MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN LEANDRO AND SAN LEANDRO POLICE MANAGEMENT ASSOCIATION

Section 1.0 Preamble

The understandings reached by this Memorandum are a result of meeting and conferring in good faith between the Municipal Employee Relations Officer of the City of San Leandro (City Manager) and the officers of the San Leandro Police Management Association.

This Memorandum of Understanding shall be presented to the San Leandro City Council as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing July 1, 2015 through December 31, 2019.

Section 1.5 General

Terms of employment shall be as specified in the City of San Leandro Personnel Rules revised July 21, 2011 as modified by this document.

Section 2.0 Health Benefits

2.1 Pre-Tax Flexible Spending Account

The City shall offer an IRS 125 plan to all full-time employees, as defined by and measured in accordance with the Patient Protection and Affordable Care Act of 2010 (PPACA). The plan shall provide the following:

- a. Pretax conversion of employee contribution toward medical and dental premiums.
- b. Medical Flexible Spending Account with a maximum employee pretax contribution of three thousand dollars (\$2,500.00) per benefit plan year.
- c. Dependent Care Flexible Spending Account with a maximum employee pretax contribution of five thousand dollars (\$5,000.00) per benefit plan year.

2.2 Medical and Dental (Active)

The City will maintain a "core" benefit plan for all full-time employees. The core shall consist of the PERS Medical Plan and the existing dental plan.

Under CalPERS rules, the City will contribute the following amounts as the "employer minimum share" per employee per month towards the benefit plan:

2016 \$125.00

2017 - 2019 To be determined by CalPERS

Effective January 1, 2016, , the City will contribute the monthly amounts including the CalPERS Medical Plan "employer minimum share" contribution, towards the election of medical and dental benefits in the plan, or the actual premiums, whichever is less:

City of San Leandro Medical/Dental Premium Contributions 2016 Active Employees Bay Area

Medical Plan	Coverage Level	Monthly Premium	City Pays	Employee Pays
Anthem Select	Employee only	\$ 721.79	\$ 674.36	\$ 47.43
НМО	Employee + 1	\$ 1,443.58	\$ 1,348.72	\$ 94.86
	Employee + 2 or more	\$ 1,876.65	\$ 1,763.34	\$ 113.31
Anthem Traditional	Employee only	\$ 855.42	\$ 674.36	\$ 181.06
НМО	Employee + 1	\$ 1,710.84	\$ 1,348.72	\$ 362.12
	Employee + 2 or more	\$ 2,224.09	\$ 1,763.34	\$ 460.75
Blue Shield Access +	Employee only	\$ 1,016.18	\$ 674.36	\$ 341.82
НМО	Employee + 1	\$ 2,032.36	\$ 1,348.72	\$ 683.64
	Employee + 2 or more	\$ 2,642.07	\$ 1,763.34	\$ 878.73
Blue Shield NetValue*	Employee only	\$ 1,033.86	\$ 674.36	\$ 359.50
НМО	Employee + 1	\$ 2,067.72	\$ 1,348.72	\$ 719.00
	Employee + 2 or more	\$ 2,688.04	\$ 1,763.34	\$ 924.70
Health Net SmartCare	Employee only	\$ 808.44	\$ 674.36	\$ 134.08
НМО	Employee + 1	\$ 1,616.88	\$ 1,348.72	\$ 268.16
	Employee + 2 or more	\$ 2,101.94	\$ 1,763.34	\$ 338.60
Kaiser (CA)	Employee only	\$ 746.47	\$ 674.36	\$ 72.11
НМО	Employee + 1	\$ 1,492.94	\$ 1,348.72	\$ 144.22
	Employee + 2 or more	\$ 1,940.82	\$ 1,763.34	\$ 177.48
United Healthcare	Employee only	\$ 955.44	\$ 674.36	\$ 281.08
НМО	Employee + 1	\$ 1,910.88	\$ 1,348.72	\$ 562.16
	Employee + 2 or more	\$ 2,484.14	\$ 1,763.34	\$ 720.80
PERS Choice	Employee only	\$ 798.36	\$ 674.36	\$ 124.00
PPO	Employee + 1	\$ 1,596.72	\$ 1,348.72	\$ 248.00
	Employee + 2 or more	\$ 2,075.74	\$ 1,763.34	\$ 312.40
PERS Select**	Employee only	\$ 730.07	\$ 674.36	\$ 55.71
PPO	Employee + 1	\$ 1,460.14	\$ 1,348.72	\$ 111.42
	Employee + 2 or more	\$ 1,898.18	\$ 1,763.34	\$ 134.84
PERSCare	Employee only	\$ 889.27	\$ 674.36	\$ 214.91
PPO	Employee + 1	\$ 1,778.54	\$ 1,348.72	\$ 429.82
	Employee + 2 or more	\$ 2,312.10	\$ 1,763.34	\$ 548.76
PORAC	Employee only	\$ 699.00	\$ 674.36	\$ 24.64
	Employee + 1	\$ 1,399.00	\$ 1,348.72	\$ 50.28
	Employee + 2 or more	\$ 1,789.00	\$ 1,763.34	\$ 25.66
Dental Plan	Coverage Level	Monthly Premium	City Pays	Employee Pays

