose and Length.** Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician's statement.

(b) **Application for and Approval of Leaves of Absence Without Pay.** In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.

9.8 Absence Without Leave

(a) **Refusal of Leave or Failure to Return After Leave.** Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) **Voluntary Resignation.** Any employee of this bargaining unit absent without leave for two (2) or more consecutive days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.

9.9 Vacation Leave

(a) **Vacation Allowance.** All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay in accordance
with the following schedule (employees shall accrue vacation on a monthly basis):

Less than 1-1/2 years continuous employment ......................... 80 hours/year
After 1-1/2 years up to 7 1/2 years.................................. 120 hours/year
After 7-1/2 years up to 15 years........................................ 160 hours/year
After 15 years up to 25 years............................................. 200 hours/year

Eight (8) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) **Vacation Accumulation.** An employee may be allowed to accumulate up to one hundred twenty (120) hours of vacation accrual in addition to the employee's regular vacation allowance for that calendar year. Whenever an employee's accumulation of vacation hours exceed the maximum vacation carryover provision, the equivalent number of hours that exceed the maximum vacation carryover hours shall be automatically credited to the employee's sick leave accumulation balance at the end of the calendar year. However, an employee may accrue unlimited vacation time in excess of the maximum allowance when such vacation accrues because of remaining in a pay status during periods of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(c) **Vacation Schedule.** The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) **Vacation Allowance for Separated Employees**

1. When an employee is separated from the service, his remaining vacation allowance, if any, shall be added to his final compensation.

2. An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.

(e) **Vacation Cash Payment Option.** An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year.
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SECTION 10. DAYS AND HOURS OF WORK

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.
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SECTION 11. OVERTIME

11.1 Authorization

All compensable overtime must be authorized by the department head or his designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized overtime work shall apply to those employees whose normal work period is eight (8) hours per day and forty (40) hours per week:

(a) Time worked in excess of forty (40) hours in any workweek shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

An employee required by proper authority to appear in court during off-duty hours shall receive a minimum compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

In the event such employee is required by proper authority to return to court during off-duty hours on the same day, such employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

If court appearance is made in the morning and afternoon session on the same day, such employee shall be compensated for a minimum of, in addition to the above, one (1) hour at time and one-half (1-1/2).

11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.
11.5 Compensation For Hirebacks

Police Department employees who voluntarily fill a vacant position or a specially funded position, such as D.U.I., shall be paid at the rate of time and one-half (1-1/2) for all hours worked. Compensation for overtime worked under this Section shall be in cash and is specifically excluded from coverage under Section 11.6.

11.6 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

11.7 Standby Compensation

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of one-third (1/3) day's pay at regular time for each twenty-four (24) hours and time and one-half (1-1/2) for actual time worked during such assignment.

Employees who are placed on standby on holidays observed by the City shall be paid at the rate of one-half (1/2) day's pay at regular time for each twenty-four (24)
hours, plus time and one-half (1-1/2) for actual time worked, and double time and one-half (2-1/2) for actual time worked in excess of eight (8) hours.

Employees who are placed on standby after their normal tour of a regular work day shall receive one (1) hour's pay and time and one-half (1-1/2) for actual time worked during such assignments.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within forty-five (45) minute response time availability to the Police Department.

11.8 Voluntary Court Standby

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the p.m.
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SECTION 12. HOLIDAYS

12.1 Holiday Compensation

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed except for the employee's birthday.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1-1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 Holidays Observed by the City

(1) January 1................................................................. New Year's Day
(2) Third Monday in January.............................. Martin Luther King, Jr. Birthday
(3) Second Monday in February.............................. Lincoln's Birthday
(4) Third Monday in February................................ Washington's Birthday
(5) March 31............................................................... Cesar Chavez' Birthday
(6) Last Monday in May............................................. Memorial Day
(7) July 4................................................................. Independence Day
(8) First Monday in September................................ Labor Day
(9) Second Monday in October............................... Columbus Day
(10) November 11...................................................... Veteran's Day
(11) Fourth Thursday in November......................... Thanksgiving
(12) Fourth Friday in November.............................. Day after Thanksgiving
(13) December 25................................................... Christmas Day
(14) ........................................................................ Employee's Birthday

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City.

The department head with due consideration for the wishes of the employee and the needs of the department may authorize the birthday to be taken within fifteen (15) calendar days of the employee's actual birth date.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
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SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City contributes nine percent (9%) of the employee’s current base salary and other compensation as qualified by State law toward P.E.R.S. (effective October 1, 1984). Such amounts will be applied to the employee’s individual account in accordance with Government Code Section 20615.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee’s last year of employment, such employee shall pay their employees’ nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee’s base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The City will contribute seven percent (7%) of the employee’s current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts will be applied to the employee’s individual account in accordance with Government Code section 20615.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer (Local Safety Member).

13.2 Military Service Credit

The City shall provide for military service pursuant to the provisions of Government Code Section 20930.3 and Section 20930.33, at the employee’s expense.
13.3 **P.E.R.S. Credit for Professional Growth (Earned Time)**

(a) For any bargaining unit member whose retirement date is later than December 31, 1993, all pay provided to that employee as a sell-back of Professional Growth (Earned Time) shall be reported by the City to the Public Employees' Retirement System as a part of the "final compensation" that P.E.R.S. is to use to determine the amount of that employee's retirement allowance.

(b) In no event shall this increment to "final compensation" consist of more than a one (1) year of Professional Growth (Earned Time).

13.4 **P.E.R.S. Fourth Level Of 1959 Survivor Benefits**

The City will make application to provide P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 **P.E.R.S. 3% At Age 50 Retirement**

On July 21, 2000, the City made application to PERS to provide P.E.R.S. California Government Code section 21362.2 (3% at age 50) as an amendment retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.6 **Uniform Allowance**

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance each calendar year in the amount of one thousand four hundred dollars ($1,400.00) effective January 1, 2005; one thousand five hundred dollars ($1,500.00) effective January 1, 2006; one thousand six hundred dollars ($1,600.00) effective January 1, 2007; one thousand seven hundred dollars ($1,700.00) effective January 1, 2008; one thousand eight hundred dollars ($1,800.00) effective January 1, 2009; and one thousand nine hundred dollars ($1,900.00) effective January 1, 2010.

Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) **Protective Vests** - The City shall provide safety protective vest and annual testing by lot number.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

13.7 Legal Defense Fund

The City shall contribute to Stockton Police Officers' Association not to exceed the amount of Two Dollars and No Cents ($2.00) per month per member for the purchase of legal defense insurance.

13.8 P.O.S.T. Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Human Resources Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.

13.9 Educational Incentive Pay

In accordance with the City Manager's Administrative Directive, HR-031 dated June 1, 1992, employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position, effective January 1, 1994. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his or her diploma/degree, the three percent (3%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

Employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

13.10 Longevity Increment Pay for Police Officer

The Longevity Increment shall be effective the first pay period following the anniversary date of hire of the employee as follows:

(a) The City will pay five percent (5%) of top salary step in rank for longevity, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) The City will pay seven percent (7%) of top salary step in rank for longevity, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(c) The City will pay twelve percent (12%) of top salary step in rank for longevity, upon completion of twelve (12) continuous years of service as a public safety officer with the Stockton Police Department.

(d) The City will pay fourteen percent (14%) of top salary step in rank for longevity, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

(e) The City will pay nineteen percent (19%) of top salary step in rank for longevity, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous service shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

13.11 Longevity Increment Pay For Police Sergeant

The City will pay five percent (5%) of top salary step in rank for longevity, effective the first pay period following the anniversary date of completion of fifteen (15) continuous years of service with the Stockton Police Department and upon placement at step 6 of the Sergeant's pay schedule.

13.12 Payment For Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value. For service retirement, the payout for unused sick leave may be made during the period of eighteen (18) to twelve (12) months prior to retirement date.
Upon service or disability retirement, the employee will contribute pre-tax the cash value into the Retiree Medical Trust, as specified in Section 14.2 of this Agreement.

13.13 Deferred Compensation

Each employee in this unit shall receive a City paid deferred compensation contribution. The City paid contribution shall be in addition to the employee’s voluntary deferred compensation contributions. Participants shall receive this benefit during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

(a) Effective January 1, 1999, the City will provide, in addition to regular salary, a contribution of two percent (2%) of the employee’s current base salary toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(b) Effective January 1, 2000, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) of the employee’s current base salary for a total of three percent (3%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(c) Effective January 1, 2001, the City will reduce the deferred compensation contribution two percent (2%) of the employee’s current base salary.

(d) Effective January 1, 2002, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of three percent (3%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(e) Effective January 1, 2003, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of four percent (4%) toward the City’s deferred compensation plan, to expand the employee’s retirement benefit allowance.

(f) Effective July 1, 2005, the City’s contribution to the Deferred Compensation Plan will be reduced from four percent (4.0%) to two percent (2.0%) of the unit member’s base salary. (Refer to Section 14.2 regarding City contributions to the Retiree Medical Trust.)

13.14 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.
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13.15 Motorcycle Officer Compensation

Employees assigned motorcycle responsibilities shall be paid a maximum of eight (8) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.

13.16 EOD Compensation

Effective July 1, 2005, the pay for unit members assigned to EOD shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.17 SWAT Compensation

Effective July 1, 2005, the pay for unit members assigned to SWAT shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.18 Field Training Officer Compensation

Effective July 1, 2005, the pay for unit members assigned to Field Training Officer shall be five percent (5.0%) of the top salary step of rank.

13.19 Equestrian Officer Compensation

Effective April 1, 2004, employees assigned to perform equestrian responsibilities shall be paid two-hundred dollars ($200.00) per month for food, routine veterinary care, and general maintenance costs of animal, and shall be paid ten (10) hours per month, at the rate of one and one-half (1-1/2) time, for time spent on off-duty time for the care, maintenance, and training of animal. The City shall assume all associated costs of up to five-thousand dollars ($5,000.00), if an animal suffers injury or death while on-duty and performing assigned duties.

13.20 Master Officer Program

Master Officer Program – Purpose, Pay, And Certification

Effective July 1, 2005, the City will implement a Master Officer Program. The purpose of the Master Officer Program is to provide additional career opportunities, and to provide the Department with officers that have a broader base of experience and skill sets. A Master Officer shall receive special departmental certificate of recognition in addition to the supplemental pay.

Master Officer Pay will be five percent (5.0%) of the top salary step of rank.
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Eligibility

To be eligible for Master Officer Certification, a unit member must meet the following minimum qualifications:

- At least 5 years of patrol work;
- Advanced POST Training Certificate;
- At least six (6) years of service in at least two (2) of the following specialties for a minimum period of 18-months each to the extent these specialties continue: Bicycle, Canine, CNT, CPO, DUI, EOD, FTO, GSET, Lodi One, PIO, Range master, SJRTD, SRO, STOP, SWAT, VCST, Traffic Unit, (Mobile Field Force effective July 1, 2006), and other full-time assignments approved in writing by the Chief of Police; except that service in Homicide, CASA, Narcotics, Vice, and Burglary shall count for all six (6) years of the requirement;
- The service in a specialty must be satisfactory as determined by the Chief; and a year of concurrent service in two (2) or more of the areas can only count as one (1) year of service.

Continuation Of Certification

Master Officer Certification is a privilege and distinction, not a right. Therefore, to continue Master Officer Certification, a unit member must maintain at least satisfactory departmental service as reflected in various performance evaluations, as finally approved by the Chief. Failure to maintain at least satisfactory status will automatically result in the loss of the Master Officer Certification.

13.21 Bilingual Pay

Effective July 1, 2005, the pay for qualified and approved bilingual skill will be two and one-half percent (2.5%) of the top salary step of rank.

To be eligible for this differential pay, an officer must be certified to meet the functional needs of the Department. The Chief of Police has the sole discretion in determining the number of officers needed for bilingual services, the languages that will be recognized, and the functional language skills needed for the Department.

13.22 Acting Pay

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 14. INSURANCE PLANS

14.1 Health Insurance and Related Benefits

(a) The City will provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits. Effective upon agreement, the City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. Effective November 1, 1993, the medical plan for active employees is the City’s Modified Employee Medical Plan ("Plan") which is summarized on Appendix B attached hereto.

The Plan utilizes a Preferred Provider Organization ("PPO") network for hospitals, physicians, laboratories, and other medical providers; the PPO network for the City shall be Blue Cross (Prudent Buyer).

Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.

Effective January 1, 1993, the City will also provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon the remarriage of the officer’s surviving spouse. This medical coverage shall be secondary at age 65.

(b) Medical Insurance Effective January 1, 2006

Effective January 1, 2006, and each year of this Agreement, the City shall contribute eighty percent (80%) of any increase associated with the monthly health insurance premium (hospitalization, medical, dental, prescription and vision). The unit member shall contribute the remaining twenty percent (20%) of the monthly premiums, up to a maximum of one percent (1.0%) of top salary step for Police Officer.

(c) Dental: The City shall pay the annual dental maximum benefit of one thousand four hundred dollars ($1,400.00).

Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.

(d) Orthodontic: The City shall pay the orthodontic lifetime maximum benefit of two thousand dollars ($2,000.00).

(e) If it is the decision of the Union to select other than the present carrier(s) for any of the above benefits, the City shall continue its contribution amount
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limited to and not to exceed that for its current designated plan. Insured retirees shall be assigned to the carrier(s) selected. The retirees will move to the Modified Employee Medical Plan, effective July 1, 1994.

14.2 Retirement Medical Insurance Allowance For Unit Members Employed Before July 1, 2005

(a) Retiree Medical Insurance Until Age 65 For Unit Members Employed Before July 1, 2005

Effective April 1, 1983, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. Such coverage shall include one (1) eligible dependent and the following provisions shall apply:

(1) Normal Service Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) Disability Retirement. Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

(b) Supplemental Retirement Medical Insurance Allowance After Age 65 For Unit Members Employed Before July 1, 2005

An employee retiring on or after August 1, 1998, and eligible for retirement medical benefits as provided in this section, shall continue to be covered under the City's medical plan for retired employee and one (1) eligible dependent when both persons reach age 65. The City's supplemental retirement medical insurance plan shall be secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.

To be eligible for the benefit, upon reaching age sixty-five (65), each retiree and each spouse is required to apply for Medicare Part A and Part B coverage and to accept Medicare coverage, if eligible.

Those retiring after July 1, 2005, who must pay a premium to Medicare to obtain Part A coverage, shall be reimbursed by the City for the cost of their Medicare Part A premium. If the retiree and spouse are ineligible for Medicare Part A coverage, the City's supplemental medical insurance plan becomes the primary medical coverage.
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The City may terminate reimbursement payments for Medicare Part A coverage in the event the retiree receives the City's supplemental medical insurance plan as the primary medical coverage.

(c) **Major Medical Deductible.**

Effective July 1, 1994, the major medical deductible will be one hundred and fifty dollars ($150.00) per person per calendar year.

(d) **Retiree Medical Trust (RMT) Distribution For Those Retiring After January 1, 2006.** (Note: The provision of this subsection will be modified by the mutual agreement of the parties prior to January 1, 2006, without reference or limitations referenced in Section 23 of this Agreement.)

1. **Establishment Of Retiree Medical Trust**

As soon as practicable, the City will establish a Retiree Medical Trust ("RMT") that will be governed by Trustees selected by the employees and the City for purposes of receiving employee and City contributions, and for paying a monthly disbursement for those retiring after January 1, 2006.

The City will seek IRS qualification so that employee and City contributions will be pre-tax, including the contribution of employee accrued sick leave pay-off. The City will also seek tax-exempt status for the Trust's earnings and the benefits paid from the Trust.

2. **Required Contributions For Unit Members Hired Before July 1, 2006**

Effective January 1, 2006, the City will contribute two percent (2.0%) of base salary into the Trust for each unit member who was hired prior to July 1, 2005. In addition, each unit member hired before July 1, 2005, will be required to contribute one percent (1.0%) of base salary to the Trust. (Refer to changes made in Section 13.13 "Deferred Compensation" regarding the reduction of the City's contribution by two percent (2.0%).)

In addition, upon retirement after January 1, 2006, an employee must contribute pre-tax up to 100% of the accrued sick leave pay-out to the Trust that will be distributed at a later date for the employee's individual benefit.

Before the Trust is established, the contributions will be held in a discrete and separate City fund to be distributed into the Trust when established.
3. **Benefit Level**

   The benefit under this Trust shall consist of a monthly distribution to each retiree that is determined solely by the amount of the funds available to actuarially support the distribution. The distribution benefit will vary to some extent with each retiree depending on the time of retirement, the years of an individual's contribution, the amount of the individual contributions, and the funds actuarial status. The Board of Trustees will establish annually the distribution benefit, after actuarial projections are provided determining a sustainable monthly distribution.

4. **Vesting**

   The amount of the distribution is not a vested right under any circumstances. A distribution level may be reduced, discontinued, or interrupted by the Board of Trustees upon determination of insufficient funds to support the current level of distributions. Under no circumstances may the Trust reduce the benefit below a monthly amount that can be supported actuarially by the employee's mandatory and voluntary contributions.

5. **Eligibility**

   To be eligible for any monthly distribution from the employer's contribution to the Trust, a unit member must have retired on or after January 1, 2011, and must have worked for the City for at least fifteen (15) years.

6. **Trust Structure And Governance**

   The Trust shall be governed by eight (8) Trustees, three (3) elected at-large by the participating employees, one (1) appointed by the Stockton Police Officers' Association, four (4) non-employees appointed by the City Council, and one (1) non-voting appointing authority appointed by the City Manager.

   The Board of Trustees will be responsible for all issues of governance, including the design of the plan, the selection of the professional investment manager and other professional services, the selection of investment vehicles, and the nature of the distribution options. The Trustees shall manage the Trust for the exclusive benefit of the participating employees and retirees.

   (e) When this agreement expires on June 30, 2010, the City will not be responsible for any increase in the cost of premiums. The premium costs in
excess of the City's contribution as of June 30, 2010, shall be the responsibility of the retiree and shall be charged the retiree. The City will be responsible thereafter only for the payment to the City's medical plan of the dollar equivalent of the cost of medical insurance as of June 30, 2010. However, those individuals retiring on or after June 30, 2010, will be eligible for a supplemental distribution from the Retiree Medical Trust Fund, as set forth above in "d" of this subsection.

14.3 Defined Contribution For Retiree Medical For Unit Members Hired After July 1, 2005

(a) Defined Contribution Plan

For unit members hired after July 1, 2005, the City will establish a defined contribution plan for retiree medical. This plan will consist of an employee contribution of three (3.0%) percent of base pay, and a City contribution of two (2.0%) percent. The contributions will be paid into the Retiree Medical Trust ("RMT"), and will be distributed to the unit member upon retirement in a manner determined by the Trust. These unit members will not be eligible for either the regular Retiree Medical Allowance (to age 65) or the Supplemental Allowance (after age 65) as set forth in Section 14.2 of this Agreement.

(b) Eligibility

Upon at least fifteen (15) years of City service and retirement from the City, the employee will be eligible to receive a monthly distribution from the Trust that will reflect the employee and City contributions plus earnings. Otherwise, upon leaving the service of the City, the employee will be eligible to receive the amount of the employee contribution plus interest as established by the Trust for City payments toward medical benefits or retiree medical benefits.

14.4 Life Insurance

Effective January 1, 2000, the City shall provide each employee group term life insurance coverage equal to their annual salary rounded to the nearest One Thousand Dollars ($1,000.00).

14.5 Long Term Disability Insurance

Effective January 1, 1999, the City shall contribute to the Association the amount of Twenty Dollars ($20.00) per month per employee for the purpose of purchasing a Preferred Long Term Disability Program selected by the Association in lieu of providing long term disability coverage through the City's Long Term Disability Program.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.

Effective January 1, 1999, the amount of Twenty Dollars ($20.00) shall be converted to base pay for all represented employees as best fitted to the City's Salary Schedule Matrix.
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SECTION 15. SALARY PLAN

15.1 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, which are attached hereto and made a part hereof. The rates of pay set forth in the Appendix A, represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary step for a new employee entering the classified service shall be the minimum salary step for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary, which is more than the minimum salary step for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgment of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.4 Effective July 1, 2005 – Salary Step Plan – Police Officers Appointed On Or After January 1, 1999

There shall be nine (9) salary steps for the classification of Police Officer. There shall be six (6) salary steps for the classification of Police Sergeant.

In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first salary step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time persons.

The first salary step shall be the minimum salary rate and shall be the normal hiring rate for the classification of Non-Sworn Police Officer Trainee.

The second salary step shall be paid upon the Trainee’s passing all the requirement of the Basic Officer Academy and the transfer to Sworn Officer status.
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The third salary step shall be paid upon the employee’s satisfactory completion of six (6) months service at the second salary step and upon the written recommendation of the department head.

The fourth salary step shall be paid upon the employee’s satisfactory completion of six (6) months service at the third salary step and upon the written recommendation of the department head.

The fifth salary step shall be paid upon the employee’s satisfactory completion of six (6) months service at the fourth salary step and upon the recommendation of the department head.

The sixth salary step shall be paid upon the employee’s satisfactory completion of one (1) year of service at the fifth salary step and upon the recommendation of the department head.

The seventh salary step shall be paid upon the employee’s satisfactory completion of one (1) year of service at the sixth salary step and upon the recommendation of the department head.

The eighth salary step shall be paid upon the employee’s satisfactory completion of one (1) year of service at the seventh salary step and upon the recommendation of the department head.

The ninth salary step shall be paid upon the employee’s satisfactory completion of six (6) months of service at the eighth salary step and upon the recommendation of the department head.

Regardless of an employee’s length of service, salary step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

If a department head recommends to withhold salary increases from salary steps two (2) through nine (9) because an employee has not achieved the level of performance required to the position, the recommendation of notice must be received by the City Manager at least four (4) weeks in advance of the employee’s eligibility date. The affected employee shall be furnished a copy of the department head’s recommendation.

Changes in an employee’s salary because of promotion, demotion, postponement of salary step increase or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.
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Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 **Salary Step Plan – Non-Sworn Police Officer Trainee Status**

An employee with only the status of Non-Sworn Police Officer Trainee shall be paid at Step 1 of the salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 2 of the salary range of Police Officer. The Trainee shall not qualify for Safety status while in the Academy.

15.6 **Salary Step After Military Leave**

All employees who have been granted a military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.7 **Salary Step When Salary Range Is Increased**

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.8 **Salary Step After Promotion or Demotion**

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.

15.9 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.
15.10 Market Salary Survey

The City and the Association agree to conduct a joint "total compensation" survey of six (6) agencies above and six (6) agencies below the population of the City of Stockton, as determined by the most updated publication of the U.S. Bureau of the Census or a State of California Department of Finance publication, whichever is most current. The purpose of the survey shall be to determine the City's position among the agencies surveyed and enable the City to make such adjustments as may be necessary to bring the City to a position at the bottom of the top one-third (1/3) of agencies surveyed.

The first survey shall be applied January 1, 2006, as set forth in Appendix A. The second survey will be applied in conjunction with the July 1, 2008, salary adjustment listed in Appendix A.

The City and the Association agree to begin the joint total compensation survey on October 1, 2005, for the adjustment to be made effective January 1, 2006, and May 1, 2008, for the adjustment to be made effective July 1, 2008.

For purposes of the survey, "total compensation" shall consist of the top step of base salary for the position of Police Officer, plus the dollar equivalent value of the following benefits: City-paid employer and employee P.E.R.S. contributions; City-paid deferred compensation contributions; City-paid contributions to retiree medical for other than the pay-as-you go amount for current retiree (beginning with 2008 study); the City cost to provide the City health (employee + family coverage), dental, vision, life insurance, long-term disability; City-paid uniform allowance, P.O.S.T. intermediate certificates, holidays, vacation, sick leave, educational incentive pay, longevity pay at sixth year of service, and any other specialty pay affecting 50% of the unit members. To the extent possible, comparisons with the surveyed agencies shall be made between like positions and benefits.

Application Method For Market Salary Survey July 1, 2008

Examples of how this provision shall be applied on July 1, 2008, is as follows: If the total compensation survey conducted in 2008 indicates that as of July 1, 2008, it would take an increase of five percent (5.0%) to bring total compensation (as defined in this section) to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association's members would receive on July 1, 2008, a two and one-half percent (2.5%) increase as set forth in Appendix A based on the CPI percentage, plus an additional two and one-half percent (2.5%) increase as a result of this section. If, on the other hand, the total compensation survey conducted in 2008 indicates that as of July 1, 2008, it would take an increase of two percent (2.0%) to bring the total compensation figure to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association's members would receive on July 1, 2008, a two and one-half percent (2.5%) increase as set forth in Appendix
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A based on the CPI percentage, but no additional increase as a result of this section.

All Market Salary Survey adjustments shall be calculated to the nearest one-tenth of one percent, and shall be made at the first step of the salary range for each classification covered by this Memorandum of Understanding.
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SECTION 16. RESIDENCY

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

SECTION 17. SEPARABILITY OF PROVISIONS

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 18. PAST PRACTICES AND EXISTING MEMORANDA OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

SECTION 19. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

SECTION 20. DURATION

All provisions of this Memorandum of Understanding shall be effective July 1, 2005, and shall remain in full force and effect to and including the 30th day of June, 2010 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2010, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.
SECTION 21. MAINTENANCE OF OPERATIONS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinafore, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 22. CITY RIGHTS

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

(d) In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 23. CONCLUSIVENESS

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolution shall be amended to conform to the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the City and the Association in a written and signed amendment to this Agreement.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX “A”

SALARY ADJUSTMENT FOR CALENDAR YEAR 2006

(See Section 15.10 – Market Salary Survey – January 1, 2006)

SALARY ADJUSTMENTS FOR FISCAL YEARS 2007, 2008, and 2009

Effective July 1, 2007, July 1, 2008, and July 1, 2009, the Salary Schedule shall provide salary rates according to the following formula:

Salary adjustments effective July 1, 2007, July 1, 2008, and July 1, 2009, shall be equal to the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for 12-month period preceding the May Index of each fiscal year. The salary adjustments shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6.0%). (For example, CPI-W of nine percent (9.0%) would result in a six percent (6.0%) adjustment, and a CPI-W of two percent (2.0%) would result in a two and one-half (2.5%) adjustment.)
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX “B”

CITY OF STOCKTON
MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)

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<tr>
<td>Deductible</td>
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<tr>
<td>$2,000,000 Lifetime Maximum</td>
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<tr>
<td>RX 100%</td>
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<td>Hospitalsation 100%</td>
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<tr>
<td>Surgeon/Anesthesiologist 100%</td>
</tr>
<tr>
<td>Outpatient Surgery 100%</td>
</tr>
<tr>
<td>Outpatient Lab/X-ray 100%</td>
</tr>
<tr>
<td>OB Maternity 100%</td>
</tr>
<tr>
<td>Home Health Care and Hospice 100%</td>
</tr>
<tr>
<td>Radiation/Chemotherapy/Dialysis 100%</td>
</tr>
<tr>
<td>Emergency Room 100%</td>
</tr>
<tr>
<td>ER Physician 100%</td>
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<tr>
<td>Ambulance 80%</td>
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<td>Preventative Care 80%</td>
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<tr>
<td>Physicians Office Visits 80%</td>
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<tr>
<td>Chiropractic Visits 80%</td>
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<tr>
<td>Other Covered Services 80%</td>
</tr>
<tr>
<td>Outpatient Psychotherapy 80%</td>
</tr>
<tr>
<td>Inpatient Psychiatric 80%</td>
</tr>
<tr>
<td>Alcohol and Drug Counseling/Detox/Treatment 80%</td>
</tr>
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After $3 Generic / $8 Brand name, employee co-pay for up to 60 day supply of prescription drugs & insulin. No vitamins. (Note: Does not apply to deductible or max out-of-pocket).

