



**MEMORANDUM OF UNDERSTANDING (M.O.U.)**

**BETWEEN**

**THE CITY OF UPLAND**

**AND**

**THE POLICE CAPTAINS' ASSOCIATION**

*January 1, 2010 to June 30, 2015*

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**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**THE CITY OF UPLAND**  
**AND**  
**THE UPLAND POLICE CAPTAINS' ASSOCIATION**  
**JANUARY 1, 2010 – JUNE 30, 2015**

**ARTICLE 1 - TERM OF AGREEMENT**

Except where expressly stated otherwise herein, the City and Association agree that the provisions of this Memorandum of Understanding (M.O.U.) shall become effective on January 1, 2010 and shall expire on June 30, 2013. However, in January 2013, the parties extended their MOU to expire on June 30, 2015.

**ARTICLE 2 – PREAMBLE**

It is the intent and purpose of this M.O.U. to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, and terms and conditions of employment between the City of Upland (hereinafter referred to as “City”) and the Upland Police Captain’s Association (hereinafter referred to “Association”).

**ARTICLE 3 – RECOGNITION**

The Association is the recognized employee organization for the personnel employed in the Police Department occupying the classification of Police Captain.

**ARTICLE 4 - MANAGEMENT RIGHTS**

The authority of the City includes the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of work; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work, provided, however, that the exercise and retention of such rights does not preclude employees or their representatives from meeting and conferring over the practical consequences that decisions on these matters may have on wages, hours and other terms and conditions of employment.

**ARTICLE 5 – SALARIES**

- a. Effective July 1, 2011, all employees in this unit will receive a 3.0% increase in base salary.
- b. Effective July 1, 2012, all employees in this unit will receive a 3.0% increase in base salary.
- c. Effective January 1, 2013, all employees in this unit will receive an increase in base salary necessary to bring employees to the average (based on top step base salary) of the following cities: Rialto, Ontario, West Covina, Chino, Glendora and Fontana.

**ARTICLE 6 – RETIREMENT**

The City of Upland provides its' Police Captains with membership in the California Public Employees Retirement System (CalPERS), 3% @ 55 retirement formula. Payment of the CalPERS Employer Contribution Rate will be made as follows:

- a. 5.8% made by the employees until June 30, 2011
- b. 3.9% made by the employees from July 1, 2011 until June 30, 2012
- c. 2% made by the employees from July 1, 2012 until December 31, 2012
- d. Effective January 1, 2013 through June 30, 2013, the, City will pay entire employer contribution.

Effective July 1, 2013, employees who are not “new members” (who are addressed below in this Article) as defined by the Pension Reform Act of 2013 will pay the nine percent (9%) CalPERS employee/member contribution.

The City contracts with CalPERS for the Single Highest Year Option for all employees who are not defined as “new members” pursuant to the Pension Reform Act of 2013 and the 1959 Survivor Benefit, 3<sup>rd</sup> level for all members of the bargaining unit. There is an employee cost of \$2.00 per month for the 1959 Survivor Benefit.

The agreement between the City and CalPERS allows for the buy-back of time served by the employee in the Military as defined under PERS Regulation, Section 21024.

Pension Reform Act of 2013:

- 1) The parties agree that the provisions of AB 340 (The California Pension Reform Act of 2013) went into effect on January 1, 2013. In addition, if there is any other clean up or other retirement legislation which goes into effect during this MOU and if there are provisions of that legislation which, by law automatically goes into effect, it shall do so. Either party may request to negotiate over the impact of such subsequent legislation.
- 2) Two Tier Retirement: Pursuant to the Act, for “new members” (as defined by the Act) who are employees hired after January 1, 2013, they will be hired pursuant to the 2.7% @ 57 retirement formula.
- 3) For “new members” (as defined by the Act) who are employees hired after January 1, 2013, final compensation will be based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement.

Employee Paid Retirement Contribution - For employees defined as “new members” by the Act hired after January 1, 2013, they shall pay the higher of nine percent (9%) or one half of the total normal cost rate as defined by the Act as their employee retirement contribution. The parties’ acknowledge that the City has been advised by CalPERS that through the term of this MOU, the employee portion (i.e., one half the total normal cost rate) of the normal cost rate is 12.25%. Thus, new members will pay 12.25% as their retirement contribution.

**ARTICLE 7 – EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)**

Until June 30, 2013, the City will report the Employer Paid Member Contribution of 9% as compensation earnable for CalPERS retirement purposes. Effective July 1, 2013, there will no longer be EPMC. As such, there will not be any report of EPMC to CalPERS on behalf of bargaining unit members.