Delta Dental	Employee only	\$	46.70	\$	48.15	\$	-
Basic Plan	Employee + 1	\$	88.70	\$	91.45	\$	
	Employee + 2 or more	\$	138.30	\$	142.55	\$	
	Employee only	\$	73.80	\$	48.15	\$	25.65
Buy Up Plan 1	Employee + 1	\$	143.00	\$	91.45	\$	51.55
	Employee + 2 or more	\$	238.20	\$	142.55	\$	95.65
	Employee only	\$	67.20	\$	48.15	\$	19.05
Buy Up Plan 2	Employee + 1	\$	131.80	\$	91.45	\$	40.35
	Employee + 2 or more		040.00	\$	4.40.55	Φ.	70.05
	Employee + 2 or more	\$	218.60	Ф	142.55	\$	76.05
Vision Plan	Coverage Level	Mc	onthly emium		y Pays		ployee
Vision Plan EyeMed	, ,	Mc	onthly			Em	ployee
	Coverage Level	Mo Pr	onthly emium	Cit		Em Pay	ployee /s
EyeMed	Coverage Level Employee only	Mc Pr	onthly emium 5.88	Cit		Em Pay	ployee /s 5.88
EyeMed	Coverage Level Employee only Employee + 1	Mc Pro	5.88 11.12	Cit		Em Pay \$	ployee /s 5.88 11.12
EyeMed	Coverage Level Employee only Employee + 1 Employee + 2 or more	## S	5.88 11.12 16.36	Cit \$ \$ \$		Em Pay \$ \$	5.88 11.12 16.36

For 2016, the monthly amounts above reflect an increase in the City's contribution amount as follows:

Employee only +\$25 Employee +1 +\$50 Employee +2 or more +\$75

In January 2017, 2018 and 2019, employees and City will each pay 50% of the increase or decrease in medical and dental premiums based on Kaiser and the Basic dental plan (i.e., 2017 premiums minus 2016 premiums, divided by 2 etc.).

Employees who wish to waive enrollment in the medical and dental plans and who demonstrate to the satisfaction of the City their enrollment in another medical and dental plan will receive opt-out payments as follows:

Employee rate: Medical \$200 + / or dental \$50 = \$250 / month maximumTwo-party rate: Medical \$350 + / or dental \$50 = \$400 / month maximumFamily rate: Medical \$500 + / or dental \$50 = \$550 / month maximum

In the event both spouses are employed by the City and eligible to enroll in the City's benefits plan, one employee may elect not to enroll in the medical and dental plans and will receive the single employee opt-out rate of up to two-hundred fifty dollars (\$250.00) per month payment, if enrolled under spouse's medical and dental coverage.

An employee may elect to waive the dental plan only and enroll only in the medical plan and receive fifty dollars (\$50.00) per month for their non-election.

Re-enrollment in the medical and/or dental plan shall be allowed only based upon a qualifying event as defined by the IRS codes or during an open enrollment period.

No change in dental plan carrier, or level of benefits, shall be made unless agreed to by the Association.

2.3 Medical and Dental (Retiree)

Five Year Health & Welfare Vesting Requirement: Unless otherwise determined by the City Manager as part of the initial hiring agreement, full-time employees hired on or after January 1, 2005 must render five (5) years of continuous service with the City of San Leandro in order to receive retiree medical and/or dental benefits under this section.

Medical: Under CalPERS rules, the City will directly contribute "the employer minimum share" towards retiree medical coverage. Additional retiree health contributions will be made on a reimbursement basis as set forth below. The amounts listed below are inclusive of the CalPERS Medical Plan "employer minimum share."