Semi-private room rate. Pre-admit certification req’d. If non-emergency. Concurrent utilization review req’d. If non-member hospital used in area where member hospitals are available (70%).

Includes Preventive care: pap, mammo, prostate – frequency by age guidelines.

Normal or C-Section for employee or spouse.

Subject to Utilization Review and Case Management.

1st treatment of accident injury within 72 hours, if health endangering, or life threatening acute illness. Otherwise 50%

For surgery or for other approved emergency services. (Non-emergency Illness 50%)

Ground or Air

Well baby care first 2 yrs. Frequency by pediatric guidelines. Immunizations for children and adults. (Except for travel inoculations)

When ill.

Of allowable amounts. Subject to utilization review.

First 5 visits per year 60%, next 10 visits per year. (Maximum 15 visits per year. Does not apply to max out-of-pocket.) Must initiate thru the City's E.A.P. Program.

To maximum $2,000 Lifetime. For alcohol & drug counseling/detox/treatment. Must initiate thru the City's E.A.P. Program. For active only, not retirees.

EMPLOYEE MAXIMUM OUT-OF-POCKET: After the employee pays $1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

REvised 11/30/04
LHooten

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this _____ day of September, 2005.

STOCKTON POLICE OFFICERS' ASSOCIATION
DAVID REEDER, President
GORDON GRAY, Vice-President

CITY OF STOCKTON, a municipal corporation
MARK E. LEWIS, ESQ.
City Manager
TERRY PARKER, Director of Human Resources
JOHNNY FORD, Deputy City Manager
CHRISTINE TIEN, Deputy City Manager

DAVID H. SWIM, D.P.A.
Labor Consultant for Stockton Police Officers' Association

WILLIAM F. KAY for Kay & Stevens

APPROVED AS TO FORM:
RICHARD E. NOSKY, JR., City Attorney
MICHON JOHNSON
Deputy City Attorney
## MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

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CITY OF STOCKTON

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CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING

CITY OF STOCKTON
STOCKTON POLICE OFFICERS’ ASSOCIATION

TERM OF AGREEMENT
JULY 1, 2005 through JUNE 30, 2010

(As amended by Stockton City Council on July 10, 2007)
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MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

PREAMBLE

The Stockton Police Officers' Association and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees in the representation unit identified in Section 1, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of employees in the Police Unit.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the recommendations of the undersigned for salary and employee benefit adjustments for the period commencing July 1, 2005 through June 30, 2010.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period.

In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of check off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with individual department heads and when made shall continue until revoked by the department head.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 Attendance at Meetings by Employees/Release Time Bank/Association Release Time

(a) Attendance at Meetings by Employees. City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for such purposes shall not exceed five (5).
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

(b) **Release Time Bank.** For release time not covered under Section 2.3 (a), employees may voluntarily donate any or all of their compensatory time balance to an hours-bank reserved for use by Association elected officers, board members, and/or designated Association members for release time. Release time must be approved, in advance, by the employee's supervisor, but charged to the hour's bank than the employee's leave balance.

(c) **Indemnity.** The Association shall indemnify, defend, and hold the City harmless against any claim made and against any suit initiated against the City on account of the release time bank.

(d) **Association Release Time.** The City shall allocate to the Association a minimum of four hundred (400) hours each year for the purpose of disbursing release time to official representatives or unit representatives of the Association to attend Association business not normally covered under this section, such as seminars, conferences, and training. The Association shall manage and monitor the distribution of Association Release Time, which is not to exceed a total of four hundred (400) hours each year.

The Association shall notify the City, in writing, the specific purpose of Association Release Time for official representatives or unit representatives and the hours of annual leave expended. The release time must be approved in advance.

The Association shall submit a cashier check to the City in the amount equal to the Association representative's hourly rate of pay, multiplied by the annual leave hours expended for Association business. The City, upon receipt of cashier check, shall reimburse the Association representative's annual leave balance expended for Association business in the form of hours.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, political affiliation or legitimate Association activity against any employee or applicant for employment, and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

3.2 The Association shall cooperate with the City in the objectives of Affirmative Action as required by law.

MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 4. PROBATIONARY PERIOD

4.1 Purpose

The probationary period shall be utilized for closely observing the employee’s work, for securing the most effective adjustment of a new employee to his position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers’ Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection Of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he was promoted unless charges are filed and he is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
4.5 **Probationer Advanced To Higher Rank**

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

(1) Administrative Services
(2) City Attorney
(3) City Auditor
(4) City Clerk
(5) City Manager
(6) Community Development
(7) Fire
(8) Housing and Redevelopment
(9) Human Resources
(10) Library Services
(11) Municipal Utilities
(12) Parks and Recreation
(13) Police
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal  c. Temporary
b. Provisional           d. Probationary
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Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the most recent performance evaluation shall determine seniority.

5.5 Employee Options

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Human Resources as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
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SECTION 6. REEMPLOYMENT/REINSTATEMENT

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last-laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement

A permanent employee who has resigned in good standing may, with the recommendation of the chief of his department, the City Manager, and the consent of the Civil Service Commission, be restored to a reemployment list of the same class as his/her previous position within a period of one (1) year from the effective date of his resignation.
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SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) business days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 within ten (10) business days of written notification of the action, or fourteen (14) business days following the mailing of a written notice by first class mail to the employee’s address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Human Resources Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
SECTION 8. GRIEVANCE PROCEDURES

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Human Resources Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he has a grievance may discuss his complaint with such management official in the department in which he works as the department head may designate. If the issue is not resolved within the department within seven (7) business days from the day of presentation, or if the employee elects to submit his grievance directly to the Association recognized as the representative of his classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. Any employee or any official of the Association may notify the Director of Human Resources in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have fourteen (14) business days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and investigated in accordance with this paragraph except for the resolution of compensation complaints.
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(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Human Resources. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Human Resources to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) business days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of three (3) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association and three (3) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.

(e) **Step 5 - Arbitration.** If an Adjustment Board is unable to arrive at a majority decision, either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(f) **Effect of Decision.** The decision of Adjustment Boards and the arbitrator on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.
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Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board nor any arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) or (e) of
subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) or (e) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an Adjustment Board or arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Human Resources will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 9. LEAVES

9.1 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of ten (10) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) **Usage.** Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him from performing his duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) **Usage for Family.** Employees may utilize one (1) day of sick leave per month in the case of illness or injury in the employee’s immediate family. In addition, employees may utilize up to three (3) consecutive sick leave days once each calendar year for the aforesaid purpose.

For the purposes of this section immediate family is defined as the employee’s parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.

Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.
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(e) **Doctor's Certificate or Other Proof.** If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness will be required by the department head.

The department head and the Director of Human Resources may make such sick leave usage reviews and may require such physician's documentation, as they deem necessary to insure proper use of the sick leave benefit.

(f) **Use of Sick Leave While on Vacation.** An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

1. Was hospitalized during the period for which sick leave is claimed, or
2. Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

9.2 **Military Leave**

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible
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list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee's department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

(b) Jury duty or witness duty appearances shall be considered in terms of "whole days" (8 hours) or "half days" (4 hours) of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is sent home before noon and not required to return in the afternoon, he will be expected to work his usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee's department head.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.
9.4 **Bereavement Leave**

In the event of a death in the immediate family of an employee, he shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 **Workers Compensation Leave**

(Consistent with California State Labor Code.)

9.6 **Leave of Absence**

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.
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Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his position by reason of an injury or disease for which he is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.

9.7 Leave of Absence Without Pay

(a) **Purpose and Length.** Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician's statement.

(b) **Application for and Approval of Leaves of Absence Without Pay.** In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.

9.8 Absence Without Leave

(a) **Refusal of Leave or Failure to Return After Leave.** Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) **Voluntary Resignation.** Any employee of this bargaining unit absent without leave for two (2) or more consecutive days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a
satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.

9.9 **Vacation Leave**

(a) **Vacation Allowance.** All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay in accordance with the following schedule (employees shall accrue vacation on a monthly basis):

- Less than 1-1/2 years continuous employment .................. 80 hours/year
- After 1-1/2 years up to 7 1/2 years.............................. 120 hours/year
- After 7-1/2 years up to 15 years................................. 160 hours/year
- After 15 years up to 25 years...................................... 200 hours/year

Eight (8) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) **Vacation Accumulation.** An employee may be allowed to accumulate up to one hundred twenty (120) hours of vacation accrual in addition to the employee’s regular vacation allowance for that calendar year. Whenever an employee’s accumulation of vacation hours exceed the maximum vacation carryover provision, the equivalent number of hours that exceed the maximum vacation carryover hours shall be automatically credited to the employee’s sick leave accumulation balance at the end of the calendar year. However, an employee may accrue unlimited vacation time in excess of the maximum allowance when such vacation accrues because of remaining in a pay status during periods of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(c) **Vacation Schedule.** The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) **Vacation Allowance for Separated Employees**

(1) When an employee is separated from the service, his remaining vacation allowance, if any, shall be added to his final compensation.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of
resignation and the date of reinstatement which shall not be counted in determining eligibility.

(e) **Vacation Cash Payment Option.** An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 10. DAYS AND HOURS OF WORK

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 11. OVERTIME

11.1 Authorization

All compensable overtime must be authorized by the department head or his designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized overtime work shall apply to those employees whose normal work period is eight (8) hours per day and forty (40) hours per week:

(a) Time worked in excess of forty (40) hours in any workweek shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

An employee required by proper authority to appear in court during off-duty hours shall receive a minimum compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

In the event such employee is required by proper authority to return to court during off-duty hours on the same day, such employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.

If court appearance is made in the morning and afternoon session on the same day, such employee shall be compensated for a minimum of, in addition to the above, one (1) hour at time and one-half (1-1/2).

11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), whichever is greater.
11.5 Compensation For Hirebacks

Police Department employees who voluntarily fill a vacant position or a specially funded position, such as D.U.I., shall be paid at the rate of time and one-half (1-1/2) for all hours worked. Compensation for overtime worked under this Section shall be in cash and is specifically excluded from coverage under Section 11.6.

11.6 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

11.7 Standby Compensation

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of one-third (1/3) day's pay at regular time for each twenty-four (24) hours and time and one-half (1-1/2) for actual time worked during such assignment.
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Employees who are placed on standby on holidays observed by the City shall be paid at the rate of one-half (1/2) day's pay at regular time for each twenty-four (24) hours, plus time and one-half (1-1/2) for actual time worked, and double time and one-half (2-1/2) for actual time worked in excess of eight (8) hours.

Employees who are placed on standby after their normal tour of a regular work day shall receive one (1) hour's pay and time and one-half (1-1/2) for actual time worked during such assignments.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within forty-five (45) minute response time availability to the Police Department.

11.8 Voluntary Court Standby

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the p.m.
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SECTION 12. HOLIDAYS

12.1 Holiday Compensation

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed except for the employee's birthday.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1-1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 Holidays Observed by the City

(1) January 1................................................................. New Year's Day
(2) Third Monday in January............................... Martin Luther King, Jr. Birthday
(3) Second Monday in February.......................... Lincoln's Birthday
(4) Third Monday in February......................... Washington's Birthday
(5) March 31................................................................. Cesar Chavez' Birthday
(6) Last Monday in May............................................. Memorial Day
(7) July 4................................................................. Independence Day
(8) First Monday in September......................... Labor Day
(9) Second Monday in October............................ Columbus Day
(10) November 11...................................................... Veteran's Day
(11) Fourth Thursday in November...................... Thanksgiving
(12) Fourth Friday in November......................... Day after Thanksgiving
(13) December 25..................................................... Christmas Day
(14)................................................................. Employee's Birthday

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City.

The department head with due consideration for the wishes of the employee and the needs of the department may authorize the birthday to be taken within fifteen (15) calendar days of the employee's actual birth date.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City contributes nine percent (9%) of the employee’s current base salary and other compensation as qualified by State law toward P.E.R.S. (effective October 1, 1984). Such amounts will be applied to the employee’s individual account in accordance with Government Code Section 20615.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee’s last year of employment, such employee shall pay their employees’ nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee’s base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The City will contribute seven percent (7%) of the employee’s current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts will be applied to the employee’s individual account in accordance with Government Code section 20615.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer (Local Safety Member).

13.2 Military Service Credit

The City shall provide for military service pursuant to the provisions of Government Code Section 20930.3 and Section 20930.33, at the employee’s expense.
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13.3 P.E.R.S. Credit for Professional Growth (Earned Time)

(a) For any bargaining unit member whose retirement date is later than December 31, 1993, all pay provided to that employee as a sell-back of Professional Growth (Earned Time) shall be reported by the City to the Public Employees' Retirement System as a part of the "final compensation" that P.E.R.S. is to use to determine the amount of that employee's retirement allowance.

(b) In no event shall this increment to "final compensation" consist of more than a one (1) year of Professional Growth (Earned Time).

13.4 P.E.R.S. Fourth Level Of 1959 Survivor Benefits

The City will make application to provide P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 P.E.R.S. 3% At Age 50 Retirement

On July 21, 2000, the City made application to PERS to provide P.E.R.S. California Government Code section 21362.2 (3% at age 50) as an amendment retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.6 Uniform Allowance

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance each calendar year in the amount of one thousand four hundred dollars ($1,400.00) effective January 1, 2005; one thousand five hundred dollars ($1,500.00) effective January 1, 2006; one thousand six hundred dollars ($1,600.00) effective January 1, 2007; one thousand seven hundred dollars ($1,700.00) effective January 1, 2008; one thousand eight hundred dollars ($1,800.00) effective January 1, 2009; and one thousand nine hundred dollars ($1,900.00) effective January 1, 2010.

Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.
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13.7 Legal Defense Fund

The City shall contribute to Stockton Police Officers' Association not to exceed the amount of Two Dollars and No Cents ($2.00) per month per member for the purchase of legal defense insurance.

13.8 P.O.S.T. Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Human Resources Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.

13.9 Educational Incentive Pay

In accordance with the City Manager's Administrative Directive, HR-031 dated June 1, 1992, employees with degrees/diplomas above and beyond that which is required of their position shall be provided three percent (3%) of the top step of the position, effective January 1, 1994. Employees are limited to no more than three percent (3%) regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his or her diploma/degree, the three percent (3%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

Employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.
13.10 Longevity Increment Pay for Police Officer

The Longevity Increment shall be effective the first pay period following the anniversary date of hire of the employee as follows:

(a) The City will pay five percent (5%) of top salary step in rank for longevity, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department.

(b) The City will pay seven percent (7%) of top salary step in rank for longevity, upon completion of nine (9) continuous years of service as a public safety officer with the Stockton Police Department.

(c) The City will pay twelve percent (12%) of top salary step in rank for longevity, upon completion of twelve (12) continuous years of service as a public safety officer with the Stockton Police Department.

(d) The City will pay fourteen percent (14%) of top salary step in rank for longevity, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department.

(e) The City will pay nineteen percent (19%) of top salary step in rank for longevity, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous service shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

13.11 Longevity Increment Pay For Police Sergeant

The City will pay five percent (5%) of top salary step in rank for longevity, effective the first pay period following the anniversary date of completion of fifteen (15) continuous years of service with the Stockton Police Department and upon placement at step 8 of the Sergeant’s pay schedule.

13.12 Payment For Unused Sick Leave

Upon separation with ten (10) years or more of employment, or upon termination of employment by reason of death, service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current cash value.
13.13 Deferred Compensation

Each employee in this unit shall receive a City paid deferred compensation contribution. The City paid contribution shall be in addition to the employee's voluntary deferred compensation contributions. Participants shall receive this benefit during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

(a) Effective January 1, 1999, the City will provide, in addition to regular salary, a contribution of two percent (2%) of the employee's current base salary toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(b) Effective January 1, 2000, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) of the employee's current base salary for a total of three percent (3%) toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(c) Effective January 1, 2001, the City will reduce the deferred compensation contribution two percent (2%) of the employee's current base salary.

(d) Effective January 1, 2002, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of three percent (3%) toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(e) Effective January 1, 2003, the City will provide, in addition to regular salary, an additional contribution of one percent (1%) for a total of four percent (4%) toward the City's deferred compensation plan, to expand the employee's retirement benefit allowance.

(f) Effective July 1, 2007, the City's contribution to the Deferred Compensation Plan will be reduced from four percent (4.0%) to two percent (2.0%) of the unit member's base salary. (Refer to Section 14.4 C. 1. regarding City contributions to the Retiree Medical Trust.)

13.14 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.
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13.15 Motorcycle Officer Compensation

Employees assigned motorcycle responsibilities shall be paid a maximum of eight (8) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.

13.16 EOD Compensation

Effective July 1, 2005, the pay for unit members assigned to EOD shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.17 SWAT Compensation

Effective July 1, 2005, the pay for unit members assigned to SWAT shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.18 Field Training Officer Compensation

Effective July 1, 2005, the pay for unit members assigned to Field Training Officer shall be five percent (5.0%) of the top salary step of rank.

13.19 Equestrian Officer Compensation

Effective April 1, 2004, employees assigned to perform equestrian responsibilities shall be paid two-hundred dollars ($200.00) per month for food, routine veterinary care, and general maintenance costs of animal, and shall be paid ten (10) hours per month, at the rate of one and one-half (1-1/2) time, for time spent on off-duty time for the care, maintenance, and training of animal. The City shall assume all associated costs of up to five-thousand dollars ($5,000.00), if an animal suffers injury or death while on-duty and performing assigned duties.

13.20 Master Officer Program

Master Officer Program – Purpose, Pay, And Certification

Effective July 1, 2005, the City will implement a Master Officer Program. The purpose of the Master Officer Program is to provide additional career opportunities, and to provide the Department with officers that have a broader base of experience and skill sets. A Master Officer shall receive special departmental certificate of recognition in addition to the supplemental pay.

Master Officer Pay will be five percent (5.0%) of the top salary step of rank.
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Eligibility

To be eligible for Master Officer Certification, a unit member must meet the following minimum qualifications:

- At least 5 years of patrol work;
- Advanced POST Training Certificate;
- At least six (6) years of service in at least two (2) of the following specialties for a minimum period of 18-months each to the extent these specialties continue: Bicycle, Canine, CNT, CPO, DUI, EOD, FTO, GSET, Lodi One, PIO, Range master, SJRTD, SRO, STOP, SWAT, VCST, Traffic Unit, (Mobile Field Force effective July 1, 2006), and other full-time assignments approved in writing by the Chief of Police; except that service in Homicide, CASA, Narcotics, Vice, and Burglary shall count for all six (6) years of the requirement;
- The service in a specialty must be satisfactory as determined by the Chief; and a year of concurrent service in two (2) or more of the areas can only count as one (1) year of service.

Continuation Of Certification

Master Officer Certification is a privilege and distinction, not a right. Therefore, to continue Master Officer Certification, a unit member must maintain at least satisfactory departmental service as reflected in various performance evaluations, as finally approved by the Chief. Failure to maintain at least satisfactory status will automatically result in the loss of the Master Officer Certification.

13.21 Bilingual Pay

Effective July 1, 2005, the pay for qualified and approved bilingual skill will be two and one-half percent (2.5%) of the top salary step of rank.

To be eligible for this differential pay, an officer must be certified to meet the functional needs of the Department. The Chief of Police has the sole discretion in determining the number of officers needed for bilingual services, the languages that will be recognized, and the functional language skills needed for the Department.

13.22 Acting Pay

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position shall
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receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.
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SECTION 14. INSURANCE PLANS

14.1 Health Insurance and Related Benefits for Active Employees

A. The City will provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits. Effective upon agreement, the City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. Effective November 1, 1993, the medical plan for active employees is the City's Modified Employee Medical Plan ("Plan") which is summarized on Appendix B attached hereto.

The Plan utilizes a Preferred Provider Organization ("PPO") network for hospitals, physicians, laboratories, and other medical providers; the PPO network for the City shall be Blue Cross (Prudent Buyer).

Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.

Effective January 1, 1993, the City will also provide for hospitalization, medical, dental/orthodontic, prescription and vision benefits to the surviving spouse and children of an officer killed in the line of duty. These benefits shall discontinue upon the remarriage of the officer's surviving spouse. This medical coverage shall be secondary at age sixty-five (65).

B. Medical Insurance Effective January 1, 2006

Effective January 1, 2006, and each year of this Agreement, the City shall contribute eighty percent (80%) of any increase associated with the monthly health insurance premium (hospitalization, medical, dental, prescription and vision). The unit member shall contribute the remaining twenty percent (20%) of the monthly premiums increase, up to a maximum of one percent (1.0%) of top salary step for Police Officer.

C. Dental

The City shall pay the annual dental maximum benefit of one thousand four hundred dollars ($1,400.00).

Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.
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D. Orthodontic

The City shall pay the orthodontic lifetime maximum benefit of two thousand dollars ($2,000.00).

E. If it is the decision of the Union to select other than the present carrier(s) for any of the above benefits, the City shall continue its contribution amount limited to and not to exceed that for its current designated plan. Insured retirees shall be assigned to the carrier(s) selected. The retirees will move to the Modified Employee Medical Plan, effective July 1, 1994.

14.2 Retiree Medical Benefit Allowance For Unit Members Employed Before July 1, 2007

A. Eligibility For Retiree Medical Benefit Allowance Until Age 65

Subject to the provisions of this Section, effective April 1, 1983, the City shall pay a premium for the purpose of providing hospital-medical and prescription benefits under the City’s insurance plans for each City employee employed before July 1, 2007, who has retired. Such coverage shall include one (1) eligible dependent and the following provisions shall apply:

1. Normal Service Retirement. Eligibility for the allowance provided by this Section is limited to employees employed before July 1, 2007, who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65) or at the age when eligible for Medicare, whichever occurs later.

2. Disability Retirement. Eligibility for the allowance provided by this Section is limited to employees employed before July 1, 2007, who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

B. Supplemental Retiree Medical Benefit Allowance And Coordination With Medicare After Age 65

An employee retiring on or after August 1, 1998, and eligible for a retiree medical insurance allowance as provided in this section, shall continue to be eligible to participate in the City’s medical plan for retired employee and one (1) eligible dependent when both persons reach age sixty-five (65) or at the age when eligible for Medicare, whichever occurs later. The City’s retiree medical insurance plan shall be supplemental and secondary to Medicare medical coverage or any other medical benefit coverage available to the retired employee and eligible dependent.
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Each retired employee and each spouse are required by the City to apply for Medicare Part A and Part B coverage and to accept Medicare coverage if eligible, upon reaching age sixty-five (65) or the age of eligibility for Medicare, whichever occurs later. Those retiring after July 1, 2006, who must pay a premium to Medicare in order to obtain Part A coverage, will be reimbursed by the City for their Medicare Part A premium. The City’s medical coverage shall continue on a coordinated basis with the City as a secondary payer after Medicare pays as the primary provider.

There may be occasions when paying the premium cost for Medicare Part A may not be in the City’s best interest or the retiree may not be eligible. If such circumstances exist, the City’s supplemental medical plan would then be the primary coverage plan.

The City reserves the right to terminate reimbursement payments for Part A Medicare coverage, in which event the retiree will receive the City’s modified medical plan as the primary health coverage, with the premiums for such coverage to be paid by the City. The coverage provided pursuant to this section shall apply to the retiree and his/her spouse.

C. Major Medical Deductible

Effective July 1, 1994, the major medical deductible will be one hundred and fifty dollars ($150.00) per person per calendar year.

D. Amount Of Retiree Medical Benefit Allowance For Unit Members Employed Before July 1, 2007, And Who Retire Before July 1, 2012

The amount of the retiree medical insurance allowance for unit members employed before July 1, 2007, and who retire before July 1, 2012, shall consist of the full entitlement under the above Sections 14.2 (A) and (B).

E. Limit On City’s Retiree Medical Benefit Allowance For Unit Members Employed Before July 1, 2007, Who Retire After June 30, 2012, And Subsidy Of Premiums From Trust

1. Limit On City’s Allowance After June 30, 2012

Unit members employed before July 1, 2007, and who retire after June 30, 2012, will receive from the City a retiree medical insurance allowance limited to the cost of the medical insurance premium as of June 30, 2012.

Notwithstanding the expiration date of June 30, 2010 for this Agreement, the parties agree that the City’s contribution for
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healthcare premiums shall be capped effective July 1, 2012, and shall not increase. Any cost increase in healthcare premiums effective July 1, 2012, shall be the responsibility of the member and/or retiree electing healthcare coverage through the City.

2. **Premium Subsidy**

   However, those individuals employed before July 1, 2007, who retire after June 30, 2012, will be eligible for retiree medical insurance premium subsidies payable to the City's health plan from the Retiree Medical Trust Fund, as set forth below in subsection 14.4.

14.3 **Defined Contribution For Retiree Medical For Unit Members Hired On Or After July 1, 2007**

   For unit members hired on or after July 1, 2007, the City will establish a defined contribution for retiree medical that operates through a Retiree Medical Trust ("Trust").

   This defined contribution will consist of an employee contribution of three (3.0%) percent of the base salary, and a City contribution of two (2.0%) percent of base salary. The contributions will be paid into the Retiree Medical Trust. Provisions for the distributions of premium subsidies from the Trust are contained in Section 14.4.

   These unit members will not be eligible for either the regular Retiree Medical Allowance (to age 65) or the Supplemental Allowance (after age 65) as set forth in Section 14.2 of this Agreement.

14.4 **Retiree Medical Trust**

   **A. Establishment Of Retiree Medical Trust**

   As soon as practicable, the City will establish a Retiree Medical Trust ("Trust") that will be governed by Trustees selected by the unit members and the City for purposes of receiving employee and City contributions, and for paying a monthly distribution to the City's health plan to subsidize premiums on behalf of eligible retirees retiring after June 30, 2012.

   **B. Tax Issues**

   The City will seek an IRS ruling so that employee and City contributions will be pre-tax, including the contribution of employee accrued sick leave pay-off. The City will also seek tax-exempt status for the Trust's earnings and the benefits paid from the Trust.
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C. Required Contributions To The Retiree Medical Trust

1. Contributions To The Trust For Unit Members Hired Before July 1, 2007, Regardless Of Retirement Date

For purpose of this section, "base salary" as defined in this paragraph shall refer to the top salary step for a Police Officer.

Effective with the first pay period for July 2007, or as soon thereafter upon establishment of the Trust, the City will contribute two percent (2.0%) of the June 30, 2007 base salary, or $108.37, into the Trust for each unit member hired prior to July 1, 2007, and the employee shall contribute an additional one percent (1.0%) of the June 30, 2007 base salary, or $54.19, for a total City and employee contribution of three percent (3.0%) into the Trust, with an increase each fiscal year based on the May Consumer Price Index ("CPI") for Urban Wage Earners' and Clerical Workers' U.S. City Average. The CPI shall be a minimum of two and one-half percent (2.5%); and a maximum of six percent (6.0%).

(Refer to changes made in Section 13.13 "Deferred Compensation" regarding the reduction of the City's contribution by two percent (2.0%).)

2. Contributions To The Trust For Unit Members Hired On Or After July 1, 2007

For purpose of this section, "base salary" as defined in this paragraph shall refer to the top salary step for a Police Officer.

As required by Section 14.3 and effective with the first pay period for July 2007, or as soon thereafter upon establishment of the Trust, the City will contribute two percent (2.0%) of the June 30, 2007 base salary, or $108.37, into the Trust for each unit member hired on or after July 1, 2007, and the employee shall contribute an additional three percent (3.0%) of the June 30, 2007 base salary, or $162.56, for a total City and employee contribution of five percent (5.0%) into the Trust, with an increase each fiscal year based on the May Consumer Price Index ("CPI") for Urban Wage Earners' and Clerical Workers' U.S. City Average. The CPI shall be a minimum of two and one-half percent (2.5%); and a maximum of six percent (6.0%).
D. Distributions From The Trust To Subsidize Retiree Medical Benefit Premiums

Beginning July 1, 2012, the Trust will make monthly distributions payable to the City’s health plan on behalf of eligible retirees to subsidize the retiree premiums for City medical insurance.