**ARTICLE 8 - DEFERRED COMPENSATION**

The City contributes five percent (5%) of base monthly salary to the City’s deferred compensation plan on behalf of each employee in the unit.

In recognition of the City’s financial difficulties in fiscal year 2009/2010, unit members agree to suspend the City’s contribution to deferred compensation for the period January 1, 2010 to June 30, 2010.

**ARTICLE 9 – HEALTH INSURANCE – CAFETERIA PLAN**

- a. Effective January 1, 2012, the Cafeteria Plan allowance for employees in this unit will increase to \$985.00 per month for the purchase of health insurance benefits through the City’s Cafeteria Plan. The health insurance options under the City’s Cafeteria Plan include medical insurance, dental insurance and vision insurance. Association members may also purchase savings bonds with any remaining Cafeteria Plan funds or contribute to the City’s deferred compensation plan.
- b. Effective January 1, 2013, the Cafeteria Plan allowance for employees in this unit will increase to \$1015.00 per month.
- c. In the event any other bargaining unit (with the exception of at-will employees) in the City receives a higher Cafeteria Plan amount, employees in this unit will be increased to that same amount.

An employee may elect not to be covered by the City’s Health Insurance if an employee provides proof of health insurance coverage from another source. The City may require proof of alternative coverage at any time.

**ARTICLE 10 – RETIREE HEALTH INSURANCE REIMBURSEMENT**

The City will provide retiree health insurance reimbursement in accordance with the following schedule for employees who retire from the City, have health insurance and are paying a premium which exceeds these amounts. An additional \$45 per month allowance is provided for a spouse if the spouse is covered under the employees insurance. Retirees who are participating in one of the CalPERS health insurance plans will have the PERS administrative fee deducted from their reimbursement.

10 - 14 years of service	\$ 72.57 per month
15 - 19 years of service	\$ 96.81 per month
20 - 24 years of service	\$121.05 per month
25 + years of service	\$145.14 per month

**ARTICLE 11 – RETIREE HEALTH SAVINGS ACCOUNTS**

Effective January 1, 2007, Retirement Health Savings (RHS) accounts will be established through ICMA which will be payable to the employee only upon service or disability retirement with the City of Upland. City contributions to the RHS accounts will be based upon years of service in accordance with the following schedule:

<b>Years of Service</b>	<b>Monthly City Contribution</b>	<b>Yearly City Contribution</b>
5 to 9.99	\$12.50	\$150.00
10 to 14.99	\$25.00	\$300.00
15 to 19.99	\$50.00	\$600.00
20 to 24.99	\$75.00	\$900.00
25 +	\$100.00	\$1,200.00

Upon retirement, Police Captains shall convert 50% of accrued sick leave, 100% of accrued vacation, 100% of compensatory time and 100% of administrative leave/floating holidays to cash and deposit into their Retiree Health Savings Account on a tax deferred basis (in accordance with IRS guidelines). Therefore the current options of cashing out half of accrued sick leave or using Personal Leave (½ of accrued sick leave) at retirement will no longer be allowable.

**ARTICLE 12 – LIFE INSURANCE**

The City provides Association members with group life insurance in an amount equal to one times (1x) their annual salary.

**ARTICLE 13 – BILINGUAL PAY**

The City will provide compensation in the amount of \$50 per month for employees in the unit who successfully complete a fluency examination.

**ARTICLE 14 – EDUCATION INCENTIVE AND POST CERTIFICATE PAY**

All employees in this unit will receive a 2.5% increase in base salary for a POST Management certificate.

Effective 1/1/09, all employees in this unit will receive a 2.5% increase in base salary for a Bachelor’s Degree OR a 5% increase in base salary for a Master’s Degree.

Eligible employees may only receive one payment amount within each category of Incentive Pay, to a maximum allowable of 7.5 percent (7.5%) of base salary.

**ARTICLE 15 - LONGEVITY PAY**

Employees in the unit with twenty (20) years or more of continuous service will receive a two and one half percent (2.5%) increase in base salary, effective 1/1/2007.

**ARTICLE 16 - OVERTIME PAY**

Police Captains are exempt from the FLSA and are not eligible for overtime compensation.

**ARTICLE 17 – PREVENTATIVE HEALTH BENEFIT**

Employees in the unit may be reimbursed up to \$180 annually for the purchase of items, classes, memberships or programs which contribute to physical fitness. This reimbursement shall be made in June of each year. Items which will be considered acceptable for reimbursement are defined in the City’s policy on Preventative Health Benefits.