The City shall pay the contributions required by the health plan two-party rate for retired full-time City employees who were assigned to classifications represented by the San Leandro Management Association and who are currently members of one of the City's health plans. The City shall contribute to the health plan two-party rate costs until the employee is eligible for Medicare coverage. The maximum amount to be contributed by the City shall not exceed three hundred and sixty dollars (\$360.00) per month. In the event the amounts required by the health plans exceed the maximum City contribution, such excess amounts shall be paid by the retiree, except as provided herein. Coverage under this section shall continue until the employee's 65th birthday; except for the PERS Medical Plan "employer minimum share," which shall continue for life.

Retired employee dependent eligibility for City health plan contribution is conditional upon the active enrollment of the retired employee. If a retired employee moves outside the service area of their medical plan the retiree will be allowed an opportunity within thirty (30) days of such move to change medical insurance coverage to another CalPERS option. If a retired employee remarries, the retiree may add the retiree's spouse to the medical insurance coverage. The City shall have no obligation to obtain medical insurance for a retiree living outside the service area of its medical insurance plans. The "employer minimum share" contribution toward CalPERS retiree insurance will continue, however

Dental: The City shall contribute a maximum of seventy dollars and eighty-seven cents (\$70.87) towards monthly dental plan costs for each retired full-time City employee who is currently a member of the City's dental plan, or who was a member of the City's dental plan and retired on or after July 1, 1983. Any increases in dental plan costs during the term of this Agreement shall be split equally between the City and the retired employee. Coverage shall continue until age 65.

No change in dental plan carrier, or level of benefits, shall be made unless agreed to by the Management Association.

2.4 Life Insurance (Active)

The City shall maintain in effect employer provided Term Life Insurance with AD&D in the amount of fifty thousand dollars (\$50,000.00) for active full-time employees. The insurance

provider shall be "A-rated", unless the parties specify otherwise. The City shall make available for employees, the ability to purchase additional life insurance, at no cost to the City, subject to the requirements and rules of the insurance carrier. Such premium payments made by the employee purchasing any voluntary life insurance shall be made on an after tax basis.

2.5 Long Term Disability Insurance (Active)

The City shall maintain in effect an employer paid long-term disability insurance program with a benefit percentage of forty percent (40%) of base monthly earnings with a maximum gross monthly benefit of six thousand dollars (\$6,000.00) for all full-time employees. The plan shall provide a six month elimination period, benefits payable to age 65 with two years "own" occupation and partial disability benefits. The City shall make available for employees, the ability to purchase additional long term disability insurance, at no cost to the City, subject to the rules, regulations, enrollment requirements and exclusions set forth by the insurance carrier.

2.6 Short Term Disability Insurance (Active)

The City shall make available for employees, the ability to purchase voluntary short-term disability insurance, at no cost to the City, subject to the rules, regulations, enrollment requirements and exclusions set forth by the insurance carrier. Such premium payments made by the employee purchasing any voluntary short-term disability insurance shall be made on an after-tax basis.

Section 3.0 Uniform Allowance

For the term of this Agreement, the uniform allowance for Association employees will be \$1,500 per year. All uniform allowances will be paid by separate check during the month of July.

Section 4.0 Leaves

4.1 Vacation Leave: Vacation leave for each full-time employee shall be accrued and credited for the pay period in which it was earned. An employee holding a full-time position shall be entitled to a vacation leave which shall accrue at the rate of twelve (12) days for each calendar year of service performed. If a newly hired employee possesses five (5) years of experience in the field in which he/she is hired, he/she shall accrue vacation leave at the rate of fifteen (15) days for each calendar year of service performed.

The City evaluated employees hired before February 1, 2002 who had not yet performed five (5) full years of City service, to determine if they possessed the required experience when they were hired. If so, their accrual rate was changed to fifteen (15) days. If not, their accrual rate was changed from ten (10) days to twelve (12) days effective January 1, 2002.

In the calendar year in which an employee holding a full-time position completes five (5) full years of City service, such employee shall be entitled to fifteen and three- quarters (15 ¾) work days of vacation. For each full year of full-time City service completed thereafter, three-quarters (¾) of a work day of vacation shall be added up to a maximum of twenty-five (25) work days of vacation.

An employee who is in unpaid status for 44 or more hours in a pay period shall not accrue vacation leave for that pay period.

In the event one or more municipal holidays falls within a vacation leave, such days shall not be charged as vacation leave and the vacation leave shall be extended accordingly for those employees eligible for such holidays.

Management employees may accumulate vacation leave up to a maximum of three (3) years vacation accrual. An additional year may be accumulated with Department Head approval. The additional year accrual maximum will expire after 12 months, at which time the maximum will return to three (3) years.