For unit members hired before July 1, 2007, who retire after June 30, 2012, the amount of any distribution will be determined solely by the amount of the funds available to actuarially support the distribution, and maintain an actuarially sound fund balance. This distribution will vary to some extent with each retiree depending on:

- the time of retirement;
- the amount of the individual’s contributions to the Trust; and
- the funds’ actuarial status.

The Board of Trustees will establish the amount of the monthly distribution that will be expressed as a percentage of the individual retiree’s premium cost above the City’s base payment. The Board’s goal will be to keep those percentages within a ten percent (10%) range of each other.

For example, suppose in 2015 that the total premium cost is $1,500 per month and the City’s base payment is $1,000 of that total, and the monthly distribution to individual retiree A is $250; then the Trust’s distribution percentage is 50% of A’s premium cost above the City’s base. ($250 is 50% of the difference between the $1500 and the $1,000.) Suppose also that retiree B’s monthly distribution from the Trust is $225, or 45% of B’s premium cost above the City’s base. ($225 is 45% of the difference between $1,500 and $1,000.) The Trust’s distributions to A and B are within the 10% band of each other when reduced to percentages (B’s 45% is within a 10% range of A’s 50%).

2. Distribution For Unit Members Hired After July 1, 2007

For unit members hired after July 1, 2007, the amount of any distribution will depend entirely on the amount of the employee and City contributions.
E. **Non-Vesting**

The amount of the distribution is not a vested right under any circumstances. A distribution level may be reduced, discontinued, or interrupted by the Board of Trustees upon determination of insufficient funds to support the current level of distributions. Under no circumstances may the Trust reduce the distribution below a monthly amount that can be supported actuarially by the employee’s mandatory contributions.

F. **Eligibility For Trust Distributions**

Unit members hired before July 1, 2007, who retire before July 1, 2012, are not eligible for distributions from the Retiree Medical Trust.

To be eligible for any monthly distribution from the employer’s contribution to the Trust, a unit member must have retired after June 30, 2012, must have made contributions to the Trust while employed. In addition, for those employed after July 1, 2007, eligibility shall include at least fifteen (15) consecutive years of City service, which includes time credited under City reemployment rights.

Upon leaving the service of the City without satisfying these criteria, the unit member will be eligible to receive in benefit only the amount of his or her employee contributions to the Trust plus interest, as reasonably calculated by the Trustees, toward reimbursement of premiums.

G. **Trust Structure And Governance**

There shall be eight (8) voting Trustees, four (4) elected by participating labor organizations and four (4) selected by participating employers, as follows:

1. The labor Trustees shall include three (3) elected by participating employees and one (1) designated by the Stockton Police Officers’ Association.

2. The employer Trustees shall include the Director of Human Resources and the Chief Financial Officer of the City of Stockton, and two appointed by the City Manager of the City of Stockton, at least one (1) of whom shall be an employee of the City of Stockton. The City Manager shall have the power to relinquish two (2) Trustee positions to other participating employers, by giving notice in writing to the Trustees.

The Board of Trustees will be responsible for all issues of governance including plan design within parameters established by this MOU, the
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selection of the professional investment manager and other professional services, and the selection of investment vehicles. The Trustees shall manage the Trust for the exclusive benefit of the participating employees and retirees.

14.5 Life Insurance

Effective January 1, 2000, the City shall provide each employee group term life insurance coverage equal to their annual salary rounded to the nearest one thousand dollars ($1,000.00).

14.6 Long Term Disability Insurance

Effective January 1, 1999, the City shall contribute to the Association the amount of twenty dollars ($20.00) per month per employee for the purpose of purchasing a Preferred Long Term Disability Program selected by the Association in lieu of providing long term disability coverage through the City’s Long Term Disability Program.

The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.

Effective January 1, 1999, the amount of twenty dollars ($20.00) shall be converted to base pay for all represented employees as best fitted to the City’s Salary Schedule Matrix.
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SECTION 15. SALARY PLAN

15.1 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, which are attached hereto and made a part hereof. The rates of pay set forth in the Appendix A, represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary step for a new employee entering the classified service shall be the minimum salary step for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary, which is more than the minimum salary step for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgment of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.4 Effective July 1, 2005 – Salary Step Plan – Police Officers Appointed On Or After January 1, 1999

There shall be nine (9) salary steps for the classification of Police Officer. There shall be six (6) salary steps for the classification of Police Sergeant.

In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first salary step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time persons.

The first salary step shall be the minimum salary rate and shall be the normal hiring rate for the classification of Non-Sworn Police Officer Trainee.

The second salary step shall be paid upon the Trainee's passing all the requirement of the Basic Officer Academy and the transfer to Sworn Officer status.
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The third salary step shall be paid upon the employee's satisfactory completion of six (6) months service at the second salary step and upon the written recommendation of the department head.

The fourth salary step shall be paid upon the employee's satisfactory completion of six (6) months service at the third salary step and upon the written recommendation of the department head.

The fifth salary step shall be paid upon the employee's satisfactory completion of six (6) months service at the fourth salary step and upon the recommendation of the department head.

The sixth salary step shall be paid upon the employee's satisfactory completion of one (1) year of service at the fifth salary step and upon the recommendation of the department head.

The seventh salary step shall be paid upon the employee's satisfactory completion of one (1) year of service at the sixth salary step and upon the recommendation of the department head.

The eighth salary step shall be paid upon the employee's satisfactory completion of one (1) year of service at the seventh salary step and upon the recommendation of the department head.

The ninth salary step shall be paid upon the employee's satisfactory completion of six (6) months of service at the eighth salary step and upon the recommendation of the department head.

Regardless of an employee's length of service, salary step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

If a department head recommends to withhold salary increases from salary steps two (2) through nine (9) because an employee has not achieved the level of performance required to the position, the recommendation of notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.
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Changes in an employee’s salary because of promotion, demotion, postponement of salary step increase or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 **Salary Step Plan – Non-Sworn Police Officer Trainee Status**

An employee with only the status of Non-Sworn Police Officer Trainee shall be paid at Step 1 of the salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 2 of the salary range of Police Officer. The Trainee shall not qualify for Safety status while in the Academy.

15.6 **Salary Step After Military Leave**

All employees who have been granted a military leave shall, upon their return to the City service, are entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.7 **Salary Step When Salary Range Is Increased**

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee’s step held in the previous range, unless otherwise specifically provided by the City Manager.

15.8 **Salary Step After Promotion or Demotion**

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee’s compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.
15.9 Salary On Reinstatement

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.

15.10 Market Salary Survey

The City and the Association agree to conduct a joint “total compensation” survey of six (6) agencies above and six (6) agencies below the population of the City of Stockton, as determined by the most updated publication of the U.S. Bureau of the Census or a State of California Department of Finance publication, whichever is most current. The purpose of the survey shall be to determine the City’s position among the agencies surveyed and enable the City to make such adjustments as may be necessary to bring the City to a position at the bottom of the top one-third (1/3) of agencies surveyed.

The first survey shall be applied January 1, 2006, as set forth in Appendix A. The second survey will be applied in conjunction with the July 1, 2008, salary adjustment listed in Appendix A.

The City and the Association agree to begin the joint total compensation survey on October 1, 2005, for the adjustment to be made effective January 1, 2006, and May 1, 2008, for the adjustment to be made effective July 1, 2008.

For purposes of the survey, “total compensation” shall consist of the top step of base salary for the position of Police Officer, plus the dollar equivalent value of the following benefits: City-paid employer and employee P.E.R.S. contributions; City-paid deferred compensation contributions; City-paid contributions to retiree medical for other than the pay-as-you go amount for current retiree (beginning with 2008 study); the City cost to provide the City health (employee + family coverage), dental, vision, life insurance, long-term disability; City-paid uniform allowance, P.O.S.T. intermediate certificates, holidays, vacation, sick leave, educational incentive pay, longevity pay at sixth year of service, and any other specialty pay affecting 50% of the unit members. To the extent possible, comparisons with the surveyed agencies shall be made between like positions and benefits.

Application Method For Market Salary Survey July 1, 2008

Examples of how this provision shall be applied on July 1, 2008, is as follows: If the total compensation survey conducted in 2008 indicates that as of July 1, 2008, it would take an increase of five percent (5.0%) to bring total compensation (as defined in this section) to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association’s members would receive on July 1, 2008, a two
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

and one-half percent (2.5%) increase as set forth in Appendix A based on the CPI percentage, plus an additional two and one-half percent (2.5%) increase as a result of this section. If, on the other hand, the total compensation survey conducted in 2008 indicates that as of July 1, 2008, it would take an increase of two percent (2.0%) to bring the total compensation figure to a position at the bottom of the top one-third (1/3) of the surveyed agencies, the Association’s members would receive on July 1, 2008, a two and one-half percent (2.5%) increase as set forth in Appendix A based on the CPI percentage, but no additional increase as a result of this section.

All Market Salary Survey adjustments shall be calculated to the nearest one-tenth of one percent, and shall be made at the first step of the salary range for each classification covered by this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 16. RESIDENCY

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

SECTION 17. SEVERABILITY OF PROVISIONS

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 18. PAST PRACTICES AND EXISTING MEMORANDA OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

SECTION 19. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

SECTION 20. DURATION

All provisions of this Memorandum of Understanding shall be effective July 1, 2005, and shall remain in full force and effect to and including the 30th day of June, 2010 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2010, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 21. MAINTENANCE OF OPERATIONS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 22. CITY RIGHTS

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities; to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

(d) In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

SECTION 23. CONCLUSIVENESS

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolution shall be amended to conform to the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the City and the Association in a written and signed amendment to this Agreement.
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

APPENDIX “A”

SALARY ADJUSTMENT FOR CALENDAR YEAR 2006

(See Section 15.10 – Market Salary Survey – January 1, 2006)

SALARY ADJUSTMENTS FOR FISCAL YEARS 2007, 2008, and 2009

Effective July 1, 2007, July 1, 2008, and July 1, 2009, the Salary Schedule shall provide salary rates according to the following formula:

Salary adjustments effective July 1, 2007, July 1, 2008, and July 1, 2009, shall be equal to the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W), for 12-month period preceding the May Index of each fiscal year. The salary adjustments shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6.0%). (For example, CPI-W of nine percent (9.0%) would result in a six percent (6.0%) adjustment, and a CPI-W of two percent (2.0%) would result in a two and one-half (2.5%) adjustment.)
**APPENDIX “B”**

**CITY OF STOCKTON**

**MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)**

<table>
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<tr>
<th>Deductible</th>
<th>Plan Pays This Portion of Allowed Rate If Member Providers Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,000,000 Lifetime Maximum</td>
<td>$150.00 per person, per year (maximum 3 per family)</td>
</tr>
<tr>
<td>RX</td>
<td>100% After $3 Generic / $8 Brand name, employee co-pay for up to 60 day supply of prescription drugs &amp; insulin. No vitamins. (Note: Does not apply to deductible or max out-of-pocket).</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>100% Semi-private room rate. Pre-admit certification req’d, if non-emergency. Concurrent utilization review req’d. If non-member hospital used in area where member hospitals are available (70%).</td>
</tr>
<tr>
<td>Surgeon/Anesthesiologist</td>
<td>100%</td>
</tr>
<tr>
<td>Outpatient Surgery</td>
<td>100%</td>
</tr>
<tr>
<td>Outpatient Lab/X-ray</td>
<td>100% Includes Preventive care: pap, mammo, prostate - frequency by age guidelines.</td>
</tr>
<tr>
<td>OB Maternity</td>
<td>100% Normal or C-Section for employee or spouse.</td>
</tr>
<tr>
<td>Home Health Care and Hospice</td>
<td>100% Subject to Utilization Review and Case Management.</td>
</tr>
<tr>
<td>Radiation/Chemotherapy/ Dialysis</td>
<td>100%</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>100% 1st treatment of accident injury within 72 hours, if health endangering, or life threatening acute illness. Otherwise 50%</td>
</tr>
<tr>
<td>ER Physician</td>
<td>100% For surgery or for other approved emergency services. (Non-emergency illness 50%)</td>
</tr>
<tr>
<td>Ambulance</td>
<td>80% Ground or Air</td>
</tr>
<tr>
<td>Preventative Care</td>
<td>80% Well baby care first 2 yrs. Frequency by pediatric guidelines. Immunizations for children and adults. (Except for travel inoculations)</td>
</tr>
<tr>
<td>Physicians Office Visits</td>
<td>80% When ill.</td>
</tr>
<tr>
<td>Chiropractic Visits</td>
<td>80% Of allowable amounts. Subject to utilization review.</td>
</tr>
<tr>
<td>Other Covered Services</td>
<td>80%</td>
</tr>
<tr>
<td>Outpatient Psychotherapy</td>
<td>80% First 5 visits per year 60%, next 10 visits per year. (Maximum 15 visits per year. Does not apply to max out-of-pocket.) Must initiate thru the City’s E.A.P. Program.</td>
</tr>
<tr>
<td>Inpatient Psychiatric</td>
<td>80%</td>
</tr>
<tr>
<td>Alcohol and Drug Counseling/Detox/Treatment</td>
<td>80% To maximum $2,000 Lifetime. For alcohol &amp; drug counseling/detox/treatment. Must initiate thru the City’s E.A.P. Program. For active only, not retirees.</td>
</tr>
</tbody>
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**EMPLOYEE MAXIMUM OUT-OF-POCKET:** After the employee pays $1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

Revised 11/30/04
LHOTTEN

CITY OF STOCKTON
SPOA
CITY
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 27th day of June, 2007

STOCKTON POLICE OFFICERS' ASSOCIATION

DAVID REEDER, President

GORDON GRAY, Vice-President

DAVID H. SWIM, D.P.A.
Labor Consultant for Stockton Police Officers' Association

CITY OF STOCKTON, a municipal corporation

J. GORDON PALMER, JR.,
City Manager

CHRISTINE TIEN, Deputy City Manager

DIANNA R. GARCIA, Director of Human Resources

DI SMITH, Deputy Director of Human Resources

APPROVED AS TO FORM:
RICHARD E. NOSKY, JR., City Attorney

MICHON JOHNSON
Deputy City Attorney
MEMORANDUM OF UNDERSTANDING (POLICE UNIT)

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CITY OF STOCKTON

SPOA

CITY
# Memorandum of Understanding (Police Unit)

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December 11, 2012

TO: Mayor and City Council

FROM: Teresia Haase, Director of Human Resources

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS’ ASSOCIATION

RECOMMENDATION

It is recommended that the City Council adopt by motion the attached Memorandum of Understanding, effective July 1, 2012, through June 30, 2014, regarding salary, benefits and other terms and conditions of employment for the members of the Stockton Police Officers’ Association (SPOA). This Memorandum of Understanding (MOU) shall supersede all previous Memoranda of Understanding, as well as those portions of the Pendency Plan adopted on June 26, 2012 that impact the treatment of SPOA. City Council shall authorize the City Manager to execute this MOU between the City of Stockton and SPOA. It is further recommended that this action authorize the City Manager to take whatever actions are appropriate to carry out the implementation of this MOU. This MOU also resolves various legal actions between the parties, as well as the treatment in the City’s chapter 9 case of the claims against the City held by SPOA and its members.

Summary

Representatives of the City have met and conferred with representatives of the Stockton Police Officers’ Association on a new Memorandum of Understanding that is to be effective from July 1, 2012, and has a term of two years, expiring June 30, 2014. This MOU includes proposed reductions in compensation and benefits due to the City of Stockton’s fiscal shortfalls that resulted in the chapter 9 bankruptcy filing. This MOU supersedes the previously adopted Memorandum of Understanding and the Pendency Plan adopted by the Council on June 26, 2012. It also supersedes all previous side letters and resolutions not included in this MOU.

DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years. In 2010, unable to reach an agreement with the SPOA on concessions, the City declared a fiscal emergency and temporarily imposed changes in compensation and staffing. In 2011, the SPOA was imposed with additional compensation changes due to the continued fiscal emergency. The City and representatives of this unit participated in the AB 506 mediation process.
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND 
THE STOCKTON POLICE OFFICERS' ASSOCIATION

9. Changes in sick leave accruals and elimination of cash value of unused sick 
leave;
10. Elimination or reduction to the payout of unused sick leave upon separation;
11. Allows management flexibility to require doctor certification for sick leave 
occurrences;
12. Holiday leave benefit changes such as elimination of employee's birthday, and 
limits the value of holidays to 8 hours for all employee work schedules;
13. Reduction of benefit value of City paid Life insurance to $50,000;
14. Base pay reduction and monthly stipend issuance each month for the purpose of 
the association purchasing their own preferred Long Term Disability Insurance;
15. Various changes to standby pay, call back pay and overtime paid to employees, 
including changing the calculation of overtime eligibility to Federal Fair Labor 
Standards Act (FLSA) minimum standards;
16. Elimination of dual coverage in City medical plans for employees and retirees, 
and other medical plan changes in retiree plans;
17. Reduction and then elimination of City paid retiree medical benefits for existing 
employees over the FY 2012/2013;
18. Choice of health plans to members, including Kaiser HMO as soon as 
administratively possible;
19. Elimination of Retiree Medical Trust Plan and City contribution which applies to 
some employees in this unit;
20. Layoff and Reemployment Procedure updates;
21. Changes to City procedures for managing workers compensation claims in 
accordance with state regulations; and
22. Special leave time bank allowance of 22 hours in FY 2012/13 and 22 hours over 
the period FY 2013/14 through 2014/15 (44 hours total) for consideration of 
SPOA releasing City of all claims, including but not limited to bankruptcy claims 
in the amount of approximately $13 Million.

FINANCIAL SUMMARY

Since the 2010 and subsequent Declarations of Fiscal Emergency, savings resulting 
from the temporarily imposed compensation and benefit changes have totaled 
approximately $10.4 Million, of which approximately $8.8 Million was General Fund 
savings. The Pendency Plan continued these savings through Fiscal Year 12-13 and 
imposed compensation reductions in pay and other miscellaneous benefits that resulted 
in additional savings and avoidance of future costs. The proposed MOU makes 
permanent the majority of reductions imposed by the Pendency Plan.

To reach mutual agreement between the parties some elements of the Pendency Plan 
have been modified by this MOU. Longevity pay grandfathering for existing employees 
was included in the Pendency Plan. These grandfathered benefits were to be
MEMORANDUM OF UNDERSTANDING BETWEEN THE STOCKTON POLICE OFFICERS ASSOCIATION AND CITY OF STOCKTON

TERM: July 1, 2012 – June 30, 2014
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2014

This agreement (the “Agreement” or “MOU”) is made and entered into as of January __, 2013 by and among the City of Stockton, California (the "City" or "Stockton") and the Stockton Police Officers Association (“SPOA”), sometimes collectively referred to as the “Parties.”

INTRODUCTION

A. The Parties have been in negotiation over the terms of a successor to the parties’ prior MOU that expired June 30, 2012 as well as the treatment of the claims of members of the SPOA in bankruptcy that arose as a result of the City’s imposition of compensation reductions during the term of the prior MOU.

B. Beginning on March 27, 2012, the City commenced the “AB 506 process” in order to avoid and, if necessary, to qualify for, a chapter 9 bankruptcy filing. The initial phase of the AB 506 process lasted 60 days, as mandated by statute. Cal. Gov’t Code § 53760.3(r). Upon the agreement of the majority of the City’s creditors who participated, the AB 506 mediation process was extended by an additional 30 days. Cal. Gov’t Code § 53760.3(r). Despite good faith efforts by the City and the interested parties, when the AB 506 process concluded on June 25, 2012, the City had not "resolved all pending disputes with creditors." Cal. Gov’t Code § 53760.3.

C. During the AB 506 process, the City presented to all the interested parties a 790-page “ask” (“Ask”), which contained specific proposals relating to each participant as well as to other creditors that chose not to participate. The Ask was similar to a plan of adjustment in that it disclosed to all creditors how the City viewed the claims of each and the likely resolution of such claims in a proposed bankruptcy plan of adjustment. Although no settlement was reached, the AB 506 process used the Ask as a baseline for negotiations, and the Ask functioned in part as a de facto draft plan of adjustment that described to all major creditors the treatment of the individual claims.

D. On June 26, 2012, the City Council adopted a “Pendency Plan” budget (“Pendency Plan”), which was based upon the detailed provisions of the Ask.

E. The City filed a chapter 9 bankruptcy petition on June 28, 2012. By order dated July 11, 2012, the Bankruptcy Court appointed the Honorable Judge Elizabeth Perris (“Judge Perris”) to serve as judicial mediator in the chapter 9 case. The Parties conducted four days of mediation with Judge Perris, ending on November 2, 2012. The Parties used the Pendency Plan as a starting point for negotiations to create a new 2012-2014 Memorandum of Understanding. During this successful mediation process, the Parties continued earlier extensive efforts at settling disputes between them, both in the AB 506 process, and in extensive parallel negotiations relating to the SPOA’s
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
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SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
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2.2 Use of City Facilities

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his/her designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the Police Chief and when made shall continue until revoked by the Chief.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 Attendance at Meetings by Employees/Association Release Time

Release Time Related to Meet and Confer. City employees who are official representatives of the Association shall be given reasonable time off with pay, in accordance with MMBA, to attend meetings with City management representatives, or be present at administrative hearings where matters within the scope of representation or grievances related to this unit are being considered.

The use of release time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for release time related to meeting with City management on meet and confer and grievance matters shall not exceed five (5), except by mutual agreement.
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SECTION 4. PROBATIONARY PERIOD

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his/her position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

1. Administrative Services
2. City Attorney
3. City Auditor
4. City Clerk
5. City Manager
6. Community Development
7. Fire
8. Housing and Redevelopment
9. Human Resources
10. Library Services
11. Municipal Utilities
12. Parks and Recreation
13. Police
14. Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:

a. Extra help or seasonal
c. Temporary
SECTION 6. REEMPLOYMENT/REINSTATMENT

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his/her position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment consistent with Civil Service Rule VII Certification and Appointment pertaining to Police safety positions, currently in effect.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last-laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement on a Reemployment List

A permanent employee who has resigned in good standing may, with the recommendation of the Police Chief, the City Manager, and the approval of the Civil Service Commission, be restored to a reemployment list of the same classification upon as held upon resignation within a period of one (1) year from the effective date of his/her resignation.
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SECTION 8. GRIEVANCE PROCEDURES

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Human Resources Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he/she has a grievance may discuss his complaint with such management official in the department in which he/she works as the department head may designate. If the issue is not resolved within the department within seven (7) business days from the day of presentation, or if the employee elects to submit his/her grievance directly to the Association recognized as the representative of his/her classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. Any employee or any official of the Association may notify the Director of Human Resources in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have fourteen (14) business days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and
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Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from the arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed, except in cases where the City determines that the basis of the compensation issue was a result of a clerical error, the adjustment shall be no more than three hundred and sixty-five (365) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself/herself of such option.

CITY OF STOCKTON
SECTION 9. LEAVES

9.1 Sick Leave

(a) Accrual. All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of eight (8) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leave of absence without pay granted to the employee.

(b) Usage. Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him/her from performing his/her duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) Usage for Family. Employees may utilize fifty percent (50%) of their annual accrued sick leave to attend to cases of illness or injury in the employee's immediate family.

For the purposes of this section immediate family is defined as the employee's parents, spouse, registered domestic partner, child (child as defined as biological, step, foster or adopted child; a legal ward; child of domestic partner; a child to whom the employee stands in loco parentis); legal dependent, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.

Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on
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(1) Separation prior to July 1, 2014, no payment of unused sick leave at
separation shall occur for separating employees before this date;

(2) Separation between July 1, 2014 and June 30, 2015, payment of
unused sick leave which the employee held on 2/16/12 shall be paid at
35% of its cash value to separating employees between these dates;
and

(3) Separation after July 1, 2015, payment of unused sick leave which the
employee held on 2/16/12 shall be paid at 50% of its cash value to
separating employees after this date.

(4) Service credit for unused sick leave shall be in accordance with PERS
regulations.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia
or a member of the Reserve Corps or force of the Federal Military, Naval, or
Marine service and is ordered to duty shall be granted leave with pay while
engaged therein, provided the leave does not exceed thirty (30) days in any
calendar year.

All regular employees in the service of the City shall be allowed leave of absence
without pay for the duration of a national emergency who have been inducted
into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military
Service of the United States or the State of California. Said employees shall be
reinstated in the position they held when they were inducted into Military Service,
except as hereinafter stated, providing they are physically fit as shown by a
medical examination by the City Physician or other physician appointed to make
a medical examination.

In the case of a probationary employee having served his minimum probationary
period of eighteen (18) months at the time of induction, it shall be optional with
the department head and the City Manager to grant regular status to said
employee before induction.

All probationary employees inducted into Military Service not having served the
minimum probationary period of eighteen (18) months, or having served the
minimum probationary period of eighteen (18) months, but not having received
regular status shall be allowed leave of absence without pay for the duration of a
national emergency, but said employees shall be placed at the head of the
eligible list for such position in the order of their seniority of employment and
when appointed to a vacant position, they must be physically fit as above
In the event of a death in the immediate family of an employee, the employee shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, registered domestic partner, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 Workers Compensation Leave

Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness requiring medical care is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

9.6 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.
9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for
duty or failure to report for duty after a leave of absence request has been
disapproved revoked or canceled by the department head or City Manager
or at the expiration of a leave, shall be considered an absence without
leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent
without leave for two (2) or more consecutive days or absent an aggregate
of either sixteen (16) hours or twenty (20) hours in any calendar month
without a satisfactory explanation shall be deemed to have voluntarily re-
signed from the City of Stockton except if the absence is due to a verified
illness or injury.

9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional,
temporary and part-time employees shall accrue vacation leave with pay
semi-monthly in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Continuous Employment</th>
<th>Hours/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1-1/2 years</td>
<td>80</td>
</tr>
<tr>
<td>After 1-1/2 years to 7 1/2 years</td>
<td>108</td>
</tr>
<tr>
<td>After 7-1/2 years to 15 years</td>
<td>144</td>
</tr>
<tr>
<td>After 15 years to 25 years</td>
<td>189</td>
</tr>
</tbody>
</table>

Seven (7) additional hours hence for each completed year of service in
excess of twenty-five (25) years.

(b) Vacation Accumulation. Effective July 1, 2012, the following maximum
vacation accruals shall take effect. Employees reaching the maximum
hours provided here shall stop accruing additional vacation hours until
they are below the caps listed here. No vacation hours may be added to
sick leave balances without exception.

Employees who, on July 1, 2012, have vacation balances that exceed
their maximum shall have until June 30, 2013 to use sufficient vacation
satisfy the maximum allowed. If an employee does not satisfy the
maximum by June 30, 2013, he/she shall retain his/her existing earned
vacation, but shall not earn any additional vacation until the employee’s
(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.
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2013, sixty two (62) furlough hours per fiscal will be placed in a furlough bank. There shall be no cash value provided for any furlough hours since the start of the furlough program in 2009 and all furlough bank hours shall be used in accordance with 10.4 d below.

(d) Use of Furlough Hours. All furlough leave shall be scheduled in advance with the employee's supervisor. All Furlough must be scheduled and used prior to the date of separation in accordance to City's leave policies.
remain on standby, one (1) additional hour at the regular rate of pay for the additional four (4) hours of standby for the p.m.

11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), if eligible for overtime as defined in Section 11.2, above, whichever is greater.