**ARTICLE 18 - UNIFORM ALLOWANCE**

Employees in the unit will receive a uniform allowance in the amount of \$829 per year effective 1/1/08, for the purchase, maintenance and cleaning of uniforms after completion of 12 months of employment. Uniforms will be provided at the time of appointment. This allowance will be paid twice a year (½ in June and ½ in December).

**ARTICLE 19 - HOLIDAYS**

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

New Year’s Day	(January 1)
Martin Luther King Day	(Third Monday in January)
President’s Day	(Third Monday in February)
Memorial Day	(Last Monday in May)
Independence Day	(July 4)
Labor Day	(First Monday in September)
Thanksgiving Day	(Fourth Thursday in November)
Friday after Thanksgiving Day	(The Day After the Fourth Thursday in November)
Christmas Day	(December 25)

All holidays shall be 10 hours unless otherwise noted.

If the holiday falls on a Friday or Saturday, Thursday shall be designated as the holiday and if the holiday falls on Sunday, Monday shall be designated as the holiday.

**ARTICLE 20 – FLOATING HOLIDAYS**

Police Captains shall receive 32 hours of Floating Holiday annually. Floating holiday hours must be used during the calendar year or they will be removed from the books on December 31st of each year.

**ARTICLE 21 - SICK LEAVE**

Effective January 1, 2009, the maximum accrual cap on sick leave will increase from 1000 to 1250 hours.

Bargaining unit members who use less than 40 hours of sick leave between November 1 and October 31 of each year (this, of course, covers two calendar years) may request to cash out twenty (20) hours of sick leave each year. Such request needs to be made in writing to the Human Resources Department during the month of November. If such a request is made, the payment will be made in the first pay period of December of every year. Employees in the unit who used less than 40 hours of sick leave between November 1, 2011 and October 31, 2012 are eligible to make the request for this cash out assuming that they do so by January 31, 2013.

**ARTICLE 22 - VACATION**

Vacation shall accrue for Police Captains based on the following schedule:

01 – 02 Years of service	96 Hours per year
03 – 05 Years of service	120 Hours per year
06 – 16 Years of service	152 Hours per year
17 + Years of service	One additional day (8 hours) per year, up to a maximum of 176 hours per year

All employees may accrue vacation up to a maximum of three (3) years of entitlement.

**ARTICLE 23 – VACATION BUYBACK**

In the month November of each calendar year, Police Captains who have used at least 40 hours of accrued vacation between the preceding November 1 and October 31 may cash out (by making a written request) up to 60 hours of their accrued vacation. Such request must be received by November 30 in Human Resources. If such a request is made, the payment will be made in the first pay period of December of every year. For calendar year 2013 only, employees may cash out up to 60 hours of accrued vacation both in January 2013 as well as in November 2013.

**ARTICLE 24 - BEREAVEMENT LEAVE**

Association members may use up to 5 consecutive days of accrued sick leave for the death of a spouse or blood relation up to 2 generations removed, including spouse's parents. Bereavement leave (5 days of accrued sick leave) may also be taken for the death of a dependent not related by blood who has lived within the employee's household for the preceding six months.

The City will consider a request for bereavement leave for the death of a member's aunt and uncle on a case by case basis.

Members may also take up to four hours per year to attend funeral services in the City of Upland for situations other than the above with Department Head approval.

**ARTICLE 25 - EXECUTIVE LEAVE**

Police Captains shall receive thirty two (32) hours of executive leave annually. This leave must be used within the calendar year, or it will be removed from the books as of December 31<sup>st</sup> of each year.

**ARTICLE 26 - NO STRIKE PROVISION**

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

**ARTICLE 27 - PREVAILING BENEFITS**

Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by employees in the unit shall remain in full force and effect during the term of this M.O.U., unless mutually agreed to by both parties.

**ARTICLE 28 - SAVINGS CLAUSE**

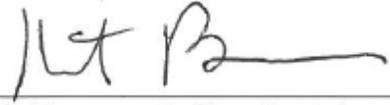
Should any provision of this agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the City and Association shall meet and confer immediately upon what constitutes an equivalent benefit to that which was determined to be unlawful. Such equivalent benefit will be implemented retroactive to the date the old benefit ceased. The remaining parts or portions of the Agreement shall remain in full force and effect.

CITY OF UPLAND

  
\_\_\_\_\_  
Stephen Dunn, City Manager

Feb. 14, 2013  
Date

UPLAND POLICE CAPTAINS' ASSOCIATION

  
\_\_\_\_\_  
Kenneth Bonson, Police Captain

2/12/13  
Date