Employees shall be allowed to sell up to 120 hours of vacation per year. Time may be sold twice annually in June and December.

4.2 Sick Leave: Sick leave is a paid leave. Sick leave is to be used in cases of actual sickness or injury of the employee or of a member of his/her immediate family which compels an employee to be absent from work. To qualify for paid sick leave, an employee must notify his/her supervisor as soon as possible, but no later than thirty minutes prior to the start of the work day. Sick leave may also be used for routine dentist and doctor visits as these visits maintain the health and productivity of the employee.

The immediate family of an employee includes the employee's spouse, registered domestic partner, children, stepchildren, parents, grandparents and step parents, where there was a child-rearing relationship, who are permanent household members and whose well-being is dependent on the employee's care as defined in the Personnel Rule X, Section 2, Sick Leave.

A full-time employee will accumulate sick leave at a rate of eight (8) hours for each full calendar month of service. An employee who is in unpaid status for 44 or more hours in a pay period shall not accrue sick leave for that pay period.

As part of the initial hiring agreement, the City Manager may grant to a new management employee up to one-half of that employee's sick leave accumulated from the most recent employer, to a maximum of 160 hours.

The maximum sick leave accrual shall be 2,400 hours (300 days).

Payment for unused sick leave will be granted to full-time regular employees with at least fifteen (15) years continuous City service at death, retirement or resignation in good standing based on salary at termination, pursuant to the following schedule. Number of sick leave days accumulated, multiplied by seven and one-half percent (7½%), multiplied by the number of whole years of service, multiplied by the hourly rate at termination.

The above formula figure of seven and one-half percent (7½%) will be adjusted to ten percent (10%) for an employee who terminates City service after completing twenty-five (25) years of uninterrupted City service by way of termination, service retirement or resignation in good standing with the City.

An employee whose death or permanent disability is a result of an accident which is held to be compensable by the Workers' Compensation Appeals Board will receive payment for unused sick leave without regard to continuous City service according to the seven and one-half percent (7½%) formula. An employee who completed twenty-five (25) or more years of uninterrupted service shall receive payment for unused sick leave in accordance with the ten percent (10%) formula as described in the above paragraph.

Payouts upon termination are deducted from sick leave service time credit under CalPERS.

4.3 Funeral Leave: In the event of death in the immediate family of a full-time management employee, the employee shall, upon request to the supervisor, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed a total of five (5) working days. This provision does not apply if the death and/or funeral occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff, sick leave, or any other leave status.

The immediate family of an employee includes wife, husband, child, father, mother, sister, brother, grandchildren, grandparents, mother-in-law, father-in-law, or step-parent where there is a child-rearing relationship.

Funeral leave applies only in instances in which the employee attends the funeral or is required to make funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased. It is understood, however, that leave as provided in the preceding paragraph may be granted to commence prior to the death of a member of the employee's immediate family or where death appears imminent.

- 4.4 **Family Medical Leave Act/California Family Rights Act (FMLA/CFRA).** Employees may be eligible for leave under the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). The administration of any FMLA or CFRA leave provided for under this provision shall be in accordance with the provisions of the FMLA and the CFRA. Leave provided under this provision may run concurrently with other leaves provided under this agreement, as designated by the Human Resources Department. Additional information regarding available leave benefits is set forth in City Administrative Procedure 1600, Family and Medical Leave Request Process and applicable State and/or Federal law.
- **4.5 Pregnancy Disability.** Employees may be eligible for leave under the California Pregnancy Disability Leave Law (PDLL). The administration of any leave given under the PDLL shall be in accordance with the provisions of the PDLL. Leave provided under this provision may run concurrently with other leaves provided under this agreement. Additional information regarding available leave benefits is set forth in City Administrative Procedure 1630.

Section 5.0 Holidays

Full-time regular employees shall be entitled to the following holidays: New Year's Day; third Monday in January (Martin Luther King's birthday); Lincoln's Birthday; third Monday in February (Washington's Birthday); last Monday in May (Memorial Day); Independence Day; Labor Day; November 11 (Veterans Day); Thanksgiving Day; the day after Thanksgiving Day; ½ day

Christmas Eve; Christmas; ½ day New Years Eve and every day proclaimed a City Holiday by the Mayor. Holidays are credited at 8 hours per holiday. When a day herein listed falls on an employee's regular day off, the employee shall be entitled to a day off in lieu thereof within the calendar year. The day selected shall be subject to approval of the Police Chief. When such day herein listed falls on a Sunday, such day off in lieu thereof shall be the Monday following such Sunday, except as hereinafter provided.