11.5 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

11.6 Standby Compensation
12.1 **Holiday Compensation**

(a) All regular and probationary Police Unit employees shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed.

(b) Police Unit employees required to work a holiday shall be compensated an additional day's pay at one and one-half (1-1/2) times the straight time rate. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point. Police Unit employees requesting payment for compensatory time shall, prior to July 1, each year, declare on a form provided by the City their intention to receive equivalent compensatory time for holidays which they may have to work.

12.2 **Holidays Observed by the City**

Employees shall receive the following holidays on full pay not to exceed eight (8) hours for any one (1) holiday, unless otherwise provided in this section.

(1) New Years Day ..................................................(January 1)
(2) Martin Luther King's Birthday .................................. (Third Monday in January)
(3) Lincoln's Birthday ............................................ (Second Monday in February)
(4) Washington's Birthday ....................................... (Third Monday in February)
(5) Cesar Chavez' Day ............................................. (March 31)
(6) Memorial Day .................................................. (Last Monday in May)
(7) Independence Day ............................................... (July 4)
(8) Labor Day ....................................................... (First Monday in September)
(9) Columbus Day .................................................. (Second Monday in October)
(10) Veteran's Day ................................................... (November 11)
(11) Thanksgiving .................................................. (Fourth Thursday in November)
(12) Day following Thanksgiving ................................ (Fourth Friday in November)
(13) Christmas Day ................................................. (December 25)

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
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SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City contributes an amount equal to nine percent (9%) of the employee's current base salary and other compensation as qualified by State law toward P.E.R.S. benefits. Such amounts will be applied to the employee's individual account in accordance with Government Code Section 20691.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee's last year of employment, such employee shall pay their employees' nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee's base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Legacy employees hired on or before December 31, 2012 shall pay nine (9%) of the employee's current base salary (employee contribution) and other compensation as qualified by state law towards the Public Employees' Retirement System (PERS) towards the employee's share of cost for PERS pension. Such amounts will be applied to the employee's individual account in accordance with Government Code section 20691.

(d) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The employee shall contribute seven percent (7%) of the employee's current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts
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Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.

13.7 P.O.S.T. Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Human Resources Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.

13.8 Longevity Increment Pay for Police Officer for Grandfathered Employees Only

Effective August 1, 2011, Longevity Increment Pay for Police Officer shall be eliminated. Those members who were receiving Longevity Increment Pay as of July 31, 2011, shall be grandfathered, and effective August 1, 2011 their Longevity Increment Pay shall be reduced by 5% and shall remain frozen at that level and no additional increments shall be earned, as described herein.

(a) For those members who as of July 31, 2011 were receiving five percent (5%) of top salary step in rank for longevity, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 those members shall no longer receive longevity increment pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.
13.9 **Longevity Increment Pay For Police Sergeant**

The 5% Longevity Pay received by Sergeants is frozen effective July 1, 2012 and no additional persons shall qualify for this pay.

13.10 **Canine Handler Compensation**

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.11 **Motorcycle Officer Compensation**

Effective the first full pay period after the effective date of this contract, employees assigned motorcycle responsibilities shall be paid a maximum of four and one-quarter (4.25) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.

13.12 **Explosive Ordinance Disposal Compensation**

Effective July 1, 2005, the pay for unit members assigned to EOD shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.13 **SWAT Compensation**

Effective the first full pay period after the effective date of this contract, the pay for unit members assigned to SWAT shall be paid a maximum of four and one-quarter (4.25) hours per month at the rate of one and one-half (1-1/2) time.

13.14 **Field Training Officer Compensation**

Effective July 1, 2005, the pay for unit members assigned to Field Training Officer shall be five percent (5.0%) of the top salary step of rank.
14.1 Health Insurance And Related Benefits

a. Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependents coverage. The City shall offer two or more medical plans to regular employees. As soon as administratively possible after the ratification and adoption of this MOU by the City Council, an HMO (Kaiser) will be added as a plan choice for employee’s in this unit.

b. Eligibility. Employees shall become eligible for Medical insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

c. City Contribution Towards the Cost of Insurance Programs. Effective September 1, 2011:

(1) The City shall contribute up to $481.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

(2) The City shall contribute up to $875.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

(3) The City shall contribute up to $1165.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage
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The City shall provide to employees retiring from the City the following contribution towards the cost of retiree medical insurance from July 1, 2012 through June 30, 2013:

1. Employees retiring with over 10 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of $150 a month towards the cost of retiree medical insurance.

2. Employees retiring with over 20 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of $300 a month towards the cost of retiree medical insurance.

3. Employees retiring with over 30 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of $450 a month towards the cost of retiree medical insurance.

4. Employees with less than 10 years of service for the City shall not be eligible for a city contribution towards retiree medical.

5. Benefits for part time employees who retire are prorated based on their full time equivalent.

6. The City contributions shall end with the death of the retiree and no survivor benefits are provided.

7. a. Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only (dental and vision are not offered to retirees). The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

b. The City’s commitment to provide retiree medical benefits during the 2012-2013 fiscal year is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any City paid benefit after the death of the City retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City Council.

c. Elimination of Retiree Medical Program effective June 30, 2013. Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2014

Medicare coverage, in which event the retiree will receive the City’s modified medical plan which includes medical design changes effective September 1, 2011 as the primary health coverage, with the premiums for such coverage to be paid by the City. The coverage provided pursuant to this section shall apply to the retiree and his/her spouse. Refer to section 14.2 regarding Elimination of Retiree Medical Plan effective June 30, 2013.

Under the federal Health Care Reform Plan, sponsors may modify the medical benefits provided to retirees only. The City will modify its retiree health care plan to reflect the following:

(a) Return Plan benefits for Acupuncture to 12 visits per year (instead of unlimited) and returns the payment percentage paid to 60% (instead of 80%);
(b) Return Plan benefits for Alcohol and Drug Treatment admissions to 30 days and 3 lifetime admissions (instead of unlimited);
(c) Return Plan benefits for Outpatient Mental Health or Nervous Disorder services to 15 visit maximum (instead of unlimited);
(d) Change Plan benefits for Preventative care and wellness to 80% instead of current 100%;
(e) Return Plan benefits on the lifetime cap on plan benefits to $2.5 million (instead of unlimited); 
(f) Return Plan benefits on the maximum age of dependent children to be enrolled in the Plan to age 19 unmarried, and not serving in the armed forces to 23 if attending school full time and qualifies as a dependent for federal income tax purposes.(instead of age 26);
(g) Change Plan benefits for Emergency room benefits.

If portions or whole of the Federal Affordable Care Act is modified subsequent to the adoption of this memorandum of understanding, the City and POA will meet and confer over any identifiable negotiable impact to those modifications.

14.5 Retiree Medical Trust

The City will cooperate with the SPOA to amend the documents related to the SPOA Retiree Medical Trust ("RMT") to reflect that the City relinquishes all of its right to designate any trustees under the RMT and any and all rights, obligations, or responsibility under the RMT so that only the SPOA designated Trustees will administer the RMT.

The City has no objection to the transfer of all current assets in the RMT to another trust (the "Receiving Trust") selected by the SPOA designated RMT.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2014

bargaining unit member twenty dollars ($20.00) per month for the purpose of purchasing Long Term Disability Insurance. The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.
Manager may authorize appointment above the first salary step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time persons.

All step references below are to the salary schedule for the Police Officer classification. Non-Sworn Police Officer Trainees are hired at the rate identified in the single step salary classification for Police Officer Trainee.

The first salary step shall be the minimum salary rate and shall be the normal hiring rate for the classification of Police Officer.

The second salary step shall be paid upon the employee's satisfactory completion of twelve (12) months service at the first salary step and upon the written recommendation of the department head.

The third salary step shall be paid upon the employee's satisfactory completion of twelve (12) months service at the second salary step and upon the written recommendation of the department head.

The fourth salary step shall be paid upon the employee's satisfactory completion of twelve (12) months service at the third salary step and upon the written recommendation of the department head.

The fifth salary step shall be paid upon the employee's satisfactory completion of twelve (12) months service at the fourth salary step and upon the written recommendation of the department head.

The sixth salary step shall be paid upon the employee's satisfactory completion of one (1) year of service at the fifth salary step and upon the recommendation of the department head.

Regardless of an employee's length of service, salary step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

If a department head recommends to withhold salary increases because an employee has not achieved the level of performance required to the position, the recommendation of notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.
15.10 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.
SECTION 21. MAINTENANCE OF OPERATIONS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
SECTION 23. CONDITIONAL AGREEMENT RE PLAN SUPPORT AND TREATMENT OF CLAIMS

1. Confirmation of Plan. The City agrees to use its best efforts to obtain confirmation of, and to implement, a plan of adjustment ("Plan") that is consistent with the terms of this MOU, or as applicable, its successor MOU. All of the provisions of this Article except 2(c) shall be null and void in the event that the Plan contemplated by this Agreement is not confirmed and does not become effective.

2. SPOA's Claims. SPOA alleges that its members have claims in the bankruptcy case against the City relating to the City's modification of its 2009 Memorandum of Understanding ("2009 MOU"), pursuant to Declarations of Fiscal Emergency beginning on or about May 26, 2010 and continuing in effect thereafter, and in connection with the treatment of the claims of SPOA and its members under the Pendency Plan (collectively, the "Claims"), and that, in the aggregate, the Claims exceed thirteen million dollars ($13,000,000). The City disputes the Claims and contends that the Claims would not be allowed in the chapter 9 case. It further asserts that, if the Claims were allowed, they would be allowed in an amount aggregating less than thirteen million dollars ($13,000,000).

In consideration of resolving the above differences and agreement on the MOU, the City agrees that the Claims shall be provided for in the Plan as follows:

(a) The Claims will be deemed allowed in the chapter 9 case in the aggregate amount of eight million, five hundred thousand dollars ($8,500,000) (the "Allowed Claims"). In consideration for the reduction in the amount of the Claims, SPOA members employed during fiscal year 2010-2011 and/or 2011-2012 shall be credited, upon final approval of the MOU by the Parties and, if necessary, by the Bankruptcy Court, twenty-two (22) additional hours of paid leave in fiscal year 2012-2013. These additional hours of paid leave shall have no cash value and shall be utilized any time prior to the date upon which the SPOA member leaves employment with the City. Only those employees who were employed during some portion of the period July 1, 2010 and July 1, 2012 and who were still current employees upon the effective date of this Agreement shall be entitled to this treatment.

(b) The Allowed Claims shall be satisfied under the Plan by the City by crediting SPOA members employed during fiscal year 2010-2011 and/or 2011-2012, eleven (11) additional paid leave hours in the fiscal year of approval of the Plan and eleven (11) additional paid leave hours in the fiscal year after approval of the Plan. This benefit shall only apply to those employees who were employed during some portion of the period July 1, 2010 and July 1,
employees, agents, attorneys, and each of them, from and against any and all defenses, claims, demands, losses, damages, and causes of action of whatever kind or nature, whether known or unknown, suspected or unsuspected, which either of them may now or hereafter have against the other in any way related to the Claims and or Litigation Claims (as such term is defined below). This release shall include, but is not limited to, within thirty days of approval of the Plan, dismissing with prejudice litigation and cross litigation claims ("Litigation Claims") pertaining to San Joaquin County Superior Court case number 39-2010-00245197-CU-WM-STK, San Joaquin Superior Court Case number 39-2010-00253803 and Third Appellate District appellate case numbers C070347 and C068723. These cases shall remain stayed until the occurrence of the effective date of the Plan or the dismissal of the chapter 9 case. The Parties agree to waive any and all claims for attorneys’ fees or costs associated with the Litigation Claims.

The Parties, and each of them, hereby waive the provisions of Section 1542 of the California Civil Code, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor.

The Parties, and each of them, understand that if the facts with respect to which this release is given turn out to be different from the facts now known or believed by either of them to be true, each of them expressly assumes the risk of the facts turning out to be different, and agrees that this release shall be in all respects effective and not subject to termination or rescission by any such difference in facts.

This release shall be binding upon and inure to the benefit of the Parties and their respective past or present parents, subsidiaries, successors, predecessors, assigns, and their respective officers, directors, employees, agents, attorneys, including but not limited to all bargaining unit employees, and each of them.

This release shall not apply to any pending disciplinary cases, or grievances pertaining to those disciplinary cases, but shall apply to any lawsuits filed related to those disciplinary cases.

7. Resolution of Dispute regarding the Property at 1132 N. Country Club Rd., Stockton, CA ("the Property"). SPOA shall continue renting the Property to third parties. No SPOA member, family member, agent or person within SPOA’s control shall apply to rent the Property.

CITY OF STOCKTON
SECTION 24. CONCLUSIVENESS

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices and a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolutions shall be amended to conform to the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary consent of the City and the Association in a written and signed amendment to this Agreement.
<table>
<thead>
<tr>
<th>Plan Feature</th>
<th>Coverage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Calendar year deductible</strong> (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the deductible)</td>
<td>When Provided by a Participating Provider: $500 per person; $1,500 maximum per family</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: $1,500 per person; $3,000 maximum per family</td>
</tr>
<tr>
<td><strong>Calendar year out-of-pocket maximum on Allowable Charges</strong> (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the out-of-pocket maximum)</td>
<td>When Provided by a Participating Provider: $5,000 per person; $10,000 maximum per family</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: None</td>
</tr>
<tr>
<td><strong>Overall lifetime maximum benefit</strong></td>
<td>When Provided by a Participating Provider: None</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: None</td>
</tr>
<tr>
<td><strong>Hospital</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Inpatient confinement</strong></td>
<td>When Provided by a Participating Provider: 80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: 50% of Allowable Charges after a copayment of $200 per admission</td>
</tr>
<tr>
<td><strong>Outpatient department</strong></td>
<td>When Provided by a Participating Provider: 80% of Allowable Charges</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: 50% of Allowable Charges</td>
</tr>
<tr>
<td><strong>Emergency room</strong></td>
<td>When Provided by a Participating Provider: 80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating: 80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
</tbody>
</table>
## STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU

**Term:** July 1, 2012 – June 30, 2014

<table>
<thead>
<tr>
<th>Plan Feature</th>
<th>Coverage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When Provided by a Participating Provider</td>
</tr>
<tr>
<td>Mental or nervous disorder</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Substance abuse treatment</td>
<td></td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Outpatient diagnostic radiology &amp;</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Radiation therapy, chemotherapy &amp; dialysis</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>treatment</td>
<td></td>
</tr>
<tr>
<td>Physician services</td>
<td></td>
</tr>
<tr>
<td>Office &amp; hospital visits</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Emergency room care</td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan’s definition of Emergency)</td>
</tr>
<tr>
<td>Surgery</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Anesthesia and its administration</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Mail service pharmacy (90 day supply limit)</td>
<td>$20 copayment for a generic drug; $70 copayment for a non-generic formulary drug; no coverage for non-formulary drugs</td>
</tr>
</tbody>
</table>
claims received are processed timely during the claims run out period. If any funds remain in the ISF fund, the parties will meet to discuss the status of the funds.

8. It is understood that the union plans would stay in effect for at least five years, and the Unions will give the City at least 1 year’s notice if they intend to terminate this arrangement. The City may only terminate the agreement with good cause regarding the failure of the plan to provide agreed upon benefits, and with evidence of continuing coverage for affected employees and retirees in the succeeding City sponsored plans. The City makes no commitment to any future arrangement of City administered medical insurance should the union plans be discontinued by the union’s actions.

9. The City retains the right to terminate the sponsorship by the unions of any health plan as a result of any legislation that would require the City to provide plans to its employees or pay penalties in lieu of providing such plans, for example, as under the Affordable Care Act or any additional or successor legislation.

10. Existing limits on City contributions to medical/dental/vision (agreed or imposed) remain unchanged.

11. It is understood that once the unions obtain quotes for coverage, the parties will meet and confer regarding significant issues regarding the implementation and viability of such plan, including, but not limited to the following:

- Coverage of “tail” claims; Fully fund all reserves for Incurred but Not Reported and Pended Claims
- Calculation and method of paying administrative costs;
- Hold harmless to City for any actions taken by vendor/union coalition;
- Union plan may discontinue Original Plan benefits for retirees.

The City retains the right to accept or reject any union proposals on a union sponsored plan(s) during meet and confer following union receipt of bids, based upon financial, operational, legal or coverage concerns.

CITY OF STOCKTON
RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS’ ASSOCIATION

RECOMMENDATION

It is recommended that the City Council adopt by Resolution the attached Stockton Police Officers’ Association (SPOA) successor Memorandum of Understanding (MOU) effective July 1, 2014 through June 30, 2016. The City Council adoption will authorize the City Manager to: 1) execute the MOU; 2) amend the Fiscal Year (FY) 2015-16 Budget to appropriate additional funds; and 3) take actions appropriate to carry out the implementation of the MOU.

Summary

Representatives of the City began meeting May 5, 2014, with representatives of SPOA on a successor MOU. The SPOA MOU expired June 30, 2014, and, the City and SPOA desired to negotiate a successor MOU effective after that expiration. The successor MOU presented herein contains an increase to the City’s medical contribution effective after ratification; and a 2% cost of living increase adjustment (COLA) to base pay effective July 1, 2015, or the first full pay period following adoption, whichever is later. Both increases are consistent with the City’s Long-Range Financial Plan (L-RFP) as incorporated into the City’s plan for exiting bankruptcy. The SPOA successor MOU contains similar terms and conditions as the prior two years, with other minor changes to enhance retention and increase operational efficiencies. The parties reached a tentative agreement on May 12, 2015 and the City has received notification from SPOA that the bargaining unit membership ratified this successor MOU. The successor MOU is attached in redlined format as Attachment A.

DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years culminating in the bankruptcy filing in June of 2012. On June 26, 2012, the City Council adopted a final budget for FY 2012/2013 under the Pendency Plan filed for the bankruptcy proceedings. It also adopted as part of its Pendency Plan changes in compensation and benefits. In December 2012, the City Council adopted a successor MOU for SPOA with a term of two years, July 1, 2012 through June 30, 2014. Now, the existing MOU is expired, and the City and SPOA have since been meeting on the terms of a successor MOU. The focus of these negotiations was to obtain a successor MOU with terms and conditions consistent with the City’s L-RFP.

Present Situation
The relevant amendments under the successor MOU for SPOA are summarized as follows:

1. MOU Contract Term for two years - July 1, 2014 through June 30, 2016 (MOU Section 20);

2. 2% base pay increase (COLA) effective July 1, 2015, or the first full pay period following adoption whichever is later, consistent with the City’s L-RFP (MOU Section 15.1);

3. City Contribution Towards Health Insurance - the City has agreed to increase the City’s capped health insurance premium contribution consistent with the City’s L-RFP (MOU Section 14.1 (c)). The SPOA MOU through June 30, 2014, contained City health premium contribution levels from September 2011, and SPOA has not received an increase in City contribution for the past two fiscal years. Therefore, upon Council approval of this successor MOU, the City’s health premium contribution for SPOA members will increase effective July 1, 2015, or the first full pay period after adoption whichever is later, to the same level as other bargaining units who have reached agreements. The City’s overall contribution increase to SPOA members health insurance premiums from their current contribution levels will be as follows:
   - $62 per month for Employee Only;
   - $113 per month for Employee plus 1 Dependent; and
   - $148 per month for Employee plus 2 or more Dependents;

4. Health Insurance - SPOA has agreed to a reopener clause to meet and confer upon City’s request regarding proposals related to City sponsored medical plans and implementation of the Affordable Care Act (ACA) (MOU Section 14);

5. Police Sergeants working special event hireback as Police Officers - the City has agreed to SPOA’s proposal that Police Sergeants may work overtime for special events at the top step rate of Police Officer when there are insufficient Police Officers volunteering for overtime; however, until such time the City’s payroll system can calculate the Fair Labor Standards Act (FLSA) regular rate of pay for working two different pay rates in a work period, such overtime hours will be paid at the Sergeant rate (MOU Section 11.8);

6. Retention Incentive - 27 hours of leave as a retention bonus for members continuously employed by the City from July 1, 2014 through the first full pay period following Council adoption of this successor MOU; leave time has no cash value until the last pay period of the contract term, at such time unused hours will be cashed out, but will have no cash value for any eligible employees separating prior to the last pay period of the contract term (MOU Section 15.3);

7. Amendment to Holiday Pay provision - MOU language has been updated to clarify Patrol assignment holiday payment practices (MOU Section 12.2); and for Non-Patrol assignment employees who observe holidays they will now receive a special assignment add pay of 5% in exchange for the elimination of extra holiday compensation (MOU Section 15.11);

8. Dispute Resolution- City agrees to waive SPOA’s obligation to sell the property identified in MOU Section 23.7, contingent on dismissal of all pending litigation pursuant to Section 23.6; and
9. Elimination of obsolete language and other language cleanup changes.

**FINANCIAL SUMMARY**

The cost for the 2% COLA beginning July 1, 2015, is $1,016,000 of which $908,000 is a General Fund cost.

The cost for the health contribution increase is approximately $597,000 annually of which $532,000 is a General Fund cost.

The cost for the retention incentive leave hours is $322,000, in the event all members were to cash out the hours June 30, 2016. Vacancy savings within the Police Department during FY 2014-15 are expected to cover the cost for this retention incentive.

The amendments to Holiday Pay and implementation of the 5% special assignment add pay for Non-Patrol assignments is cost neutral, as the add pay is in exchange for the elimination of extra holiday compensation.

Funding for the 2% COLA and health contribution increase was planned in the Long-Range Financial Plan and additional budget will need to be appropriated to the Police Department FY 2015-16 Budget for the costs associated with this MOU. Appropriations of $63,000 to the Measure W (081) Police Department budget from fund balance and $908,000 to the Police Department General Fund budget are needed for the 2% COLA. Minor adjustments to the Police Grant and Special Program Fund 025 expenditure budget may be made as necessary and allowable within authorized grant funding. No additional appropriation is needed for the health contribution increase. Vacancy savings from FY 2014-15 can be re-appropriated from General Fund available fund balance to the Police General Fund budget in FY 2015-16 in the amount of $296,000 and to the Measure W Police budget in the amount of $26,000 for the one time retention incentive leave hours.

Attachment A - SPOA MOU - redlined
RESOLUTION NO. 2015-06-23-1205

STOCKTON CITY COUNCIL

RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS’ ASSOCIATION AND AMENDING THE FISCAL YEAR 2015-2016 BUDGET TO FUND THE SALARY AND BENEFITS ADJUSTMENT

The Director of Human Resources, in her capacity as the Employee Relations Officer, along with the negotiating team, met and conferred with officials of the Stockton Police Officers’ Association, and reached a tentative agreement for a successor Memorandum of Understanding, and reduced the agreement to writing. The employee unit ratified the agreement on June 13, 2015, by a majority vote of the members; and

The City of Stockton and the Stockton Police Officers’ Association have in good faith completed their meet and confer obligation regarding the successor Memorandum of Understanding; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Memorandum of Understanding between the City of Stockton and the Stockton Police Officers’ Association, attached hereto as Exhibit 1 and made part hereof by this reference, is hereby approved and adopted.

2. The City Manager is hereby authorized and directed to execute the Memorandum of Understanding to be effective July 1, 2014.

3. The City’s annual budget for Fiscal Year 2015-2016 shall hereby be amended to appropriate additional funds to the Police General Fund budget, Police Grant and Special Program budgets and the Measure W Police budget as necessary to carry out the intent of this agreement.
4. The City Manager and the Employee Relations Officer are authorized to take whatever actions are appropriate and necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED June 23, 2015

[Signature]
ANTHONY SILVA, Mayor of the City of Stockton

ATTEST:

[Signature]
BONNIE PAIGE
City Clerk of the City of Stockton

Moved by: Moses Zapien, seconded by Elbert Holman.
Vote: Motion carried 7-0
Yes: Christina Fugazi, Elbert Holman, Susan Lothhus, Anthony Silva, Michael Tubbs, Daniel Wight, and Moses Zapien.
MEMORANDUM OF UNDERSTANDING BETWEEN THE STOCKTON POLICE OFFICERS ASSOCIATION AND CITY OF STOCKTON

TERM: July 1, 2014 – June 30, 2016
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STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

This agreement (the “Agreement” or “MOU”) is made and entered into as of
___________________ by and among the City of Stockton, California (the "City" or
"Stockton) and the Stockton Police Officers Association ("SPOA"), sometimes
collectively referred to as the "Parties."

INTRODUCTION

A. The Parties have been in negotiation over the terms of a successor to the
parties' prior MOU that expired June 30, 2014 as well as the treatment of the claims of
members of the SPOA in bankruptcy that arose as a result of the City's imposition of
compensation reductions during the term of the prior MOU.

B. Beginning on March 27, 2012, the City commenced the "AB 506 process"
in order to avoid and, if necessary, to qualify for, a chapter 9 bankruptcy filing. The
initial phase of the AB 506 process lasted 60 days, as mandated by statute. Cal. Gov't
Code § 53760.3(r). Upon the agreement of the majority of the City's creditors who
participated, the AB 506 mediation process was extended by an additional 30 days. Cal.
Gov't Code § 53760.3(r). Despite good faith efforts by the City and the interested
parties, when the AB 506 process concluded on June 25, 2012, the City had not
"resolved all pending disputes with creditors." Cal. Gov't Code § 53760.3.

C. During the AB 506 process, the City presented to all the interested parties
a 790-page "ask" ("Ask"), which contained specific proposals relating to each participant
as well as to other creditors that chose not to participate. The Ask was similar to a plan
of adjustment in that it disclosed to all creditors how the City viewed the claims of each
and the likely resolution of such claims in a proposed bankruptcy plan of adjustment.
Although no settlement was reached, the AB 506 process used the Ask as a baseline
for negotiations, and the Ask functioned in part as a de facto draft plan of adjustment
that described to all major creditors the treatment of the individual claims.

D. On June 26, 2012, the City Council adopted a "Pendency Plan" budget
("Pendency Plan"), which was based upon the detailed provisions of the Ask.

dated July 11, 2012, the Bankruptcy Court appointed the Honorable Judge Elizabeth
Perris ("Judge Perris") to serve as judicial mediator in the chapter 9 case. The Parties
conducted four days of mediation with Judge Perris, ending on November 2, 2012. The
Parties used the Pendency Plan as a starting point for negotiations to create a new
2012-2014 Memorandum of Understanding. During this successful mediation process,
the Parties continued earlier extensive efforts at settling disputes between them, both in
the AB 506 process, and in extensive parallel negotiations relating to the SPOA’s
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collective bargaining agreement(s) with the City, and reached a settlement covering all disputes.
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SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.
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(b) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on account of check off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

2.2 **Use of City Facilities**

(a) The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

(b) Any representative of the Association shall give notice to the department head or his/her designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the Police Chief and when made shall continue until revoked by the Chief.

(c) City buildings and other facilities may be made available for use by City employees of the Association or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

2.3 **Attendance at Meetings by Employees/Association Release Time**

**Release Time Related to Meet and Confer.** City employees who are official representatives of the Association shall be given reasonable time off with pay, in accordance with MMBA, to attend meetings with City management representatives, or be present at administrative hearings where matters within the scope of representation or grievances related to this unit are being considered.

The use of release time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall submit a request for excused absence to their department head, in a manner satisfactory prior to the scheduled meeting whenever possible. The number of employees excused for release time related to meeting with City management on meet and confer and grievance matters shall not exceed five (5), except by mutual agreement.
SECTION 3. COMPLIANCE WITH LOCAL, STATE & FEDERAL LAWS

3.1 The City and the Association agree that there shall be no discrimination of any kind against any employee or applicant for employment because of age (over 40), race, color, religion, national origin (ancestry), veterans status, physical or mental disability, marital status, sexual orientation, sex (sexual, gender based, pregnancy/childbirth), political affiliation, legitimate Association activity, or any other protected trait as determined by federal, state and/or local law.

3.2 The Association shall cooperate with the City in the objectives of Equal Employment Opportunities as required by law.

SECTION 4. PROBATIONARY PERIOD

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his/her position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers’ Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
4.5 **Probationer Advanced To Higher Rank**

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
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SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

(1) Administrative Services
(2) City Attorney
(3) City Auditor
(4) City Clerk
(5) City Manager
(6) Community Development
(7) Community Services
(8) Economic Development
(9) Fire
(10) Human Resources
(11) Information Technology
(12) Municipal Utilities
(13) Police
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:
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a. Extra help or seasonal  c. Temporary
b. Provisional            d. Probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the order of seniority shall be determined by the employees' examination results and ranking on the same eligibility list upon which the employees' were subsequently hired.

5.5 **Employee Options**

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Human Resources as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
SECTION 6. REEMPLOYMENT/REINSTatement

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his/her position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment consistent with Civil Service Rule VII Certification and Appointment pertaining to Police safety positions, currently in effect.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last-laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement on a Reemployment List

A permanent employee who has resigned in good standing may, with the recommendation of the Police Chief, the City Manager, and the approval of the Civil Service Commission, be restored to a reemployment list of the same classification upon as held upon resignation within a period of one (1) year from the effective date of his/her resignation.
SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) business days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 starting at step two (2) with the Director of Human resources within ten (10) business days of written notification of the action, or fourteen (14) business days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Human Resources Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
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SECTION 8. GRIEVANCE PROCEDURES

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Human Resources Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he/she has a grievance may discuss his complaint with such management official in the department in which he/she works as the department head may designate. If the issue is not resolved within the department within seven (7) business days from the day of presentation, or if the employee elects to submit his/her grievance directly to the Association recognized as the representative of his/her classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. Any employee or any official of the Association may notify the Director of Human Resources in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have twenty (20) business days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and
investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Human Resources. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Human Resources to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) calendar days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Arbitration.** Either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by both parties. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(e) **Effect of Decision.** The decision of the arbitrator on matters properly before him/her shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. No arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of
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Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from the arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed, except in cases where the City determines that the basis of the compensation issue was a result of a clerical error, the adjustment shall be no more than three hundred and sixty-five (365) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself/herself of such option.

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No action under paragraph (d) of subsection 8.3 above shall be taken if action on
the complaint or grievance has been taken by the Civil Service Commission, or if
the complaint or grievance is pending before the Civil Service Commission.

If any award by an arbitrator requires action by the City Council or the Civil
Service Commission before it can be placed in effect, the City Manager and the
Director of Human Resources will recommend to the City Council or the Civil
Service Commission, as appropriate, that it follow such award.
SECTION 9. LEAVES

9.1 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of eight (8) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) **Usage.** Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him/her from performing his/her duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) **Usage for Family.** Employees may utilize fifty percent (50%) of their annual accrued sick leave to attend to cases of illness or injury in the employee's immediate family.

For the purposes of this section immediate family is defined as the employee's parents, spouse, registered domestic partner, child (child as defined as biological, step, foster or adopted child; a legal ward; child of domestic partner; a child to whom the employee stands in loco parentis), legal dependent, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.

Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on
a prescribed form, stating the dates and hours of absence, type of sick leave to be used, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

(e) **Doctor's Certificate or Other Proof.** The Police Chief or designee may require a doctor's certificate or other reasonable proof of illness as he/she deem necessary in order for an employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay.

(f) **Use of Sick Leave While on Vacation.** An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

(1) Was hospitalized during the period for which sick leave is claimed, or

(2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

(g) **Payment for Unused Sick Leave.** Except as provided in section (h), all sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave. Current employees shall be eligible for CalPERS service credit for unused sick leave at retirement. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for that service credit.

(h) **Sick Leave Retention Benefit.**

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

(1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;
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(2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and

(3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of it's cash value to separating employees after this date.

(4) Service credit for unused sick leave shall be in accordance with PERS regulations.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.
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Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be compensated for actual hours the employee serves on the jury or is required to remain in court to testify as a witness in a criminal case, other than as a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City Treasurer, through the employee's department head, within fifteen (15) days after receipt all fees received except those specifically allowed for mileage and expenses.

(b) Jury duty or witness duty appearances shall be considered in terms of actual hours spent performing those duties. If an employee is not due to appear for jury duty or as a witness until afternoon court session, he/she will be expected to work his usual morning schedule. If an employee is required to appear for morning court session and is released before noon and not required to return to court in the afternoon, he/she shall work the remainder of his/her usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City Treasurer through the employee's department head.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is a party, together with travel time necessarily involved, shall not be considered absent from duty within the meaning of this Section.

9.4 Bereavement Leave

In the event of a death in the immediate family of an employee, the employee shall, upon request be granted up to three (3) days bereavement leave with pay.
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without charge to his/her accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, registered domestic partner, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 Workers Compensation Leave

Forms and Procedures. Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness requiring medical care is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

9.6 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.
Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of an injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.

9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician's statement.

(b) Application for and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.
9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent without leave for two (2) or more consecutive scheduled days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation as approved by the Human Resources Director shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.

9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay semi-monthly in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Employment Duration</th>
<th>Hours/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1-1/2 years</td>
<td>80</td>
</tr>
<tr>
<td>After 1-1/2 years up to 7 1/2 years</td>
<td>108</td>
</tr>
<tr>
<td>After 7-1/2 years up to 15 years</td>
<td>144</td>
</tr>
<tr>
<td>After 15 years up to 25 years</td>
<td>189</td>
</tr>
</tbody>
</table>

Seven (7) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) Vacation Accumulation. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception.

Employees who, on July 1, 2012, have vacation balances that exceed their maximum shall have until June 30, 2013 to use sufficient vacation to satisfy the maximum allowed. If an employee does not satisfy the maximum by June 30, 2013, he/she shall retain his/her existing earned vacation, but shall not earn any additional vacation until the employee’s vacation balance is under the maximum vacation accrual allowed.
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The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

| Under 1.5 years | 120 hours |
| 1.5 – 7.5 years | 240 hours |
| 7.5 – 15 years | 280 hours |
| 15 – 25 years | 320 hours |
| 26 years | 328 hours |
| 27 years | 336 hours |
| 28 years | 344 hours |
| 29 years | 352 hours |
| 29 plus years | 7 hours each additional year |

(c) **Vacation Schedule.** The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) **Vacation Allowance for Separated Employees**

(1) An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cash out or sell back for accrued but unused vacation hours.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.
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SECTION 10. DAYS AND HOURS OF WORK

10.1 Regular Workweek

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 Regular Workweek for Patrol

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 Meal Periods

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.

10.4 Furlough bank hours

(a) Furlough Bank. There shall be no cash value provided for any furlough hours since the start of the furlough program in 2009 and all furlough bank hours shall be used in accordance with 10.4 (b) below.

(b) Use of Furlough Hours. All furlough leave shall be scheduled in advance with the employee’s supervisor. All Furlough must be scheduled and used prior to the date of separation in accordance to City’s leave policies.
SECTION 11. OVERTIME

11.1 Authorization

All compensable overtime must be authorized by the Chief of Police or the Chief's designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized statutorily required overtime work shall apply to employees whose normal work period is eight (8) hours per day and forty (40) hours per week, or (10) hours per day and forty (40) hours per week:

(a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) On a holiday observed by the City an employee shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked.

(c) Hours worked shall include all actual time worked. Furlough hours taken, holiday hours taken and observed holidays where the City is closed shall be considered as time worked and those positions in this unit are not required to report to work. Sick leave, vacation, or other compensated time off shall not be considered as actual time worked.

11.3 Court Appearance Pay While in Off Duty Status

(a) An employee required by proper authority to appear in court during off-duty hours shall receive compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at the appropriate rate, whichever is greater.

(b) Voluntary Court Standby.

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the four (4) hours of standby for the a.m. and, if required to
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remain on standby, one (1) additional hour at the regular rate of pay for the additional four (4) hours of standby for the p.m.

11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), if eligible for overtime as defined in Section 11.2, above, whichever is greater.

11.5 Compensatory Time

(a) **Definition** - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) **Accrual** - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) **Use** - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) **Payment** - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.
11.6 **Standby Compensation**

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of $3.00 per hour for each hour on standby assignment. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined above. An employee shall not continue to receive the “standby” premium during actual time worked or for any hours paid as overtime or call back. Standby is not considered as time in “paid status because of work performed” for purposes of calculating overtime.

Employees who are placed on standby after their normal tour of a regular work day shall receive $3.00 per hour for each hour of standby. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined above. An employee shall not continue to receive the “standby” premium during actual time worked or for any hours paid as overtime or call back. Standby is not considered as time in “paid status because of work performed” for purposes of calculating overtime.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within forty-five (45) minute response time availability to the Police Department.

11.7 **No Standby Compensation for Time Worked**

Employees shall not simultaneously receive compensation for court appearance, voluntary court standby, standby, or call back pay provided in Sections 11.3(a), 11.3(b), 11.4 or 11.6. Employees are eligible to receive overtime only in accordance with Section 11.2 above.

11.8 **Sergeants Working Hireback**

a) Sergeants will be authorized to work special event hireback in the event that there are insufficient officers willing to volunteer for the special event overtime. The order of hireback will be: (1) officers working voluntary overtime, (2) followed by sergeants working voluntary overtime, (3) followed by officers working mandatory overtime.

b) Special events are defined as hireback which is not patrol hireback and
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does not have an enforcement related function.
c) Pay rate
   i. Because of limitations in the City’s payroll system, Sergeants will initially be paid based on their regular rate for this hireback.
   ii. However, as soon as it becomes feasible for the City’s payroll system to do so, the City will pay Sergeants working officer hireback under this provision at the top-step officer rate. In that event, overtime pay for the work period in which the hireback occurs will be paid in accordance with the FLSA with the sergeants regular rate of pay based on a weighted average methodology. The City will notify the POA thirty (30) days before implementing such a system.
d) Sergeants hired to fill a sergeant’s position for special events will be paid based on their regular rate.
12.1 Holidays Observed by the City

1. New Years Day ............................................... (January 1)
2. Martin Luther King's Birthday .................................. (Third Monday in January)
3. Lincoln's Birthday ........................................... (Second Monday in February)
4. Washington's Birthday ....................................... (Third Monday in February)
5. Cesar Chavez' Day .......................................... (March 31)
6. Memorial Day ................................................... (Last Monday in May)
7. Independence Day ............................................ (July 4)
8. Labor Day ..................................................... (First Monday in September)
9. Columbus Day ................................................ (Second Monday in October)
10. Veteran's Day ............................................... (November 11)
11. Thanksgiving ............................................... (Fourth Thursday in November)
12. Day following Thanksgiving ................................ (Fourth Friday in November)
13. Christmas Day ............................................... (December 25)

For employees on a Monday through Friday workweek or a 9/80 work schedule, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

For employees on 9/80 alternative work schedule, employees may shift their work schedule so that their eight (8) hour day falls on designated holiday with prior approval of their supervisor.

Employees who are in unpaid status the day before or the day after the holiday will not qualify for Holiday Pay as described in Section 12.1.

12.2 Holiday Compensation

(a) Non-Patrol Assignments

All regular and probationary Police Unit employees who are not assigned to the traditional 10-plan Field Operations/Patrol shift schedule, and are in assignments which observe City Holidays shall be entitled to take each holiday off with full pay (not to exceed eight (8) hours) for each of the holidays listed in 12.1, above. When the holiday falls on a regular scheduled work day, and that scheduled work day exceeds the eight (8) hours of earned holiday pay, the employee shall use the appropriate number of hours from their personal leave time to complete their work day.
(b) Patrol Assignments

All regular and probationary Police Unit employees assigned to the traditional 10-plan Field Operations/Patrol shift schedule shall receive 8 hours of holiday pay for each of the holidays listed in 12.1 above. This compensation can be in the form of direct payment or compensatory time. Compensatory time overtime hours shall be limited to a maximum accumulation of eighty (80) hours at any point.

(c) Work on a Holiday

For Unit members required to work on an observed holiday, actual hours worked on the holiday will be paid at time and one half (up to 8 hours). Employees who are required to work on an observed holiday, and who request to take the day off shall use the appropriate number of hours from their personal leave time to complete their work day. All hours will then be compensated at an employee’s regular rate of pay, and not time and one half.
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SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City contributes an amount equal to nine percent (9%) of the employee’s current base salary and other compensation as qualified by State law toward P.E.R.S. benefits. Such amounts will be applied to the employee’s individual account in accordance with Government Code Section 20691.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20392 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee’s last year of employment, such employee shall pay their employees’ nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee’s base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Legacy employees hired on or before December 31, 2012 shall pay nine (9%) of the employee’s current base salary (employee contribution) and other compensation as qualified by state law towards the Public Employees’ Retirement System (PERS) towards the employee’s share of cost for PERS pension. Such amounts will be applied to the employee’s individual account.

(d) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The employee shall contribute seven percent (7%) of the employee’s
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will be applied to the employee’s individual account in accordance with Government Code section 20691.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer plan (Local Safety Member).

13.2 Military Service Credit

The City shall provide for military service pursuant to the provisions of Government Code Section 21024, formerly Section 20930.3 and Section 20930.33, at the employee’s expense.

13.3 P.E.R.S. Fourth Level Of 1959 Survivor Benefits

The City provides P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.4 P.E.R.S. 3% At Age 50 Retirement for Employees Hired on or before December 31, 2012

On July 21, 2000, the City made application to PERS to provide P.E.R.S. California Government Code section 21362.2 (3% at age 50) as an amendment retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 PERS Benefits for Employees hired on or after January 1, 2013

(a) The City shall amend its CalPERS contract to eliminate sick leave conversion and the enhanced survivor benefits for all employees hired on or after August 16, 2013 the effective date of the contract amendment.

(b) Employees with Reciprocity:

Employees hired on or after January 1, 2013, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and consider legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 3%@50 with only the optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee’s statutory employee’s
contribution for these benefits of 9%

(c) Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2.7@ 57 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2.7@57 as determined by CalPERS.

13.6 Uniform Allowance

(a) Employees in this unit shall receive as additional annual compensation, a uniform allowance in the amount of nine hundred fifty dollars ($950.00).

Payment shall be made in two equal installments of one-half (1/2) of the annual value of uniform allowance to eligible employees during the months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual testing by lot number.

13.7 P.O.S.T. Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step for employees who attain an Intermediate P.O.S.T. Certificate and six percent (6%) of the Police Officer top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the Police Sergeant top salary step for employees who attain an Intermediate P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit the appropriate paperwork to the Human Resources Services Department confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible employees.

Compensation shall be effective the first of the month following the date of eligibility for the certificate.

13.8 Longevity Increment Pay for Police Officer for Grandfathered Employees Only
Effective August 1, 2011, Longevity Increment Pay for Police Officer shall be eliminated. Those members who were receiving Longevity Increment Pay as of July 31, 2011, shall be grandfathered, and effective August 1, 2011 their Longevity Increment Pay shall be reduced by 5% and shall remain frozen at that level and no additional increments shall be earned, as described herein.

(a) For those members who as of July 31, 2011 were receiving five percent (5%) of top salary step in rank for longevity, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 those members shall no longer receive longevity increment pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(b) For those members who as of July 31, 2011 were receiving seven percent (7%) of top salary step in rank for longevity, upon completion of nine (9) continuous year of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay two percent (2%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(c) For those members who as of July 31, 2011 were receiving twelve percent (12%) of top salary step in rank for longevity, upon completion of twelve (12) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay seven percent (7%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(d) For those members who as of July 31, 2011 were receiving fourteen percent (14%) of top salary step in rank for longevity, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay nine percent (9%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(e) For those members who as of July 31, 2011 were receiving nineteen percent (19%) of top salary step in rank for longevity, upon completion of twenty-four (24) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay fourteen percent (14%) of top salary step in rank for longevity pay.
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This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous service shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

(g) Effective July 1, 2012, Section 13.8(a) through (f) are modified as follows:

Employees who are receiving Longevity Pay as described above shall have their Longevity pay reduced an additional 4% effective July 1, 2012, except that individuals whose 2011 reduction of the following amounts (Reductions of Longevity pay, elimination of Master Officer Pay, elimination of Educational Incentive and payment of employees PERS contribution) was 22% shall have their Longevity amount reduced by 1%. The longevity increment pay shall remain frozen at this level and no additional increments shall be earned nor shall additional persons qualify for this pay.

13.9 Longevity Increment Pay For Police Sergeant

The 5% Longevity Pay received by Sergeants is frozen effective July 1, 2012 and no additional persons shall qualify for this pay.

13.10 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.11 Motorcycle Officer Compensation

Effective the first full pay period after the effective date of this contract, employees assigned motorcycle responsibilities shall be paid a maximum of four and one-quarter (4.25) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.
13.12 **Explosive Ordinance Disposal Compensation**

Effective July 1, 2005, the pay for unit members assigned to EOD shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.13 **SWAT Compensation**

Effective the first full pay period after the effective date of this contract, the pay for unit members assigned to SWAT shall be paid a maximum of four and one-quarter (4.25) hours per month at the rate of one and one-half (1-1/2) time.

13.14 **Field Training Officer Compensation**

Effective July 1, 2005, the pay for unit members assigned to Field Training Officer shall be five percent (5.0%) of the top salary step of rank.

13.15 **Bilingual Pay**

Effective July 1, 2005, the pay for qualified and approved bilingual skill will be two and one-half percent (2.5%) of the top salary step of rank.

To be eligible for this differential pay, an officer must be certified to meet the functional needs of the Department. The Chief of Police has the sole discretion in determining the number of officers needed for bilingual services, the languages that will be recognized, and the functional language skills needed for the Department.

13.16 **Acting Pay**

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.
SECTION 14. INSURANCE PLANS

14.0 Reopener Clause for Health Insurance

The Association agrees at the City's request, to meet and confer on any changes that are within mandatory scope of bargaining in any City proposals related to its City sponsored medical plans that are related to the implementation of the Affordable Care Act (ACA).

14.1 Health Insurance And Related Benefits

a. Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependents coverage. The City shall offer two or more medical plans to regular employees.

b. Eligibility. Employees shall become eligible for Medical insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

c. City Contribution Towards the Cost of Insurance Programs:

1. Effective the first full first full pay period following ratification of this memorandum of understanding by the Union and approval by the City Council on its regular agenda in accordance with the Brown Act, the City shall contribute the following:

a. up to $532 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

b. up to $969 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
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c. up to $1,287 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage

2. Effective the first full pay period after July 1, 2015 or first full pay period after adoption, whichever occurs later, the City shall contribute the following:

a. up to $543 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

b. up to $988 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

c. up to $1,313 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. Insurance plan premiums that exceed the City’s monthly contribution shall be paid by the employee through payroll deductions. The City shall maintain its IRS 125 Plan to allow for employee contributions for medical/vision/dental to be pre-tax premium conversion.

d. Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

14.2 Retiree Enrollment in City-Sponsored Plans

a. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover his/her dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree’s plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan). However, the City may discontinue the enrollment of retirees in City sponsored medical plans at its discretion as per the City’s Bankruptcy
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plan of Adjustment. The City does not provide any retiree medical program, allowance, or City contribution for employees.

b. Elimination of Retiree Medical Program effective June 30, 2013. Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retiree.

14.5 Retiree Medical Trust

The City will cooperate with the SPOA to amend the documents related to the SPOA Retiree Medical Trust ("RMT") to reflect that the City relinquishes all of its right to designate any trustees under the RMT and any and all rights, obligations, or responsibility under the RMT so that only the SPOA designated Trustees will administer the RMT.

The City has no objection to the transfer of all current assets in the RMT to another trust (the "Receiving Trust") selected by the SPOA designated RMT Trustees so long as the Receiving Trust agrees to hold those assets for the exclusive benefit of eligible retirees. Further, the SPOA and the City agree that the transfer of assets will be contingent on the SPOA and Receiving Trustees agreeing that on and after the transfer of the assets of the RMT to the Receiving Trust (i) the City's only obligation with respect to such Receiving Trust will be to make any agreed upon contributions to the Receiving Trust, and (ii) the SPOA and the Receiving Trustees further agree that on and after the transfer of the assets of the RMT to the Receiving Trust, to indemnify and hold harmless the City and the City designated trustees from any claim whatsoever by the SPOA, any unit member, or any beneficiary of the Receiving Trust with respect to the Receiving Trust. Such claims include, but are not limited to, (i) any claim for benefits under the Receiving Trust or any plan funded by the Receiving Trust, (ii) any claim regarding the administration of, or fiduciary duties under, the Receiving Trust, (iii) any claim regarding the tax treatment of contributions to the Receiving Trust (so long as the City complies with applicable federal law and guidance from the Internal Revenue Service), and (iv) any claim regarding the terms of the Receiving Trust or selection of trustees.

The City's obligation to contribute to the RMT has ceased. However, in the event that the POA membership votes to approve member contributions to the Receiving Trust, the City agrees to deduct those contributions (and any required administrative fees charged by third parties) from members' paychecks. Nothing herein commits the City to paying any portion of any future contribution.
14.6 **Life Insurance**

Effective July 1, 2012, the City shall provide each employee group term life insurance coverage with a face value of fifty thousand dollars ($50,000.00). In addition employees may purchase additional voluntary life through their union or through the City’s IRS125 vendor.

14.7 **Long Term Disability Insurance**

Effective July 1, 2012, the City shall reduce the base pay of employees in this unit by twenty dollars ($20.00) per month, and instead shall provide to each bargaining unit member twenty dollars ($20.00) per month for the purpose of purchasing Long Term Disability Insurance. The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.
SECTION 15. SALARY PLAN

15.1 Salary

Employees will receive a base salary increase of 2% on July 1, 2015 or first full pay period after adoption, whichever occurs later.

15.2 Salary Ranges

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, which are attached hereto and made a part hereof. The rates of pay set forth in the Appendix A, represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.3 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary step for a new employee entering the classified service shall be the minimum salary step for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary, which is more than the minimum salary step for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.4 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgment of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.5 Effective July 1, 2005 – Salary Step Plan – Police Officers Appointed On Or After January 1, 1999

There shall be six (6) salary steps for the classification of Police Sergeant and Police Officer. Eligible employees will be moved to the next step every 12 months. Any reference in this MOU to a different schedule for step increase shall be adjusted accordingly. In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first salary step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time persons.
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All step references below are to the salary schedule for the Police Officer classification. Non-Sworn Police Officer Trainees are hired at the rate identified in the single step salary classification for Police Officer Trainee.

The first salary step shall be the minimum salary rate and shall be the normal hiring rate for the classification of Police Officer.

The second salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the first salary step and upon the written recommendation of the department head.

The third salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the second salary step and upon the written recommendation of the department head.

The fourth salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the third salary step and upon the written recommendation of the department head.

The fifth salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the fourth salary step and upon the recommendation of the department head.

The sixth salary step shall be paid upon the employee’s satisfactory completion of one (1) year of service at the fifth salary step and upon the recommendation of the department head.

Regardless of an employee’s length of service, salary step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

If a department head recommends to withhold salary increases because an employee has not achieved the level of performance required to the position, the recommendation of notice must be received by the City Manager at least four (4) weeks in advance of the employee’s eligibility date. The affected employee shall be furnished a copy of the department head’s recommendation.

Changes in an employee’s salary because of promotion, demotion, postponement of salary step increase or special merit increase will set a new
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salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.6 Salary Step Plan – Non-Sworn Police Officer Trainee Status

An employee with only the status of Non-Sworn Police Officer Trainee shall be paid at Step 1 of the Police Officer Trainee salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 1 of the salary range of Police Officer. The Trainee shall not qualify for Safety status while in the Academy.

15.7 Salary Step After Military Leave

All employees who have been granted a military leave shall, upon their return to the City service, are entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.8 Salary Step When Salary Range Is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee’s step held in the previous range, unless otherwise specifically provided by the City Manager.

15.9 Salary Step After Promotion or Demotion

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.
15.10 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.

15.11 **Special Assignment Differential**

(a) All Police Unit employees who are not assigned to the traditional 10-plan Field Operations/Patrol shift schedule, and are assigned to schedules that regularly observe holidays off shall receive a “Special Assignment” differential equal to five percent (5%) of the employee's current base pay. This pay is in exchange for the elimination of extra holiday compensation for these positions.

(b) While not all-inclusive, examples of those special assignments wherein the Special Assignment Differential would apply include positions within the Investigations Division, Administrative Services Division, Technical Services Division, Special Operations Division, Traffic Section, and Professional Standards Section. The primary qualifying factor for Special Assignment Differential is that the special assignment is one in which the assigned personnel generally observe all holidays off, as the section/unit "closes" on holidays. These can generally be described as "non-patrol" assignments.

15.12 **Retention Incentive**

Effective the first full pay period following ratification and Council adoption of the MOU, the City will credit each bargaining unit member who has been continuously employed by the City from July 1, 2014 through the first full pay period following Council adoption with 27 hours of leave as a retention bonus.

Leave time under this provision will have no cash value at separation and employees may not elect to cash out the time. However, any time not used by the last pay period of the contract term (pay period of June 16-30, 2016) will automatically be cashed out at each employee’s base rate of pay plus applicable add pays.

Leave usage under this provision is subject to the normal rules (request and approval) for vacation and compensatory time off.

The parties understand and intend that payout of these leave balances is not pensionable compensation.
15.13 **Bi-Weekly Pay Period**

The City and the Association agree to move to bi-weekly pay as soon as it is administratively possible within the City. The parties understand that this may not be administratively possible until the City implements a new payroll system.
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SECTION 16. RESIDENCY

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

SECTION 17. SEVERABILITY OF PROVISIONS

In the event that any provision of the Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 18. PAST PRACTICES AND EXISTING MEMORANDUMS OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

SECTION 19. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

SECTION 20. DURATION

All provisions of this Memorandum of Understanding shall be effective July 1, 2014, and shall remain in full force and effect to and including the 30th day of June, 2016.
SECTION 21. MAINTENANCE OF OPERATIONS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinafore, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
SECTION 22. CITY RIGHTS

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.
SEC 23. CONDITIONAL AGREEMENT RE PLAN SUPPORT AND TREATMENT OF CLAIMS

1. Confirmation of Plan. The City agrees to use its best efforts to obtain confirmation of, and to implement, a plan of adjustment ("Plan") that is consistent with the terms of this MOU, or as applicable, its successor MOU. All of the provisions of this Article except 2(c) shall be null and void in the event that the Plan contemplated by this Agreement is not confirmed and does not become effective.

2. SPOA's Claims. SPOA alleges that its members have claims in the bankruptcy case against the City relating to the City's modification of its 2009 Memorandum of Understanding ("2009 MOU"). to Declarations of Fiscal Emergency beginning on or about May 26, 2010 and continuing in effect thereafter, and in connection with the treatment of the claims of SPOA and its members under the Pendency Plan (collectively, the "Claims"), and that, in the aggregate, the Claims exceed thirteen million dollars ($13,000,000). The City disputes the Claims and contends that the Claims would not be allowed in the chapter 9 case. It further asserts that, if the Claims were allowed, they would be allowed in an amount aggregating less than thirteen million dollars ($13,000,000).

In consideration of resolving the above differences and agreement on the MOU, the City agrees that the Claims shall be provided for in the Plan as follows:

(a) The Claims will be deemed allowed in the chapter 9 case in the aggregate amount of eight million, five hundred thousand dollars ($8,500,000) (the "Allowed Claims"). In consideration for the reduction in the amount of the Claims, SPOA members employed during fiscal years 2010-2011 and/or 2011-2012 shall be credited, upon final approval of the MOU by the Parties and, if necessary, by the Bankruptcy Court, twenty-two (22) additional hours of paid leave in fiscal year 2012-2013. These additional hours of paid leave shall have no cash value and shall be utilized any time prior to the date upon which the SPOA member leaves employment with the City. Only those employees who were employed during some portion of the period July 1, 2010 and July 1, 2012 and who were still current employees upon the effective date of this Agreement shall be entitled to this treatment.