Each employee represented by the Association shall also be entitled to one floating holiday, which shall be scheduled at time mutually convenient to the employee and the Police Chief. The floating holiday must be taken during each calendar year and may not be carried over to another calendar year or converted to pay.

To the extent that operating conditions allow, employees are to be given the day off on the date of the holiday. Where operating conditions require established organized shifts to be regularly staffed without regard to holidays, the Police Chief shall designate by list the positions required to be staffed. The list of positions so designated shall be subject to approval of the City Manager, and shall be filed with the Human Resources Director and the Finance Director. If an employee holding a position on such a list works an established organized shift on a holiday, the employee can receive regular pay plus one and one-half times the regular hourly rate of pay times the hours worked on the holiday. When a day herein listed as a holiday falls on a regular day off for an employee holding a position on such list, such employee shall be entitled to a day off in lieu thereof during the succeeding calendar year, or current calendar year with departmental approval according to the same sign-up procedure. The holiday hours not used will be banked as Retain-time also referred to as R-Time. The above provisions shall be effective as to any employee transferred to a position designated as required to be staffed without regard to holidays on the approved list, and shall cease to be effective as to an employee transferred from such a position, as of the date of the transfer.

Any remaining R time not utilized during any calendar year will be paid out on the first paycheck of the following year on an hour-for-hour basis. When employment of a person occupying a position on the approved list is terminated, the employee shall receive compensation for holidays accrued in the previous calendar year, but not yet taken, and for only those holidays, which have already occurred in the current calendar year. In no event shall an employee accrue more than thirteen (13) holidays per calendar year.

Section 6.0 Management Incentive Pay

Full-time Association employees shall receive management incentive pay at the rate of 80 hours per calendar year; such amount shall be paid equally at each pay period. Such pay is given in recognition of the unique nature of their position (e.g. projects, resolution of difficult issues).

Section 7.0 Bilingual Pay

Employees certified by the City as bilingual will receive \$125 per month bilingual pay when they are required to use a second language. Bilingual skills shall be necessary to the operation of the City, as determined by the department head, and confirmed by an appropriate certification process established by the City. Bilingual pay shall apply to the following languages: Spanish, Chinese, American Sign Language, and other languages as determined by the Human Resources department.

Section 8.0 Deferred Compensation

The City shall maintain in effect the deferred compensation program as described in the San Leandro Administrative Code for the term of this Agreement.

Section 9.0 Employee Wellness

For the period of this Memorandum of Understanding, the concept of employee wellness will continue to be addressed by the City through, but not limited to, executive medical examinations, workshops around health and wellness. The City agrees to continue to provide to employees an Employee Assistance Program as described in the City of San Leandro Personnel Manual, Administrative Procedure 1570. It is agreed that such program shall not be an automatic substitution for appropriate disciplinary action when such action is appropriate.

<u>Section 10.0 Retirement– Two-tier System</u>

The City shall continue to contract with the California Public Employees' Retirement System (CalPERS) to provide retirement benefit programs for the term of this Memorandum of Understanding.

10.1 **Tier One:** For employees hired by the City into the Association prior to January 1, 2013, or for "classic" members of CalPERS hired after January 1, 2013, the City's contract with CalPERS provides the 3% @ age 50 retirement formula, fourth level 1959 Survivors Benefit and the Military Service credit, with 12 months highest final compensation.

Tier one employees shall pay 9% of the employee contribution Pursuant to IRS Code Section 414 (h) (2), these payments shall be made on a pre-tax basis.

10.2 **Tier Two:** For employees hired on or after January 1, 2013 and classified as "new" members of CalPERS as defined by Public Employees Pension Reform Act (PEPRA), the City shall maintain a contract with CalPERS for the provision of a 2.7% @ 57 (highest 36 months) retirement benefit formula. Also pursuant to PEPRA, these employees are responsible for paying one-half of the normal cost of this retirement plan.

Section 11.0 Compensation

Salary for each classification varies from step 1 to step 5 as shown in the salary schedules attached as Appendix A of this agreement. New hires and promotions may-be placed at the step closest to-a minimum five percent-(5%) base salary increase, or any step, subject to the City Manager's final approval. Employees may be advanced from their current step to the next higher step after each year of satisfactory performance.

The salary schedules reflect wage adjustments as follows:

A three (3%) percent across the salary schedule adjustment effective January 1, 2016.