(b) The Allowed Claims shall be satisfied under the Plan by the City by crediting SPOA members employed during fiscal years 2010-2011 and/or 2011-2012, eleven (11) additional paid leave hours in the fiscal year of approval of the Plan and eleven (11) additional paid leave hours in the fiscal year after approval of the Plan. This benefit shall only apply to those employees who were employed during some portion of the period July 1, 2010 and July 1,
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2012 and who are current employees as of the date the Plan is approved by the Bankruptcy Court. The total additional paid leave per SPOA member under paragraphs 2(a) and 2(b) of this article shall equal forty-four (44) hours. These additional paid leave hours shall have no cash value, and shall be utilized any time prior to the date upon which the SPOA member leaves employment with the City. It is understood that the provision of these hours shall be the sole compensation for the Claims of SPOA and its members. The additional twenty-two (22) hours additional paid leave credit contained in this paragraph 2(b) shall be contingent upon confirmation of the Plan and on the Plan becoming effective.

(c) Notwithstanding the foregoing, in the event that the Plan is not confirmed and does not become effective, the Claims shall not be allowed as specified herein, and both SPOA and the City agree that the Claims will be considered unresolved, with each Party reserving the right to assert or contest the Claims; provided, however, that the monetary equivalent of any paid leave hours taken pursuant to this Article shall serve as a credit against the Claims.

3. Implementation of 2012-2014 SPOA MOU. The City shall include in its proposed Plan provisions that give effect to, and comport with the terms of this Agreement.

4. Plan Support. SPOA agrees to use its best efforts to support the Plan, the provisions of which include the treatment of the Claims as described above, and which are consistent with the terms of the MOU. SPOA’s support for the Plan shall include statements in papers filed in the Bankruptcy Court and in appearances by its counsel in Bankruptcy Court. SPOA shall use its best efforts to cause its members to vote to approve the Plan, to withdraw any proofs of claim they have filed which are inconsistent with the MOU and not object to, or otherwise commence any proceeding against, or take any other action opposing any of the terms of the MOU, the Plan or any disclosure statement filed in connection with the Plan. At the City’s request, such support may also include the execution by SPOA of an agreement to recommend that its members vote in favor of the Plan.

5. Further Assurances. The Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, from time to time, to effectuate the agreements and understandings of the Parties, whether the same occurs before or after the date of this Agreement.

6. Release of Claims. Except for the Parties’ respective obligations stated in the MOU, SPOA, on behalf of all employees in its bargaining unit, and the City hereby release and discharge each other, and their respective past or present parents, subsidiaries, successors, predecessors, assigns, and their respective officers, directors, CITY OF STOCKTON
employees, agents, attorneys, and each of them, from and against any and all
defenses, claims, demands, losses, damages, and causes of action of whatever kind or
nature, whether known or unknown, suspected or unsuspected, which either of them
may now or hereafter have against the other in any way related to the Claims and or
Litigation Claims (as such term is defined below). This release shall include, but is not
limited to, within thirty days of approval of the Plan, dismissing with prejudice litigation
and cross litigation claims ("Litigation Claims") pertaining to San Joaquin County
Superior Court case number 39-2010-00245197-CU-WM-STK, San Joaquin Superior
Court Case number 39-2010-00253603 and Third Appellate District appellate case
numbers C070347 and C068723. These cases shall remain stayed until the occurrence
of the effective date of the Plan or the dismissal of the chapter 9 case. The Parties
agree to waive any and all claims for attorneys' fees or costs associated with the
Litigation Claims.

The Parties, and each of them, hereby waive the provisions of Section 1542 of the
California Civil Code, which reads as follows:

A general release does not extend to claims which the creditor
does not know or suspect to exist in his or her favor at the time of
executing the release, which if known by him or her must have
materially affected his settlement with the debtor.

The Parties, and each of them, understand that if the facts with respect to which this
release is given turn out to be different from the facts now known or believed by either
of them to be true, each of them expressly assumes the risk of the facts turning out to
be different, and agrees that this release shall be in all respects effective and not
subject to termination or rescission by any such difference in facts.

This release shall be binding upon and inure to the benefit of the Parties and their
respective past or present parents, subsidiaries, successors, predecessors, assigns,
and their respective officers, directors, employees, agents, attorneys, including but not
limited to all bargaining unit employees, and each of them.

This release shall not apply to any pending disciplinary cases, or grievances pertaining
to those disciplinary cases, but shall apply to any lawsuits filed related to those
disciplinary cases.

7. Resolution of Dispute regarding the Property at 1132 N. Country Club Rd., Stockton,
CA ("the Property"). City agrees to waive SPOA's obligation to sell the Property
identified in MOU Section 23.7, contingent on dismissal of all pending litigation pursuant
to Section 23.6. SPOA shall continue renting the Property to third parties. No SPOA
member, family member, agent or person within SPOA's control shall apply to rent the
Property.

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a) In renting the Property, SPOA shall utilize a licensed third party rental agent not affiliated with SPOA or its agents.

b) SPOA shall sell the Property not later than November 1, 2015, unless this provision is waived in writing by the City.

c) The Property shall be maintained in its present state and SPOA shall exercise its best efforts to ensure that its tenants not interfere with the City Manager’s quiet enjoyment of his home.

d) SPOA shall not seek to change the use of the Property as a single family residence (maximum two unrelated adults, or two adults and two children).

e) Notwithstanding the effective date and expiration date of the MOU, this section 7(a) shall be effective November 1, 2012, and shall apply to the SPOA’s current efforts to lease the Property. It shall expire upon the sale of the Property, unless otherwise agreed by the Parties.

8. No Admissions. Except to acknowledge responsibility to perform the terms of this Article or to enforce those terms, the Parties agree that nothing contained in this Article or any action taken or the failure to take any action pursuant to this Article ever is to be construed as an admission or evidence tending to establish the validity of either Party’s claims, including the initial Claims.

9. Rules of Construction. The Parties agree that any rule of construction to the effect that ambiguities are resolved against the drafting party shall not apply to the interpretation of this Article, since both Parties have reviewed it with counsel of their respective choice. Otherwise, this Article shall be governed by and interpreted in accordance with the law of the State of California and the Bankruptcy Code.
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SECTION 24. CONCLUSIVENESS

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices and a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolutions shall be amended to conform to the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary consent of the City and the Association in a written and signed amendment to this Agreement.
**APPENDIX A. SALARY SCHEDULE**

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Police Officer</td>
<td>4,970.39</td>
</tr>
<tr>
<td>Police Officer Recruit</td>
<td>4,275.10</td>
</tr>
<tr>
<td>Police Officer Trainee</td>
<td>4,275.10</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>5,876.26</td>
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Effective July 1, 2015 or first full pay period after adoption, whichever occurs later:

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Salary Steps</th>
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</thead>
<tbody>
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<td>1</td>
</tr>
<tr>
<td>Police Officer</td>
<td>5,069.80</td>
</tr>
<tr>
<td>Police Officer Recruit</td>
<td>4,360.60</td>
</tr>
<tr>
<td>Police Officer Trainee</td>
<td>4,360.60</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>5,993.79</td>
</tr>
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</table>
## APPENDIX B. CITY OF STOCKTON MODIFIED EMPLOYEES MEDICAL PLAN
WITH MEDICAL PLAN CHANGES EFFECTIVE SEPTEMBER 1, 2011

<table>
<thead>
<tr>
<th>Plan Feature</th>
<th>Coverage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When Provided by a Participating Provider</td>
</tr>
<tr>
<td>Calendar year deductible (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the deductible)</td>
<td>$500 per person; $1,500 maximum per family</td>
</tr>
<tr>
<td>Calendar year out-of-pocket maximum on Allowable Charges (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the out-of-pocket maximum)</td>
<td>$5,000 per person; $10,000 maximum per family</td>
</tr>
<tr>
<td>Overall lifetime maximum benefit</td>
<td>None</td>
</tr>
<tr>
<td>Hospital</td>
<td></td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Outpatient department</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Emergency room</td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
<tr>
<td></td>
<td><strong>80% of Allowable Charges after a copayment of $75 per admission</strong></td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>Skilled Nursing Facility</td>
<td><strong>80% of Allowable Charges</strong></td>
</tr>
<tr>
<td>Outpatient therapy</td>
<td><strong>80% of Allowable Charges</strong></td>
</tr>
<tr>
<td>(physical, respiratory,</td>
<td></td>
</tr>
<tr>
<td>cardiac &amp; speech)</td>
<td></td>
</tr>
<tr>
<td>Home health care</td>
<td><strong>80% of Allowable Charges</strong></td>
</tr>
<tr>
<td>Hospice care</td>
<td><strong>80% of Allowable Charges</strong></td>
</tr>
<tr>
<td>Plan Feature</td>
<td>Coverage Amount</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Participating Provider</td>
</tr>
<tr>
<td>Mental or nervous disorder</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
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<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
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<tr>
<td>Substance abuse treatment</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Outpatient diagnostic radiology &amp;</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Radiation therapy, chemotherapy &amp;</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>dialysis treatment</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Physician services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Office &amp; hospital visits</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Emergency room care</td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
<tr>
<td>Surgery</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Anesthesia and its administration</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Service Description</td>
<td>Preventive Care (physical exam, screenings, tests &amp; immunizations as recommended by certain government agencies – refer to the definition of Preventive Care Services in Article 1)</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Dental treatment</td>
<td>Not covered except 80% of Allowable Charges for treatment of Accidental Injury to natural teeth</td>
</tr>
<tr>
<td>Chiropractic services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Pregnancy &amp; childbirth (dependent children are not covered by this benefit)</td>
<td>Covered on the same basis as an illness</td>
</tr>
<tr>
<td>Infertility</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Organ &amp; tissue transplants</td>
<td>Payable on the same basis as any other illness</td>
</tr>
<tr>
<td>Ambulance service</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Prosthetics &amp; orthotics</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Durable medical equipment</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Hearing aids</td>
<td>No Coverage</td>
</tr>
<tr>
<td>Prescription Drug Program (no calendar year deductible applies)</td>
<td>When Dispensed at a Participating Pharmacy</td>
</tr>
<tr>
<td>Retail pharmacy (30 day supply limit)</td>
<td>$10 copayment for a generic drug; $35 copayment for a non-generic formulary drug; no coverage for non-formulary drugs</td>
</tr>
<tr>
<td>Mail service pharmacy (90 day supply limit)</td>
<td>$20 copayment for a generic drug; $70 copayment for a non-generic formulary drug; no coverage for non-formulary drugs</td>
</tr>
</tbody>
</table>
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

IN WITNESS WHEREOF this Memorandum of Understanding was ratified by a membership vote of the Association on June 13, 2015 and by an affirmative vote of the Stockton City Council on June 23, 2015. The SPOA and the City of Stockton have hereto executed this Memorandum of Understanding this 31 day of July, 2015.

For the City of Stockton:

KURT WILSON
City Manager

TERESA ZADROGA-HAASE
Director of Human Resources

Approved as to form:
John Luebberke, City Attorney

By:

By:

CHARLES SAKAI
Negotiator for the City

ATTEST:
BONNIE PAIGE
CITY CLERK

For
BONNIE PAIGE
City Clerk

CITY OF STOCKTON
CONTRACT ROUTING FORM

City of Stockton
City Manager's Office

Date: JUN 21, 2015

Contract Number: 2015-06-23-1205 P
(For Clerk's Use)

CONTRACT TYPE (select one)
○ Original ○ Amendment/Renewal/Change Order ○ Grant
○ Subdivision Agreement ○ Other 07/01/2014-06/30/2016

CONTRACT INFORMATION
Contract Amount: $

Contract Title: 07/01/2014-06/30/2016 SPOA UNIT MOU
Vendor/Other Party: STOCKTON POLICE OFFICERS ASSOCIATION
Contract Start Date: 07/01/2014 Contract End Date: 06/30/2016
Contract Term: TWO YEARS

COUNCIL APPROVAL REQUIRED? ○ Yes ○ No (provide account # if no)
Council approval required for contracts over $75,000 for FISCAL YEAR: 2014-2015
Approved by Council on 06/23/2015 Agenda Item No: 15-1720 12.05 Copy Attached

REQUIRED DOCUMENTS (The following documents shall be submitted with the signed contract when required):
Business License Required? ○ Yes ○ No Business License No.
Bonds Required? ○ Yes ○ No
Insurance Required? ○ Yes ○ No
Notary Required? ○ Yes ○ No Recordation Required? ○ Yes ○ No

Routing Order

1 DEPARTMENT: HUMAN RESOURCES

DEPARTMENT HEAD APPROVAL TERESIA ZADROGA-HAASE date: 7-15-15
Project Mgr: MARISA GUERRERO ext: 7584 Staff: ext:
Forwarded to: SHERRI ASAKAWA on: 07/14/2015 by:

VENDOR/OTHER PARTY
Signed ( ) originals on: ________________________________ by:
Forwarded to: ________________________________ on: ________________________________ by:

RISK SERVICES
Insurance approved on: ________________________________ by: ________________________________
Bonds approved on: ________________________________ by: ________________________________
Forwarded to: ________________________________ on: ________________________________ by: ________________________________

2 CITY ATTORNEY
Approved as to Form and Content on: 7/17/2015 by:
Forwarded to: CMI on: 7/21/15 by:

3 CITY MANAGER
Signed by City Manager on: 7/21/15 Forwarded to: CLERK on: 7/22/15 by:

4 CITY CLERK
City Clerk attested on: 7/12/2015 Returned (3) original(s) to dept. on: 7/12/2015 by:
Retained (1) original(s) for City's file. Hard Copy on file? Yes ○ No ○ OB # 1743307

5 ORIGINATING DEPARTMENT: HUMAN RESOURCES

Requisition No. ________________________________ Original sent to vendor on: ________________________________ by:
Copy of contract to be retained by department. Original on file in the Clerk's office.
Copy of contract sent to Purchasing on: ________________________________ by:

PURCHASING: Purchase Order No. ________________________________ PUR No. ________________________________

08 1743307
Resolution No. 2016-07-12-1207

STOCKTON CITY COUNCIL


The Director of Human Resources, in her capacity as the Employee Relations Officer, along with the negotiating team, met and conferred with officials of the Stockton Police Officers’ Association (SPOA), and Fire Services Management Unit (Fire Management) for a successor Memoranda of Understanding and reduced the agreements to writing. The SPOA and Fire Management units ratified the agreement by a majority vote of their respective members; and

The City of Stockton and the SPOA and Fire Management have in good faith completed their meet and confer obligations regarding their respective successor Memoranda of Understanding; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Memoranda of Understanding between the City of Stockton and the SPOA, and Fire Management unit attached hereto as Exhibits 1 and 2 and incorporated by this reference, are hereby approved and adopted.

2. The City Manager is hereby authorized and directed to execute the Memoranda of Understanding to be effective July 1, 2016.

3. The City Manager is hereby authorized and directed to appropriate additional funds in an amendment to the adopted Fiscal Year 2016-2017 Annual Budget, as necessary to carry out the intent of the SPOA and Fire Management agreements, as shown in Exhibit 3.
4. The City Manager and the Employee Relations Officer are authorized to take whatever actions are appropriate and necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED __________ July 12, 2016 __________

ANTHONY SILVA, Mayor of the City of Stockton

ATTEST:

BONNIE PAIGE
City Clerk of the City of Stockton
MEMORANDA OF UNDERSTANDING WITH THE STOCKTON POLICE OFFICERS' ASSOCIATION AND THE FIRE SERVICES MANAGEMENT UNIT

RECOMMENDATION

It is recommended that the City Council adopt a resolution:

1. Authorizing the approval of the Stockton Police Officers' Association Memoranda of Understanding effective July 1, 2016 through June 30, 2019; and

2. Authorizing the approval of the Fire Services Management Unit's successor Memoranda of Understanding (MOU) effective July 1, 2016 through June 30, 2019; and

3. Authorizing the City Manager to take all appropriate and necessary actions to carry out the purpose and intent of the resolution, including implementation and funding of these successor MOU's.

Summary

In February and April 2016, representatives of the City began meeting with the Fire Services Management Unit (Fire Management), and the Stockton Police Officers' Association (SPOA), respectively, to discuss successor MOU's. The Fire Management and SPOA MOU's were set to expire June 30, 2016, and the City and both bargaining units desired to negotiate a successor MOU effective after that expiration.

The successor MOU’s presented herein include a contract term of three (3) years; a 6% cost of living increase adjustment (COLA) to base pay effective July 1, 2016, with no additional COLA's in the following two years of the contract; base pay salary adjustments for positions significantly below market; additional City health contribution increases in years 2 and 3 of the contract; for Fire Management a vacation cash out option in years 2 and 3 of the contract, elimination of Health Reimbursement Account and a $250 annual increase to uniform allowance; and for SPOA the City has agreed to pick up the cost for the CalPERS benefit of converting unused sick leave towards service credit for certain eligible members.

Although COLA increases have been restructured to address market conditions, the overall level of increase is consistent with the City’s Long-Range Financial Plan (L-RFP). Additional compensation adjustments have been negotiated with SPOA to remedy current recruitment and retention difficulties. All compensation increases have been included in an updated L-RFP as described below, and long-term sustainability remains viable. The ability to address market pressures and maintain fiscal sustainability is due to City Council action to set aside funds for Employee Compensation on December 8, 2015, as well as adoption of a new Reserve and Available Fund
MOU's through June 30, 2016, increasing the City's capped health insurance premium contribution to be reset at 90% of the lowest cost Kaiser Plan premiums, effective July 1, 2016, to ensure parity amongst the employee groups.

The City Council identified retention and recruitment of employees, particularly in the Police Department, as a high priority and took action to set aside funds to address market conditions through the adoption of the General Fund Reserve policy on March 29, 2016 and approval of one-time funding for Employee Compensation on December 8, 2015, Resolution No. 2015-12-08-1502.

Present Situation

The relevant amendments under the successor MOU's are summarized as follows:

SPOA and Fire Management:

1. MOU contract term for three (3) years - July 1, 2016 through June 30, 2019;

2. Overtime - Sick leave, jury duty, and bereavement leave will count as time worked for Fair Labor Standards Act (FLSA) overtime calculation purposes (SPOA MOU Section 11.2(b); Fire Management MOU Section 11.2(e));

3. Health Insurance - Agreement to a reopener clause to meet and confer upon City's request regarding proposals related to City sponsored medical plans and implementation of the Affordable Care Act (ACA) (SPOA MOU Section 14.0; Fire Management MOU Section 14.0);

4. City contribution towards health insurance in FY 2017-18 and FY 2018-19 - the dollar value of the City's health insurance premium contribution will increase by 2% each year respectively, consistent with the City's L-RFP (SPOA MOU Section 14.1(c); Fire Management MOU Section 14.1(c));

5. Elimination of obsolete language and other language cleanup changes;

MOU specific amendments are summarized as follows:

SPOA:

1. 11% base pay increase (6% COLA and 5% Market Adjustment) effective July 1, 2016 (SPOA MOU Section 15.1);

2. Sick Leave Conversion Pick-Up - City has agreed to pay for SPOA's CalPERS 0.351% sick leave cost pick-up for the PERS benefit for conversion of unused sick leave towards service credit upon retirement for certain eligible members (SPOA MOU Section 9.1(g));

Fire Management:

1. 6% COLA and Market base salary adjustments implemented over contract term effective July 1, 2016 (Fire Management MOU Section 15.8 and Appendix A);
<table>
<thead>
<tr>
<th>Bargaining Unit</th>
<th>Number of Positions</th>
<th>FY 2017-18</th>
<th>FY 2018-19</th>
<th>Contract Total</th>
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<td>SPOA</td>
<td>458</td>
<td>129,905</td>
<td>132,072</td>
<td>262,058</td>
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<td>Fire Management</td>
<td>8</td>
<td>2,680</td>
<td>5,976</td>
<td>5,856</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>466</strong></td>
<td><strong>132,585</strong></td>
<td><strong>138,048</strong></td>
<td><strong>262,058</strong></td>
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</table>

**SPOA Sick Leave Conversion Pick-Up**
The 0.351% sick leave cost pick-up for the PERS benefit for conversion of unused sick leave upon retirement is a General Fund approximate annual cost of $76,780 beginning July 1, 2016.

**Fire Management Uniform Allowance Increase**
Amending the Fire Management uniform allowance from $700 to $950 per year will cost an additional $3,800 per year.

**Elimination of HRA Contribution for Fire Management**
Eliminating the 1% City contribution towards an HRA for Fire Management members will be an annual cost savings of approximately $9,000.

**Fire Management Vacation Sell-Back**
The City previously allowed the option to sell-back vacation time, or take cash in lieu of time off, prior to February 2012. Discontinuing or eliminating the sell-back option was necessary to preserve cash during the fiscal crisis. The annual cost of restoring this benefit for the Fire Management group could be as much as $31,000. These one-time costs will also be funded from prior year savings and will be made part of the FY 2017-18 and FY 2018-19 annual budgets. However, there could be an offsetting increase in productivity if staff take cash in lieu of time off as the hours worked could increase.

Prior year savings has enabled the City to direct more funds than previously anticipated toward employee compensation in the near term, and will accelerate the City’s effort to provide compensation consistent with median market levels. To fund the market adjustments, some expenditure assumptions in the L-RFP had to be revised to maintain long-term fiscal sustainability. Vacancy savings previously estimated at 3% of total salary and benefits were increased to 5% and the labor litigation budget previously budgeted at $2 million was reduced to an amount in line with post-bankruptcy legal costs. The successor MOUs with these bargaining units should improve recruitment and retention efforts, and ultimately reduce costs associated with staff turnover. Most of these compensation changes are ongoing costs to the City and have to be sustainable in the long-term. With the approval of these MOU terms, the General Fund available balance will be diminished. If labor negotiations for the remaining bargaining unit result in similar compensation adjustments, the General Fund available balance is projected to drop close to the 5% minimum reserve level in FY 2026-27 as shown in the L-RFP chart below. However, Council adopted a new Reserve and Available Fund Balance Policy in March, 2016 and it is estimated that an additional $15 million would be set aside in reserves for economic uncertainties and unforeseen events. Approval of the SPOA MOU prioritizes a fiscal commitment to fill vacancies and meet existing expectations for service. The City’s ability to direct funds toward other priorities and expand City services will continue to be constrained.
**CONTRACT ROUTING FORM**

**Contract Number**: 2016-07-12-1207-D2P

### CONTRACT TYPE (select one)
- [ ] Original
- [ ] Amendment/Renewal/Change Order
- [ ] Grant
- [ ] Subdivision Agreement
- [ ] Other

### CONTRACT INFORMATION
- **Contract Amount:** $
- **Contract Title:** Stockton Police Officers Assoc, MOU
- **Vendor/Other Party:** SPOA
- **Contract Start Date:** 07/01/2016
- **Contract End Date:** 06/30/2019
- **Contract Term:** 3 years

### COUNCIL APPROVAL REQUIRED?
- [ ] Yes
- [ ] No (provide account # if no)

Council approval required for contracts over $75,000 for FISCAL YEAR: 2016-2017

Motion/Resolution/Ordinance No: 2016-07-12-1207

### REQUIRED DOCUMENTS (The following documents shall be submitted with the signed contract when required):

- [ ] Business License Required
- [ ] Yes
- [ ] No
- **Business License No.:**
- [ ] Bonds Required
- [ ] Yes
- [ ] No
- **Insurance Required?**
- [ ] Yes
- [ ] No
- **Notary Required?**
- [ ] Yes
- [ ] No
- **Recodation Required?**
- [ ] Yes
- [ ] No

**Routing Order**

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<thead>
<tr>
<th>1</th>
<th>DEPARTMENT:  HUMAN RESOURCES</th>
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<tr>
<td>DEPARTMENT HEAD APPROVAL</td>
<td>[Signature] 8/23/16</td>
</tr>
<tr>
<td>Project Mgr: M. Guerrero</td>
<td>ext: 7584 Staff: R. Maglinle ext: 8629</td>
</tr>
<tr>
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<thead>
<tr>
<th>4</th>
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<tr>
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<tr>
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<tr>
<td>Retained (1) original(s) for City's file. Hard Copy on file? Yes [ ] No [X] OB # 19021D8</td>
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<table>
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<td>Copy of contract to be retained by department. Original on file in the Clerk's office.</td>
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| 8 | PURCHASING:  Purchase Order No. 5979700 PUR No. |

DB 19021D8
MEMORANDUM OF UNDERSTANDING BETWEEN THE STOCKTON POLICE OFFICERS ASSOCIATION AND CITY OF STOCKTON

TERM:        July 1, 2016 – June 30, 2019
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

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STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

This agreement (the "Agreement" or "MOU") is made and entered into as of September 15, 2016, by and among the City of Stockton, California (the "City" or "Stockton") and the Stockton Police Officers Association ("SPOA"), sometimes collectively referred to as the "Parties."

SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The Stockton Police Officers' Association, hereinafter referred to as the "Association" is the recognized employee organization for the Police Officers' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

(a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Association has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount and consistent for all employee members of the Association, and shall not include fines, fees and/or assessments.

Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorization shall remain in effect until canceled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, deductions authorized and sponsored by the Association. Such deductions shall be made from either or both of the semi-monthly paychecks and only upon signed authorization from the employee upon a form satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly. Such deductions shall be payable to the Association who is responsible for distribution to sponsored programs. The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in pay status during the period. In the case of an employee who is in a non-pay status during a part of the period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.
(b) **Indemnity and Refund.** The Association shall indemnify, defend and hold
the City harmless against any claim made and against any suit initiated
against the City on account of check off of Association dues or premiums
for benefits. In addition, the Association shall refund to the City any
amounts paid to it in error upon presentation of supporting evidence.

2.2 **Use of City Facilities**

(a) The Association shall be allowed by the City department in which it
represents employees' use of space on available bulletin boards for
communications having to do with official Association business, such as
times and places of meetings, provided such use does not interfere with
the needs of the department.

(b) Any representative of the Association shall give notice to the department
head or his/her designated representative when contacting department
employees on City facilities during the duty period of the employees,
provided that solicitation for membership or other internal Association
business shall be conducted during the non-duty hours of all employees
concerned. Prearrangement for routine contact may be made with the
Police Chief and when made shall continue until revoked by the Chief.

(c) City buildings and other facilities may be made available for use by City
employees of the Association or their representatives in accordance with
such administrative procedures as may be established by the City
Manager or department heads concerned.

2.3 **Attendance at Meetings by Employees/Association Release Time**

Release Time Related to Meet and Confer. City employees who are official
representatives of the Association shall be given reasonable time off with pay, in
accordance with MMBA, to attend meetings with City management
representatives, or be present at administrative hearings where matters within
the scope of representation or grievances related to this unit are being
considered.

The use of release time for this purpose shall be reasonable and shall not
interfere with the performance of City services as determined by the City. Such
employee representatives shall submit a request for excused absence to their
department head, in a manner satisfactory prior to the scheduled meeting
whenever possible. The number of employees excused for release time related
to meeting with City management on meet and confer and grievance matters
shall not exceed five (5), except by mutual agreement.

CITY OF STOCKTON
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

SECTION 3. COMPLIANCE WITH LOCAL, STATE & FEDERAL LAWS

3.1 The City and the Association agree that there shall be no discrimination of any kind against any employee or applicant for employment because of age (over 40), race, color, religion, national origin (ancestry), veterans status, physical or mental disability, marital status, sexual orientation, sex (sexual, gender based, pregnancy/childbirth), political affiliation, legitimate Association activity, or any other protected trait as determined by federal, state and/or local law.

3.2 The Association shall cooperate with the City in the objectives of Equal Employment Opportunities as required by law.

SECTION 4. PROBATIONARY PERIOD

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his/her position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

The City agrees that it shall adhere to all applicable City Ordinances, State and Federal laws relating to the employment of Police Officers, including standards established by the Peace Officers' Standards and Training Division of the California Department of Justice.

All original entrance positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance positions shall not be extended.

4.3 Promotional Positions

All promotional police appointments shall be subject to a probationary period of twelve (12) months. The probationary period for police promotional positions shall not be extended.

4.4 Retention/Rejection of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, then the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee in the service is desired.

During the probationary period an employee may be rejected at any time by the appointing authority. Any employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in the City Charter Article XXXII Section 9, Civil Service Ordinance and Civil Service Rules.
4.5 **Probationer Advanced To Higher Rank**

Any promotional probationary police employee who is advanced to a higher classification or is appointed to the rank of Chief of Police or Deputy Chief of Police shall receive credit towards his promotional probationary period for the lower rank while serving in the higher probationary or appointive rank.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of his position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within departments of the City.

(b) The departments of the City are defined as follows:

1. Administrative Services
2. City Attorney
3. City Auditor
4. City Clerk
5. City Manager
6. Community Development
7. Community Services
8. Economic Development
9. Fire
10. Human Resources
11. Information Technology
12. Municipal Utilities
13. Police
14. Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.

5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories:
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- Extra help or seasonal
- Provisional
- Temporary
- Probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

If two (2) or more employees have the same seniority, the order of seniority shall be determined by the employees' examination results and ranking on the same eligibility list upon which the employees' were subsequently hired.

5.5 Employee Options

Employees laid off shall have any of the following choices:

(a) Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Human Resources as having the least seniority in that classification. This option shall be exercised before any other option.

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least seniority in that classification. The voluntary demotee's seniority in the classification to which demoted shall be determined by the demotee's dates of hire in the lower classification.
SECTION 6. REEMPLOYMENT/REINSTATMENT

6.1 Reemployment

When an employee in the classified service who has been performing his duties in a satisfactory manner, as shown by the records of the department in which he has been employed, is laid off because of lack of funds or abolition of his/her position or has been on authorized leave of absence and is ready to report for duty when a position is open, the Commission shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment consistent with Civil Service Rule VII Certification and Appointment pertaining to Police safety positions, currently in effect.

The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last-laid off, first rehired".

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same rank in the department for which the lists apply.

6.2 Reinstatement on a Reemployment List

A permanent employee who has resigned in good standing may, with the recommendation of the Police Chief, the City Manager, and the approval of the Civil Service Commission, be restored to a reemployment list of the same classification upon as held upon resignation within a period of one (1) year from the effective date of his/her resignation.
SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend or demote any employee in the classified service provided the City Charter provisions and the Rules and Regulations of the Civil Service Commission and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

(a) File no appeal.

(b) File an appeal with the Civil Service Commission within ten (10) business days of written notification of the action. (Such filing will foreclose use of the grievance procedure.)

(c) File a grievance as provided for in Section 8 starting at step two (2) with the Director of Human resources within ten (10) business days of written notification of the action, or fourteen (14) business days following the mailing of a written notice by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection "business day" means a day on which the Human Resources Department is open for business to the public.

If the employee fails to do (b) or (c) above within the prescribed time frames, these rights will have been waived.
SECTION 8. GRIEVANCE PROCEDURES

8.1 Definition

A grievance is any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules and regulations as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the date of receipt of written notification of such action, or within fourteen (14) business days following mailing of written notification by first class mail to the employee's address contained in his/her official personnel records.

For purposes of this subsection, "business day" shall mean a day on which the Human Resources Department is open for business to the public.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee who believes that he/she has a grievance may discuss his complaint with such management official in the department in which he/she works as the department head may designate. If the issue is not resolved within the department within seven (7) business days from the day of presentation, or if the employee elects to submit his/her grievance directly to the Association recognized as the representative of his/her classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. Any employee or any official of the Association may notify the Director of Human Resources in writing that a grievance exists stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have twenty (20) business days in which to investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two paragraphs which has not first been filed and
investigated in accordance with this paragraph except for the resolution of compensation complaints.

(c) **Step 3 - City Manager Review.** Any grievance which has not been resolved by the procedures hereinabove set forth may be referred to the City Manager by the complainant or by the Director of Human Resources. Such referral shall be in writing, detailing the specific issues involved in the referral together with a statement of the resolution desired. The City Manager shall designate a personal representative who shall not be the Director of Human Resources to investigate the merits of the complaint to meet with the complainant and, if the complainant is not the Association, to meet also with the officials of the Association and to settle the grievance or to make recommendations to the City Manager.

Failure to complete this step within sixty (60) calendar days shall result in the grievance automatically proceeding to step four (4) of the grievance procedure.

(d) **Step 4 - Arbitration.** Either the Association or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by both parties. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(e) **Effect of Decision.** The decision of the arbitrator on matters properly before him/her shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 **Scope of Arbitration**

No arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. No arbitrator selected pursuant to this Section shall have the power to amend or modify this Memorandum of
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Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from the arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above, or the City Manager in pursuance of the provisions outlined above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed, except in cases where the City determines that the basis of the compensation issue was a result of a clerical error, the adjustment shall be no more than three hundred and sixty-five (365) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (d) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself/herself of such option.
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No action under paragraph (d) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Human Resources will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.
SECTION 9. LEAVES

9.1 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of eight (8) hours for each full month of service. All regular employees, except provisional, temporary and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) **Usage.** Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him/her from performing his/her duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) **Usage for Family.** Employees may utilize fifty percent (50%) of their annual accrued sick leave to attend to cases of illness or injury in the employee's immediate family.

For the purposes of this section immediate family is defined as the employee's parents, spouse, registered domestic partner, child (child as defined as biological, step, foster or adopted child; a legal ward; child of domestic partner; a child to whom the employee stands in loco parentis), legal dependent, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his supervisor as promptly as possible of his absence.

Before an employee may be paid for the use of accrued sick leave, he shall complete and submit to his department head a signed statement, on
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a prescribed form, stating the dates and hours of absence, type of sick leave to be used, and such other information as is necessary for his request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

(e) **Doctor's Certificate or Other Proof.** The Police Chief or designee may require a doctor's certificate or other reasonable proof of illness as he/she deem necessary in order for an employee to receive an excused absence from work and sick leave pay. The employee shall be given notice prior to returning to work that he or she will be required to provide such documentation. Employees who have unscheduled absences due to illness on a scheduled work day preceding or following a holiday may be required to bring a doctor's certificate or other reasonable proof of illness in order to receive an excused absence and sick leave pay.

(f) **Use of Sick Leave While on Vacation.** An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

1. Was hospitalized during the period for which sick leave is claimed, or
2. Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

(g) **Payment for Unused Sick Leave.** Except as provided in section (h), all sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave. Current employees shall be eligible for CalPERS service credit for unused sick leave at retirement. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for that service credit. Effective July 1, 2016, the City will begin to pay the PERS .351% Cost Pick-Up for Credit for Unused Sick Leave for those members hired on or before August 16, 2013.

(h) **Sick Leave Retention Benefit.**

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

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(1) Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;

(2) Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and

(3) Separation after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of it’s cash value to separating employees after this date.

(4) Service credit for unused sick leave shall be in accordance with PERS regulations.

9.2 Military Leave

An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or force of the Federal Military, Naval, or Marine service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the position they held when they were inducted into Military Service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the department head and the City Manager to grant regular status to said employee before induction.

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months, or having served the minimum probationary period of eighteen (18) months, but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above.
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specified and shall serve the balance of their probationary period before attaining
the status of a regular employee.

Two or more regular employees granted military leave of absence without pay
from the same position shall be reemployed according to their seniority of
employment providing they are physically fit as above specified.

9.3 Court Appearance

Upon approval by the department head, an employee, other than a provisional or
temporary employee, shall be permitted authorized absence from duty for
appearance in court because of jury service, in obedience to subpoena or by
direction of proper authority, in accordance with the following provisions:

(a) Said absence from duty will be compensated for actual hours the
employee serves on the jury or is required to remain in court to testify as a
witness in a criminal case, other than as a defendant, including necessary
travel time. As a condition of receiving such full pay, the employee must
remit to the City Treasurer, through the employee’s department head,
within fifteen (15) days after receipt all fees received except those
specifically allowed for mileage and expenses.

(b) Jury duty or witness duty appearances shall be considered in terms of
actual hours spent performing those duties. If an employee is not due to
appear for jury duty or as a witness until afternoon court session, he/she
will be expected to work his usual morning schedule. If an employee is
required to appear for morning court session and is released before noon
and not required to return to court in the afternoon, he/she shall work the
remainder of his/her usual afternoon schedule.

(c) Said absence from duty will be without pay when the employee appears in
private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall
be remitted to the City Treasurer through the employee’s department
head.

Notwithstanding the foregoing, attendance in court in connection with an
employee’s official duties or in behalf of the City of Stockton in connection
with a case in which the City of Stockton is a party, together with travel
time necessarily involved, shall not be considered absent from duty within
the meaning of this Section.
9.4 **Bereavement Leave**

In the event of a death in the immediate family of an employee, the employee shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral.

For the purposes of this Section, the immediate family shall be restricted to the employee's parents, spouse, registered domestic partner, child, step child, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

9.5 **Workers Compensation Leave**

**Forms and Procedures.** Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. An employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness requiring medical care is required to seek medical care at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

9.6 **Leave of Absence**

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.
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All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of an injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.

9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant a leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

Leaves of absence without pay on account of illness or injury which are not job-incurred may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick credits have been used and shall be substantiated by a physician’s statement.

(b) Application for and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his department head and the City Manager describing the reasons for the request and all other information required for the
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department head, or his representative, to evaluate the request. Leaves without pay may be canceled by the department head at any time.

9.8 Absence Without Leave

(a) Refusal of Leave or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved revoked or canceled by the department head or City Manager or at the expiration of a leave, shall be considered an absence without leave.

(b) Voluntary Resignation. Any employee of this bargaining unit absent without leave for two (2) or more consecutive scheduled days or absent an aggregate of either sixteen (16) hours or twenty (20) hours in any calendar month without a satisfactory explanation as approved by the Human Resources Director shall be deemed to have voluntarily resigned from the City of Stockton except if the absence is due to a verified illness or injury.

9.9 Vacation Leave

(a) Vacation Allowance. All regular employees, excluding provisional, temporary and part-time employees shall accrue vacation leave with pay semi-monthly in accordance with the following schedule:

Less than 1-1/2 years continuous employment ..................... 80 hours/year
After 1-1/2 years up to 7 1/2 years ..................................... 108 hours/year
After 7-1/2 years up to 15 years ........................................ 144 hours/year
After 15 years up to 25 years ............................................ 189 hours/year

Seven (7) additional hours hence for each completed year of service in excess of twenty-five (25) years.

(b) Vacation Accumulation. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees reaching the maximum hours provided here shall stop accruing additional vacation hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception.

Employees who, on July 1, 2012, have vacation balances that exceed their maximum shall have until June 30, 2013 to use sufficient vacation to satisfy the maximum allowed. If an employee does not satisfy the maximum by June 30, 2013, he/she shall retain his/her existing earned vacation, but shall not earn any additional vacation until the employee's
vacation balance is under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Hours</th>
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</thead>
<tbody>
<tr>
<td>Under 1.5 years</td>
<td>120 hours</td>
</tr>
<tr>
<td>1.5 – 7.5 years</td>
<td>240 hours</td>
</tr>
<tr>
<td>7.5 – 15 years</td>
<td>280 hours</td>
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<tr>
<td>15 – 25 years</td>
<td>320 hours</td>
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<td>26 years</td>
<td>328 hours</td>
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<td>27 years</td>
<td>336 hours</td>
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<td>28 years</td>
<td>344 hours</td>
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<tr>
<td>29 years</td>
<td>352 hours</td>
</tr>
<tr>
<td>29 plus years</td>
<td>7 hours each additional year</td>
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</tbody>
</table>

(c) **Vacation Schedule.** The time at which employees shall be granted vacation leave shall be at the discretion of the department head with due regard for the wishes of the employee and needs of the City.

(d) **Vacation Allowance for Separated Employees**

(1) An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cash out or sell back for accrued but unused vacation hours.

(2) An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his resignation shall have his prior service counted in determining eligibility for vacation benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement which shall not be counted in determining eligibility.
SECTION 10. DAYS AND HOURS OF WORK

10.1 **Regular Workweek**

The normal workweek for Police Unit employees shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where operational requirements of a department require deviations from the present schedule, the City Manager may institute alternate work schedules, consistent with provisions of the State Law.

10.2 **Regular Workweek for Patrol**

The work schedule for patrol is the current 4/10 work schedule. The Chief of Police may change the start/finish time of a shift after providing written notification.

10.3 **Meal Periods**

Phase shift employees normally receive a one-half (1/2) hour meal with pay each day.

Other Police Unit employees will normally receive a one (1) hour meal period without pay.

10.4 **Furlough bank hours**

(a) **Furlough Bank.** There shall be no cash value provided for any furlough hours since the start of the furlough program in 2009 and all furlough bank hours shall be used in accordance with 10.4 (b) below.

(b) **Use of Furlough Hours.** All furlough leave shall be scheduled in advance with the employee’s supervisor. All Furlough must be scheduled and used prior to the date of separation in accordance to City’s leave policies.
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SECTION 11. OVERTIME

11.1 Authorization

All compensable overtime must be authorized by the Chief of Police or the Chief's designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions a confirming authorization must be made on the next regular work day following the date which the overtime was worked.

11.2 Compensation

The following provisions pertaining to authorized statutorily required overtime work shall apply to employees whose normal work period is eight (8) hours per day and forty (40) hours per week (including 9/80 schedules), or (10) hours per day and forty (40) hours per week:

(a) Statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any workweek. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein.

(b) Hours worked shall include all actual time worked. Furlough hours taken, holiday hours taken, bereavement leave, jury duty leave, and sick leave shall be considered as time worked. Vacation, or other compensated time off not specifically identified above shall not be considered as time worked.

11.3 Court Appearance Pay While in Off Duty Status

(a) An employee required by proper authority to appear in court during off-duty hours shall receive compensation of three (3) hours at time and one-half (1-1/2) or actual time worked at the appropriate rate, whichever is greater.

(b) Voluntary Court Standby.

Police Unit employees who voluntarily place themselves on standby for court appearance while off duty shall receive one (1) hour of pay at the regular rate for the four (4) hours of standby for the a.m. and, if required to remain on standby, one (1) additional hour at the regular rate of pay for the additional four (4) hours of standby for the p.m.
11.4 Call-Back Policy

When an employee is called back to work from an off-duty status, the employee shall be compensated for a minimum of three (3) hours at time and one-half (1-1/2) or actual time worked at time and one-half (1-1/2), if eligible for overtime as defined in Section 11.2, above, whichever is greater.

11.5 Compensatory Time

(a) Definition - As used in this Section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. Such time has previously been referred to as Earned Time.

(b) Accrual - For all hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, the Association agrees that compensatory time shall be earned at the rate of time and one-half (1-1/2).

No more than eighty (80) hours (fifty-six and one-third hours [56-1/3]) worked at time and one-half (1-1/2) may be carried on the books at any time. When the time card is filled out, employees may elect to accrue Compensatory Time or be paid cash.

(c) Use - Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as not to interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment - Once eighty (80) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.
11.6 **Standby Compensation**

Employees who are placed on standby on Saturday or Sunday or their normal day off shall be paid at the rate of $3.00 per hour for each hour on standby assignment. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined above. An employee shall not continue to receive the “standby” premium during actual time worked or for any hours paid as overtime or call back. Standby is not considered as time in “paid status because of work performed” for purposes of calculating overtime.

Employees who are placed on standby after their normal tour of a regular work day shall receive $3.00 per hour for each hour of standby. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined above. An employee shall not continue to receive the “standby” premium during actual time worked or for any hours paid as overtime or call back. Standby is not considered as time in “paid status because of work performed” for purposes of calculating overtime.

Employees who are placed on standby shall take a City vehicle and a beeper when required to stand by. The vehicle and beeper shall be turned in at the conclusion of each standby assignment.

While in such standby status employees shall leave with the Command Center a telephone number at which they can be reached. Such employees shall be within forty-five (45) minute response time availability to the Police Department.

11.7 **No Standby Compensation for Time Worked**

Employees shall not simultaneously receive compensation for court appearance, voluntary court standby, standby, or call back pay provided in Sections 11.3(a), 11.3(b), 11.4 or 11.6. Employees are eligible to receive overtime only in accordance with Section 11.2 above.

11.8 **Sergeants Working Hireback**

a) Sergeants will be authorized to work special event hireback in the event that there are insufficient officers willing to volunteer for the special event overtime. The order of hireback will be: (1) officers working voluntary overtime, (2) followed by sergeants working voluntary overtime, (3) followed by officers working mandatory overtime.

b) Special events are defined as hireback which is not patrol hireback and
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does not have an enforcement related function.

c) Pay rate
   i. Because of limitations in the City’s payroll system, Sergeants will initially be paid based on their regular rate for this hireback.
   ii. However, as soon as it becomes feasible for the City’s payroll system to do so, the City will pay Sergeants working officer hireback under this provision at the top-step officer rate. In that event, overtime pay for the work period in which the hireback occurs will be paid in accordance with the FLSA with the sergeants regular rate of pay based on a weighted average methodology. The City will notify the POA thirty (30) days before implementing such a system.

d) Sergeants hired to fill a sergeant’s position for special events will be paid based on their regular rate.
12.1 **Holidays Observed by the City**

(1) New Year’s Day .........................................................(January 1)
(2) Martin Luther King’s Birthday ..................................(Third Monday in January)
(3) Lincoln’s Birthday .................................................(Second Monday in February)
(4) Washington’s Birthday ...........................................(Third Monday in February)
(5) Cesar Chavez’ Day ...................................................(March 31)
(6) Memorial Day .........................................................(Last Monday in May)
(7) Independence Day .....................................................(July 4)
(8) Labor Day ...............................................................(First Monday in September)
(9) Columbus Day .........................................................(Second Monday in October)
(10) Veteran’s Day .........................................................(November 11)
(11) Thanksgiving .........................................................(Fourth Thursday in November)
(12) Day following Thanksgiving .....................................(Fourth Friday in November)
(13) Christmas Day .......................................................(December 25)

For employees on a Monday through Friday workweek or a 9/80 work schedule, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

For employees on 9/80 alternative work schedule, employees may shift their work schedule so that their eight (8) hour day falls on designated holiday with prior approval of their supervisor.

Employees who are in unpaid status the day before or the day after the holiday will not qualify for Holiday Pay as described in Section 12.1.

12.2 **Holiday Compensation**

(a) Non-Patrol Assignments

All regular and probationary Police Unit employees who are not assigned to the traditional 10-plan Field Operations/Patrol shift schedule, and are in assignments which observe City Holidays shall be entitled to take each holiday off with full pay (not to exceed eight (8) hours) for each of the holidays listed in 12.1, above. When the holiday falls on a regularly scheduled work day, and that scheduled work day exceeds the eight (8) hours of earned holiday pay, the employee shall use the appropriate number of hours from their personal leave time to complete their work day.
(b) Patrol Assignments

All regular and probationary Police Unit employees assigned to the traditional 10-plan Field Operations/Patrol shift schedule shall receive a 5% holiday in lieu add pay (equivalent to 8 hours holiday pay for each of the holidays listed in 12.1 above). This pay is in exchange for the elimination of extra holiday compensation for these positions. For Unit members required to work on an observed holiday, up to 8 of the actual hours worked on the holiday will be paid at time and one half.

These members who are permitted to take a holiday off that falls on a regularly scheduled work day shall use appropriate leave hours equivalent to the number of hours of their scheduled shift.
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SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City contributes an amount equal to nine percent (9%) of the employee’s current base salary and other compensation as qualified by State law toward P.E.R.S. benefits. Such amounts will be applied to the employee’s individual account in accordance with Government Code Section 20691.

(b) The City will make application to P.E.R.S. to provide California Government Code section 20692 (Employer Paid Member Contributions Converted to Payrate during the Final Compensation Period) as an additional P.E.R.S. benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board. The Internal Revenue Service (IRS) Code 414H(2), whereby employee contributions shall be tax deferred (not subject to taxation until time of constructive receipt) will be concurrently implemented with P.E.R.S. California Government Code section 20692.

At the beginning of employee’s last year of employment, such employee shall pay their employees’ nine percent (9%) retirement contribution through an automatic payroll deduction. The City shall increase the employee’s base salary by the same nine percent (9%) for the last twelve (12) months of employment.

(c) Legacy employees hired on or before December 31, 2012 shall pay nine (9%) of the employee’s current base salary (employee contribution) and other compensation as qualified by state law towards the Public Employees’ Retirement System (PERS) towards the employee’s share of cost for PERS pension. Such amounts will be applied to the employee’s individual account.

(d) Non Sworn Police Officer Trainee. The City and the Association agree that employees hired into the Non Sworn Police Officer Trainee classification shall be members of the “local miscellaneous” retirement plan rather than the “local safety” retirement plan.

The employee shall contribute seven percent (7%) of the employee’s current base salary and other compensation as qualified by State law toward the P.E.R.S. Local Miscellaneous Members Plan. Such amounts
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will be applied to the employee’s individual account in accordance with Government Code section 20691.

Upon satisfactory completion of basic recruit training, the Non Sworn Police Officer Trainee (Local Miscellaneous Member) shall be transferred to Sworn Police Officer plan (Local Safety Member).

13.2 Military Service Credit

The City shall provide for military service pursuant to the provisions of Government Code Section 21024, formerly Section 20930.3 and Section 20930.33, at the employee’s expense.

13.3 P.E.R.S. Fourth Level Of 1959 Survivor Benefits

The City provides P.E.R.S. California Government Code section 21574 (Fourth Level of 1959 Survivor Benefits) as an additional retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.4 P.E.R.S. 3% At Age 50 Retirement for Employees Hired on or before December 31, 2012

On July 21, 2000, the City made application to PERS to provide P.E.R.S. California Government Code section 21362.2 (3% at age 50) as an amendment retirement benefit, to be effective upon adoption by the Stockton City Council and the P.E.R.S. Administration Board.

13.5 PERS Benefits for Employees hired on or after January 1, 2013

(a) The City shall amend its CalPERS contract to eliminate sick leave conversion and the enhanced survivor benefits for all employees hired on or after August 16, 2013 the effective date of the contract amendment.

(b) Employees with Reciprocity:

Employees hired on or after January 1, 2013, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and consider legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 3@50 with only the optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee’s statutory employee’s
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collection for these benefits of 9%

(c) Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the
AB340 PERS pension formula of 2.7@ 57 with no optional pension
enhancements and the other provisions of the retirement tier they were
hired under. Employees shall pay 50% of the City normal cost rate for the
2.7@57 as determined by CalPERS.

13.6 Uniform Allowance

(a) Employees in this unit shall receive as additional annual compensation, a
uniform allowance in the amount of nine hundred fifty dollars ($950.00).

Payment shall be made in two equal installments of one-half (1/2) of the
annual value of uniform allowance to eligible employees during the
months of April and October.

(b) Protective Vests - The City shall provide safety protective vest and annual
testing by lot number.

13.7 P.O.S.T. Incentive Pay

(a) The City will pay three percent (3%) of the Police Officer top salary step
for employees who attain an Intermediate P.O.S.T. Certificate and six
percent (6%) of the Police Officer top salary step for employees who attain
an Advanced P.O.S.T. Certificate.

(b) Effective January 1, 1999, the City will pay three percent (3%) of the
Police Sergeant top salary step for employees who attain an Intermediate
P.O.S.T. Certificate, and six percent (6%) of the Police Sergeant top
salary step for employees who attain an Advanced P.O.S.T. Certificate.

(c) The Personnel and Training Division of the Police Department will submit
the appropriate paperwork to the Human Resources Services Department
confirming and authorizing P.O.S.T. Educational Incentive Pay for eligible
employees.

Compensation shall be effective the first of the month following the date of
eligibility for the certificate.
13.8 Longevity Increment Pay for Police Officer for Grandfathered Employees Only

Effective August 1, 2011, Longevity Increment Pay for Police Officer shall be eliminated. Those members who were receiving Longevity Increment Pay as of July 31, 2011, shall be grandfathered, and effective August 1, 2011 their Longevity Increment Pay shall be reduced by 5% and shall remain frozen at that level and no additional increments shall be earned, as described herein.

(a) For those members who as of July 31, 2011 were receiving five percent (5%) of top salary step in rank for longevity, upon completion of six (6) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 those members shall no longer receive longevity increment pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(b) For those members who as of July 31, 2011 were receiving seven percent (7%) of top salary step in rank for longevity, upon completion of nine (9) continuous year of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay two percent (2%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(c) For those members who as of July 31, 2011 were receiving twelve percent (12%) of top salary step in rank for longevity, upon completion of twelve (12) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay seven percent (7%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(d) For those members who as of July 31, 2011 were receiving fourteen percent (14%) of top salary step in rank for longevity, upon completion of eighteen (18) continuous years of service as a public safety officer with the Stockton Police Department, effective August 1, 2011 the City shall pay nine percent (9%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(e) For those members who as of July 31, 2011 were receiving nineteen percent (19%) of top salary step in rank for longevity, upon completion of twenty-four (24) continuous years of service as a public safety officer with
the Stockton Police Department, effective August 1, 2011 the City shall pay fourteen percent (14%) of top salary step in rank for longevity pay. This longevity increment pay shall remain frozen at this level and no additional increments shall be earned.

(f) For the limited purpose of defining continuous service under this Section of the Memorandum of Understanding, continuous service shall include leaves without pay for less than one (1) year as long as the public safety officer did not withdraw the his or her contributions to P.E.R.S.

(g) Effective July 1, 2012, Section 13.8(a) through (f) are modified as follows:

Employees who are receiving Longevity Pay as described above shall have their Longevity pay reduced an additional 4% effective July 1, 2012, except that individuals whose 2011 reduction of the following amounts (Reductions of Longevity pay, elimination of Master Officer Pay, elimination of Educational Incentive and payment of employees PERS contribution) was 22% shall have their Longevity amount reduced by 1%. The longevity increment pay shall remain frozen at this level and no additional increments shall be earned nor shall additional persons qualify for this pay.

13.9 Longevity Increment Pay For Police Sergeant

The 5% Longevity Pay received by Sergeants is frozen effective July 1, 2012 and no additional persons shall qualify for this pay.

13.10 Canine Handler Compensation

Employees assigned canine responsibilities shall be paid a maximum of ten (10) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for time spent by officers on their off-duty time to feed and exercise the dog and to clean the kennel.

13.11 Motorcycle Officer Compensation

Effective the first full pay period after the effective date of this contract, employees assigned motorcycle responsibilities shall be paid a maximum of four and one-quarter (4.25) hours per month, at the rate of one and one-half (1-1/2) time. Compensation shall be for the time spent by officers on their off-duty time to clean, wax and generally maintain their assigned motorcycles.
13.12 **Explosive Ordinance Disposal Compensation**

Effective July 1, 2005, the pay for unit members assigned to EOD shall be paid a maximum of five (5) hours per month at the rate of one and one-half (1-1/2) time.

13.13 **SWAT Compensation**

Effective the first full pay period after the effective date of this contract, the pay for unit members assigned to SWAT shall be paid a maximum of four and one-quarter (4.25) hours per month at the rate of one and one-half (1-1/2) time.

13.14 **Field Training Officer Compensation**

Effective July 1, 2005, the pay for unit members assigned to Field Training Officer shall be five percent (5.0%) of the top salary step of rank.

13.15 **Bilingual Pay**

Effective July 1, 2005, the pay for qualified and approved bilingual skill will be two and one-half percent (2.5%) of the top salary step of rank.

To be eligible for this differential pay, an officer must be certified to meet the functional needs of the Department. The Chief of Police has the sole discretion in determining the number of officers needed for bilingual services, the languages that will be recognized, and the functional language skills needed for the Department.

13.16 **Acting Pay**

Any employee who is assigned by proper authority to work in a higher paid classification and who performs a majority of the duties of that higher position shall receive that rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.
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SECTION 14. INSURANCE PLANS

14.0 Reopener Clause for Health Insurance

The Association agrees at the City's request, to the meet and confer on any changes that are within mandatory scope of bargaining in any City proposals related to its City sponsored medical plans that are related to the implementation of the Affordable Care Act (ACA).

14.1 Health Insurance And Related Benefits

a. Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependents coverage. The City shall offer two or more medical plans to regular employees.

b. Eligibility. Employees shall become eligible for Medical and Vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

1. City Contribution Towards the Cost of Insurance Programs: Effective July 1, 2016, the City shall contribute the following:

   a. up to $619 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

   b. up to $1,124 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

   c. up to $1,496 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.
2. Effective July 1, 2017, City shall contribute the following:

   a. up to $631 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

   b. up to $1,146 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

   c. up to $1,526 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

3. Effective July 1, 2018 City shall contribute the following:

   a. up to $644 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

   b. up to $1,169 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

   c. up to $1,557 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. Insurance plan premiums that exceed the City’s monthly contribution shall be paid by the employee through payroll deductions. The City shall maintain its IRS 125 Plan to allow for employee contributions for medical/vision/dental to be pre-tax premium conversion.

   c. Plan Rules. Employees may insure themselves and their eligible dependents under the medical/vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.
14.2 Retiree Enrollment in City-Sponsored Plans

a. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover his/her dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree's plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan). However, the City may discontinue the enrollment of retirees in City sponsored medical plans at its discretion as per the City's Bankruptcy plan of Adjustment. The City does not provide any retiree medical program, allowance, or City contribution for employees.

b. Elimination of Retiree Medical Program effective June 30, 2013. Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retiree.

14.5 Retiree Medical Trust

The City will cooperate with the SPOA to amend the documents related to the SPOA Retiree Medical Trust ("RMT") to reflect that the City relinquishes all of its right to designate any trustees under the RMT and any and all rights, obligations, or responsibility under the RMT so that only the SPOA designated Trustees will administer the RMT.

The City has no objection to the transfer of all current assets in the RMT to another trust (the "Receiving Trust") selected by the SPOA designated RMT Trustees so long as the Receiving Trust agrees to hold those assets for the exclusive benefit of eligible retirees. Further, the SPOA and the City agree that the transfer of assets will be contingent on the SPOA and Receiving Trustees agreeing that on and after the transfer of the assets of the RMT to the Receiving Trust (i) the City's only obligation with respect to such Receiving Trust will be to make any agreed upon contributions to the Receiving Trust, and (ii) the SPOA and the Receiving Trustees further agree that on and after the transfer of the assets of the RMT to the Receiving Trust, to indemnify and hold harmless the City and the City designated trustees from any claim whatsoever by the SPOA, any unit member, or any beneficiary of the Receiving Trust with respect to the Receiving Trust. Such claims include, but are not limited to, (i) any claim for benefits under the Receiving Trust or any plan funded by the Receiving Trust, (ii) any claim regarding the administration of, or fiduciary duties under, the Receiving Trust, (iii) any claim regarding the tax treatment of contributions to the Receiving Trust.
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Trust (so long as the City complies with applicable federal law and guidance from the Internal Revenue Service), and (iv) any claim regarding the terms of the Receiving Trust or selection of trustees.

The City’s obligation to contribute to the RMT has ceased. However, in the event that the POA membership votes to approve member contributions to the Receiving Trust, the City agrees to deduct those contributions (and any required administrative fees charged by third parties) from members’ paychecks. Nothing herein commits the City to paying any portion of any future contribution.

14.6 Life Insurance

Effective July 1, 2012, the City shall provide each employee group term life insurance coverage with a face value of fifty thousand dollars ($50,000.00). In addition employees may purchase additional voluntary life through their union or through the City’s IRS125 vendor.

14.7 Long Term Disability Insurance

Effective July 1, 2012, the City shall reduce the base pay of employees in this unit by twenty dollars ($20.00) per month, and instead shall provide to each bargaining unit member twenty dollars ($20.00) per month for the purpose of purchasing Long Term Disability Insurance. The Association recognizes and agrees that it is their responsibility for purchasing a Preferred Long Term Disability Program for its represented employees or otherwise investing such payments pursuant to this section as it deems appropriate.
15.1 **Salary**

Employees will receive a base salary increase of 11% on July 1, 2016. This increase represents a combined 6% cost of living adjustment and 5% market adjustment.

15.2 **Salary Ranges**

The salary ranges for all classifications in the aforementioned representation unit will be as set forth in Appendix A, which are attached hereto and made a part hereof. The rates of pay set forth in the Appendix A, represent for each classification the standard rate of pay for full-time employment, effective on the dates noted in the Appendices, unless the schedule specifically indicates otherwise.

15.3 **Salary Upon Appointment**

Except as herein otherwise provided, the entrance salary step for a new employee entering the classified service shall be the minimum salary step for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary, which is more than the minimum salary step for the class to which that employee is appointed. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.4 **Salary Equivalents**

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases when in the judgment of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases, the City shall provide tables or regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.5 **Effective July 1, 2005 – Salary Step Plan – Police Officers Appointed On Or After January 1, 1999**

There shall be six (6) salary steps for the classification of Police Sergeant and Police Officer. Eligible employees will be moved to the next step every 12 months. Any reference in this MOU to a different schedule for step increase shall be adjusted accordingly. In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first salary.
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step after receiving the recommendation of the department head. The same provisions shall apply to hourly-paid and part-time persons.

All step references below are to the salary schedule for the Police Officer classification. Non-Sworn Police Officer Trainees are hired at the rate identified in the single step salary classification for Police Officer Trainee.

The first salary step shall be the minimum salary rate and shall be the normal hiring rate for the classification of Police Officer.

The second salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the first salary step and upon the written recommendation of the department head.

The third salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the second salary step and upon the written recommendation of the department head.

The fourth salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the third salary step and upon the written recommendation of the department head.

The fifth salary step shall be paid upon the employee’s satisfactory completion of twelve (12) months service at the fourth salary step and upon the recommendation of the department head.

The sixth salary step shall be paid upon the employee’s satisfactory completion of one (1) year of service at the fifth salary step and upon the recommendation of the department head.

Regardless of an employee’s length of service, salary step advancements in any given class may be made upon recommendation of the department head with the approval of the City Manager, but not above Step 3 for a given range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

If a department head recommends to withhold salary increases because an employee has not achieved the level of performance required to the position, the recommendation of notice must be received by the City Manager at least four (4) weeks in advance of the employee’s eligibility date. The affected employee shall be furnished a copy of the department head’s recommendation.
Changes in an employee's salary because of promotion, demotion, postponement of salary step increase or special merit increase will set a new salary anniversary date for that employee, which date shall be as stated in the preceding paragraph.

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.6 **Salary Step Plan – Non-Sworn Police Officer Trainee Status**

An employee with only the status of Non-Sworn Police Officer Trainee shall be paid at Step 1 of the Police Officer Trainee salary range. Upon passing all the requirements of the Basic Peace Officer Academy and transfer to the sworn position of Police Officer, the employee shall be paid at Step 1 of the salary range of Police Officer. The Trainee shall not qualify for Safety status while in the Academy.

15.7 **Salary Step After Military Leave**

All employees who have been granted a military leave shall, upon their return to the City service, are entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.8 **Salary Step When Salary Range Is Increased**

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.9 **Salary Step After Promotion or Demotion**

When an employee is promoted from a position in one class to a position in a higher class, and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher class, that employee shall be entitled to the next step in the salary scale of the higher class which is approximately five percent (5%) but in no case less than four percent (4%) above the rate he has been receiving, except that the next step shall not exceed the maximum salary of the higher class. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which he is demoted, and the specific rate of pay within the range shall be final.
15.10 **Salary On Reinstatement**

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his salary shall not be higher than his salary at the time of his separation unless there has been an increase within the salary range.

15.11 **Special Assignment Differential**

(a) All Police Unit employees who are not assigned to the traditional 10-plan Field Operations/Patrol shift schedule, and are assigned to schedules that regularly observe holidays off shall receive a “Special Assignment” differential equal to five percent (5%) of the employee’s current base pay. This pay is in exchange for the elimination of extra holiday compensation for these positions.

(b) While not all-inclusive, examples of those special assignments wherein the Special Assignment Differential would apply include positions within the Investigations Division, Administrative Services Division, Technical Services Division, Special Operations Division, Traffic Section, and Professional Standards Section. The primary qualifying factor for Special Assignment Differential is that the special assignment is one in which the assigned personnel generally observe all holidays off, as the section/unit “closes” on holidays. These can generally be described as “non-patrol” assignments.

15.12 **Retention Incentive**

Effective the first full pay period following ratification and Council adoption of the MOU, the City will credit each bargaining unit member who has been continuously employed by the City from July 1, 2014 through the first full pay period following Council adoption with 27 hours of leave as a retention bonus.

Leave time under this provision will have no cash value at separation and employees may not elect to cash out the time. However, any time not used by the last pay period of the contract term (pay period of June 16-30, 2016) will automatically be cashed out at each employee’s base rate of pay plus applicable add pays.

Leave usage under this provision is subject to the normal rules (request and approval) for vacation and compensatory time off.

The parties understand and intend that payout of these leave balances is not
pensionable compensation.

15.13 Bi-Weekly Pay Period

The City and the Association agree to move to bi-weekly pay as soon as it is administratively possible within the City. The parties understand that this may not be administratively possible until the City implements a new payroll system.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

SECTION 16. RESIDENCY

All sworn public safety officers in the employ of the City of Stockton shall reside within a geographic area from which they can reach City Hall within forty-five (45) minutes.

SECTION 17. SEVERABILITY OF PROVISIONS

In the event that any provision of the Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 18. PAST PRACTICES AND EXISTING MEMORANDA OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Association.

SECTION 19. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

SECTION 20. DURATION

All provisions of this Memorandum of Understanding shall be effective July 1, 2016, and shall remain in full force and effect to and including the 30th day of June, 2019.

CITY OF STOCKTON
SECTION 21. MAINTENANCE OF OPERATIONS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented hereby agrees that during the course of negotiations necessary to conclude a successor Agreement to this Memorandum of Understanding, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing, other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours, and other terms and conditions of employment.

(b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action which it deems appropriate.

(c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
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SECTION 22. CITY RIGHTS

(a) The Association recognizes that the rights of the City derive from the Constitution of the State of California and the Government Code and not from the Memorandum of Understanding. All matters not specifically addressed in this Memorandum of Understanding are reserved to the City.

(b) The Association recognizes and agrees that the exercise of the express and implied powers, rights, duties and responsibilities by the City, such as, the adoption of policies, rules, regulations and practices, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum of Understanding.

(c) The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing these services limited only by the specific and express terms of this Memorandum of Understanding. The exclusive rights of the City shall include but not be limited to, the right to determine the organization of City government and the mission of its constituent agencies; to determine the nature, quantity and quality of services to be offered to the public and to determine the means of operations, the materials and personnel to be used, the right to introduce new or improved methods or facilities, and to change or alter personnel, methods, means, materials and facilities, to exercise control and discretion over its organization and operations through its managerial employees; to establish and effect rules and regulations consistent with applicable law and the specific and express provisions of this Memorandum of Understanding; to establish and implement standards of selecting City personnel and standards for continued employment with the City; to direct to workforce by determining the work to be performed, the personnel who shall perform the work, assigning overtime and scheduling the work; to take disciplinary action; to relieve its employees from duty because of lack of work or funds; to determine whether goods or services shall be made, purchased or contracted for; and to otherwise act in the interest of efficient service to the community.

In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.
SECTION 23. CONDITIONAL AGREEMENT RE PLAN SUPPORT AND TREATMENT OF CLAIMS

1. Confirmation of Plan. The City agrees to use its best efforts to obtain confirmation of, and to implement, a plan of adjustment ("Plan") that is consistent with the terms of this MOU, or as applicable, its successor MOU. All of the provisions of this Article except 2(c) shall be null and void in the event that the Plan contemplated by this Agreement is not confirmed and does not become effective.

2. SPOA's Claims. SPOA alleges that its members have claims in the bankruptcy case against the City relating to the City's modification of its 2009 Memorandum of Understanding ("2009 MOU"), pursuant to Declarations of Fiscal Emergency beginning on or about May 26, 2010 and continuing in effect thereafter, and in connection with the treatment of the claims of SPOA and its members under the Pendency Plan (collectively, the "Claims"), and that, in the aggregate, the Claims exceed thirteen million dollars ($13,000,000). The City disputes the Claims and contends that the Claims would not be allowed in the chapter 9 case. It further asserts that, if the Claims were allowed, they would be allowed in an amount aggregating less than thirteen million dollars ($13,000,000).

In consideration of resolving the above differences and agreement on the MOU, the City agrees that the Claims shall be provided for in the Plan as follows:

(a) The Claims will be deemed allowed in the chapter 9 case in the aggregate amount of eight million, five hundred thousand dollars ($8,500,000) (the "Allowed Claims"). In consideration for the reduction in the amount of the Claims, SPOA members employed during fiscal year 2010-2011 and/or 2011-2012 shall be credited, upon final approval of the MOU by the Parties and, if necessary, by the Bankruptcy Court, twenty-two (22) additional hours of paid leave in fiscal year 2012-2013. These additional hours of paid leave shall have no cash value and shall be utilized any time prior to the date upon which the SPOA member leaves employment with the City. Only those employees who were employed during some portion of the period July 1, 2010 and July 1, 2012 and who were still current employees upon the effective date of this Agreement shall be entitled to this treatment.

(b) The Allowed Claims shall be satisfied under the Plan by the City by crediting SPOA members employed during fiscal year 2010-2011 and/or 2011-2012, eleven (11) additional paid leave hours in the fiscal year of approval of the Plan and eleven (11) additional paid leave hours in the fiscal year after approval of the Plan. This benefit shall only apply to those employees who were employed during some portion of the period July 1, 2010 and July 1,
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU

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2012 and who are current employees as of the date the Plan is approved by
the Bankruptcy Court. The total additional paid leave per SPOA member
under paragraphs 2(a) and 2(b) of this article shall equal forty-four (44) hours.
These additional paid leave hours shall have no cash value, and shall be
utilized any time prior to the date upon which the SPOA member leaves
employment with the City. It is understood that the provision of these hours
shall be the sole compensation for the Claims of SPOA and its members.
The additional twenty-two (22) hours additional paid leave credit contained in
this paragraph 2(b) shall be contingent upon confirmation of the Plan and on
the Plan becoming effective.

(c) Notwithstanding the foregoing, in the event that the Plan is not confirmed and
does not become effective, the Claims shall not be allowed as specified
herein, and both SPOA and the City agree that the Claims will be considered
unresolved, with each Party reserving the right to assert or contest the
Claims; provided, however, that the monetary equivalent of any paid leave
hours taken pursuant to this Article shall serve as a credit against the Claims.

3. Implementation of 2012-2014 SPOA MOU. The City shall include in its proposed
Plan provisions that give effect to, and comport with the terms of this Agreement.

4. Plan Support. SPOA agrees to use its best efforts to support the Plan, the
provisions of which include the treatment of the Claims as described above, and
which are consistent with the terms of the MOU. SPOA’s support for the Plan shall
include statements in papers filed in the Bankruptcy Court and in appearances by its
counsel in Bankruptcy Court. SPOA shall use its best efforts to cause its members
to vote to approve the Plan, to withdraw any proofs of claim they have filed which
are inconsistent with the MOU and not object to, or otherwise commence any
proceeding against, or take any other action opposing any of the terms of the MOU,
the Plan or any disclosure statement filed in connection with the Plan. At the City’s
request, such support may also include the execution by SPOA of an agreement to
recommend that its members vote in favor of the Plan.

5. Further Assurances. The Parties agree to execute and deliver such other
instruments and perform such acts, in addition to the matters herein specified, as
may be reasonably appropriate or necessary, from time to time, to effectuate the
agreements and understandings of the Parties, whether the same occurs before or
after the date of this Agreement.

6. Release of Claims. Except for the Parties’ respective obligations stated in the
MOU, SPOA, on behalf of all employees in its bargaining unit, and the City hereby
release and discharge each other, and their respective past or present parents,
subsidiaries, successors, predecessors, assigns, and their respective officers,

CITY OF STOCKTON
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
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directors, employees, agents, attorneys, and each of them, from and against any and all defenses, claims, demands, losses, damages, and causes of action of whatever kind or nature, whether known or unknown, suspected or unsuspected, which either of them may now or hereafter have against the other in any way related to the Claims and or Litigation Claims (as such term is defined below). This release shall include, but is not limited to, within thirty days of approval of the Plan, dismissing with prejudice litigation and cross litigation claims (“Litigation Claims”) pertaining to San Joaquin County Superior Court case number 39-2010-00245197-CU-WM-STK, San Joaquin Superior Court Case number 39-2010-00253803 and Third Appellate District appellate case numbers C070347 and C068723. These cases shall remain stayed until the occurrence of the effective date of the Plan or the dismissal of the chapter 9 case. The Parties agree to waive any and all claims for attorneys’ fees or costs associated with the Litigation Claims.

The Parties, and each of them, hereby waive the provisions of Section 1542 of the California Civil Code, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor.

The Parties, and each of them, understand that if the facts with respect to which this release is given turn out to be different from the facts now known or believed by either of them to be true, each of them expressly assumes the risk of the facts turning out to be different, and agrees that this release shall be in all respects effective and not subject to termination or rescission by any such difference in facts.

This release shall be binding upon and inure to the benefit of the Parties and their respective past or present parents, subsidiaries, successors, predecessors, assigns, and their respective officers, directors, employees, agents, attorneys, including but not limited to all bargaining unit employees, and each of them.

This release shall not apply to any pending disciplinary cases, or grievances pertaining to those disciplinary cases, but shall apply to any lawsuits filed related to those disciplinary cases.

7. Resolution of Dispute regarding the Property at 1132 N. Country Club Rd., Stockton, CA (“the Property”). City agrees to waive SPOA’s obligation to sell the Property identified in MOU Section 23.7, contingent on dismissal of all pending litigation pursuant to Section 23.6. SPOA shall continue renting the Property to third parties. No SPOA member, family member, agent or person within SPOA’s control shall apply to rent the Property.

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a) In renting the Property, SPOA shall utilize a licensed third party rental agent not affiliated with SPOA or its agents.

b) SPOA shall sell the Property not later than November 1, 2015, unless this provision is waived in writing by the City.

c) The Property shall be maintained in its present state and SPOA shall exercise its best efforts to ensure that its tenants not interfere with the City Manager’s quiet enjoyment of his home.

d) SPOA shall not seek to change the use of the Property as a single family residence (maximum two unrelated adults, or two adults and two children).

e) Notwithstanding the effective date and expiration date of the MOU, this section 7(a) shall be effective November 1, 2012, and shall apply to the SPOA’s current efforts to lease the Property. It shall expire upon the sale of the Property, unless otherwise agreed by the Parties.

8. No Admissions. Except to acknowledge responsibility to perform the terms of this Article or to enforce those terms, the Parties agree that nothing contained in this Article or any action taken or the failure to take any action pursuant to this Article ever is to be construed as an admission or evidence tending to establish the validity of either Party’s claims, including the initial Claims.

9. Rules of Construction. The Parties agree that any rule of construction to the effect that ambiguities are resolved against the drafting party shall not apply to the interpretation of this Article, since both Parties have reviewed it with counsel of their respective choice. Otherwise, this Article shall be governed by and interpreted in accordance with the law of the State of California and the Bankruptcy Code.
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
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SECTION 24. CONCLUSIVENESS

(a) The specific provisions contained in this Agreement constitute the entire and sole agreement between the City and the Association and shall prevail over existing City ordinances, resolutions, rules and regulations, policies, procedures and practices wherever there is a direct conflict between previous written policies and practices and a specifically contradictory term of this Agreement. Existing written policies, rules, regulations, ordinances and resolutions shall be amended to conform to the terms of this Agreement. Only those policies and practices directly and expressly revised by this Agreement shall be deemed to be modified by this Agreement.

(b) All matters not addressed specifically and expressly by this Agreement are, and shall continue to be, within the exclusive decision-making authority of the City and shall not be in any way, directly or indirectly, subject to any grievance procedure.

(c) This Agreement may be altered, changed, added to, deleted from, or modified only through the voluntary consent of the City and the Association in a written and signed amendment to this Agreement.
APPENDIX A. SALARY SCHEDULE

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Police Officer</td>
<td>5,069.80</td>
</tr>
<tr>
<td>Police Officer Recruit</td>
<td>4,360.60</td>
</tr>
<tr>
<td>Police Officer Trainee</td>
<td>4,360.60</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>5,993.79</td>
</tr>
</tbody>
</table>

Effective July 1, 2016:

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Salary Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Police Officer</td>
<td>5,627.48</td>
</tr>
<tr>
<td>Police Officer Recruit</td>
<td>4,840.27</td>
</tr>
<tr>
<td>Police Officer Trainee</td>
<td>4,840.27</td>
</tr>
<tr>
<td>Police Sergeant</td>
<td>6,653.11</td>
</tr>
</tbody>
</table>
## APPENDIX B. CITY OF STOCKTON MODIFIED EMPLOYEES MEDICAL PLAN WITH MEDICAL PLAN CHANGES EFFECTIVE SEPTEMBER 1, 2011

<table>
<thead>
<tr>
<th>Plan Feature</th>
<th>Coverage Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar year deductible (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the deductible)</td>
<td>When Provided by a Participating Provider: $500 per person; $1,500 maximum per family</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating Provider: $1,500 per person; $3,000 maximum per family</td>
</tr>
<tr>
<td>Calendar year out-of-pocket maximum on Allowable Charges (only Allowable Charges for Covered Services in Article 3 of this document can be applied toward the out-of-pocket maximum)</td>
<td>When Provided by a Participating Provider: $5,000 per person; $10,000 maximum per family</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Non-Participating Provider: None</td>
</tr>
<tr>
<td>Overall lifetime maximum benefit</td>
<td>None</td>
</tr>
<tr>
<td>Hospital</td>
<td>None</td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td></td>
<td>50% of Allowable Charges after a copayment of $200 per admission</td>
</tr>
<tr>
<td>Outpatient department</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td></td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Emergency room</td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
<tr>
<td></td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan's definition of Emergency)</td>
</tr>
<tr>
<td>Service Type</td>
<td>Employer Contribution</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Skilled Nursing Facility</td>
<td>80% of Allowable Charges after a copayment of $75 per admission</td>
</tr>
<tr>
<td>Outpatient therapy (physical, respiratory, cardiac &amp; speech)</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Home health care</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Hospice care</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Plan Feature</td>
<td>Coverage Amount</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>When Provided by a Participating Provider</td>
</tr>
<tr>
<td>Mental or nervous disorder</td>
<td></td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a 50% of Allowable Charges after a copayment of $75 per copayment of $200 per admission admission</td>
</tr>
<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Substance abuse treatment</td>
<td></td>
</tr>
<tr>
<td>Inpatient confinement</td>
<td>80% of Allowable Charges after a 50% of Allowable Charges after a copayment of $75 per copayment of $200 per admission admission</td>
</tr>
<tr>
<td>Outpatient services</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Outpatient diagnostic radiology &amp;</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Radiation therapy, chemotherapy &amp; dialysis treatment</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Physician services</td>
<td></td>
</tr>
<tr>
<td>Office &amp; hospital visits</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Emergency room care</td>
<td>80% of Allowable Charges; 50% of Allowable Charges if it is determined that an Emergency did not exist (refer to Article 1 for the Plan’s definition of Emergency)</td>
</tr>
<tr>
<td>Surgery</td>
<td>80% of Allowable Charges</td>
</tr>
<tr>
<td>Anesthesia and its administration</td>
<td>80% of Allowable Charges</td>
</tr>
</tbody>
</table>

CITY OF STOCKTON
<table>
<thead>
<tr>
<th>Preventive Care (physical exam, screenings, tests &amp; immunizations as recommended by certain government agencies – refer to the definition of Preventive Care Services in Article 1)</th>
<th>Not subject to the calendar year deductible; 100% of Allowable Charges</th>
<th>Calendar year deductible applies; 50% of Allowable Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental treatment</td>
<td>Not covered except 80% of Allowable Charges for treatment of Accidental Injury to natural teeth</td>
<td>Not covered except for 50% of Allowable Charges for treatment of Accidental Injury to natural teeth</td>
</tr>
<tr>
<td>Chiropractic services</td>
<td>80% of Allowable Charges</td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Pregnancy &amp; childbirth (dependent children are not covered by this benefit)</td>
<td>Covered on the same basis as an illness</td>
<td>Covered on the same basis as an illness</td>
</tr>
<tr>
<td>Infertility</td>
<td>80% of Allowable Charges</td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Organ &amp; tissue transplants</td>
<td>Payable on the same basis as any other illness</td>
<td>Payable on the same basis as any other illness</td>
</tr>
<tr>
<td>Ambulance service</td>
<td>80% of Allowable Charges</td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Prosthetics &amp; orthotics</td>
<td>80% of Allowable Charges</td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Durable medical equipment</td>
<td>80% of Allowable Charges</td>
<td>50% of Allowable Charges</td>
</tr>
<tr>
<td>Hearing aids</td>
<td>No Coverage</td>
<td>No Coverage</td>
</tr>
<tr>
<td>Prescription Drug Program (no calendar year deductible applies)</td>
<td>When Dispensed at a Participating Pharmacy</td>
<td>When Dispensed at a Non-Participating Pharmacy</td>
</tr>
<tr>
<td>Retail pharmacy (30 day supply limit)</td>
<td>$10 copayment for a generic drug; $35 copayment for a non-generic formulary drug; no coverage for non-formulary drugs</td>
<td>Not covered</td>
</tr>
<tr>
<td>Mail service pharmacy (90 day supply limit)</td>
<td>$20 copayment for a generic drug; $70 copayment for a non-generic formulary drug; no coverage for non-formulary drugs</td>
<td>Not covered</td>
</tr>
</tbody>
</table>
STOCKTON POLICE OFFICERS ASSOCIATION (SPOA) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

IN WITNESS WHEREOF this Memorandum of Understanding was ratified by a membership vote of the Association on July 8, 2016 and by an affirmative vote of the Stockton City Council on July 13, 2016. The SPOA and the City of Stockton have hereto executed this Memorandum of Understanding this 15th day of September, 2016.

For the City of Stockton:

[Signature]
KURT WILSON
City Manager

DEANNA L. SOLINA, ESQ.
Director of Human Resources

[Signature]

Approved as to form:
John Luebberke, City Attorney

By: [Signature]
CHARLES SAKAI
Negotiator for the City

ATTEST:
BONNIE PAIGE
CITY CLERK

BONNIE PAIGE
City Clerk

For the Stockton Police Officers Association:

[Signature]
KATHRYN NANCE
President

WILLIAM TEAGUE
Vice-President

MARK SALVO
Negotiator for Association

CITY OF STOCKTON