A three (3%) percent across the salary schedule adjustment effective January 1, 2017.

A three (3%) percent across the salary schedule adjustment effective January 1, 2018.

A three (3%) percent across the salary schedule adjustment effective January 1, 2019.

11.1 Application of Pay Rates

A. Pay for Employees in an "Acting" Capacity

Employees may be assigned to perform the duties of a permanent position in a higher classification on a temporary basis. Such assignments shall be termed "acting assignments" and shall be made subject to the following conditions:

- (1) Acting assignments shall be made by the Police Chief only, with City Manager approval, and shall be made prior to the beginning of the shift and with written notification to the acting employee;
- (2) Acting assignments shall be made only in those instances where the acting employee will be responsible for the performance of the full range of duties of the higher classification for not less than five (5) full workdays;
- (3) Acting pay shall be the step in the salary range of the higher classification that represents an increase closest to, but not less than 5% above the acting employee's current salary, not to exceed the maximum step of the higher classification's salary range.
- (4) Employees who qualify for acting pay shall be compensated at their acting pay salary level during periods of approved leave, during the acting assignment. In the event that such an employee is absent from work because of illness or injury for five consecutive days, the City may terminate the employee's acting assignment and the additional compensation provided therefore.

Nothing in this section shall preclude the temporary assignment of an employee to perform some of the duties of a higher classification for the purpose of providing training in the work of the higher classification. Such temporary training assignment shall not constitute acting assignment within the meaning of this section and shall receive no additional compensation.

It is understood that the above provision shall not be interpreted as requiring the City to fill each temporary vacancy by an acting assignment.

11.2 Educational Incentive Program

Effective January 1, 2016, represented employees with four (4) full years or more service with the San Leandro Police Department or any other sworn law enforcement experience shall be eligible for the following educational incentive program.

Category	Certificate	Monthly Amount
A	P.S.	4%
В	P.M.	6%

Legend:

P.S.= POST Supervisory P.M.= POST Management

Maximum amount payable under the educational incentive program is six percent (6%). Payments shall be made per pay period upon proof of certificate.

11.3 Longevity

Effective January 1, 2016:

Employees who have completed fifteen (15) years of continuous service with the City of San Leandro shall receive two percent (2%) of current base pay.

Employees who have completed twenty (20) years of continuous service with the City of San Leandro shall receive four percent (4%) of current base pay.

Employees who have completed twenty-five (25) years of continuous service with the City of San Leandro shall receive five percent (5%) of current base pay.

Section 12.0 Employee Defense and Indemnity

In the event that all or part of a claim or judgment is for punitive or exemplary damages in any action otherwise governed by Section 825 of the Government Code and upon request of the employee against whom such claim or judgment is rendered, the City agrees to consider whether the findings set forth in Section 825(b) (1) through (3) may be made. This provision in no way obligates the City to pay punitive or exemplary damages unless it in fact makes those findings.

Section 13.0 Layoff

The appointing authority may lay off an employee in the competitive service because of material change in duties or organization or shortage of work or funds. If, by reason of expiration of a leave of absence, reduction in personnel, demotion to the class, or other cause, there are more employees in any class in the full-time competitive service than there are available positions in that class, the employee last employed in the class shall be laid off; if such employee obtained such position by promotion, he/she shall be demoted to the lower class from which he/she was promoted rather than be laid off. Layoff or demotion shall be based upon the amount of seniority an employee has in the classification he/she is occupying (i.e., the employee with the least amount of seniority in the class shall be the first to be laid off or demoted, if job was obtained by promotion).

Forty (40) days before the effective date of a layoff, the appointing authority and/or designee shall notify Human Resources of the intended action with reasons therefore, and a statement certifying whether or not the services of the employee have been satisfactory. A copy of such notice shall be given to the employee affected at that time. If certified as having given satisfactory service, the name of the employee laid off shall be placed on the appropriate re-employment list.

Employees shall be given thirty (30) days written notice before the effective date of layoff.

All laid-off employees shall be placed on a re-employment list for the class from which they were laid off or demoted (i.e., the last person in the affected class to be laid off shall be the first re-hired

when openings occur in that class or any other of the same pay for which the employee is qualified). If the employee on the re-employment list refuses the initial offer of re-employment, the employee's name shall be placed at the end of the re-employment list. If the same employee refuses proffered re-employment the second time, the employee shall be removed from the list and shall no longer be eligible for re-employment as a laid off employee.

Employees on the re-employment list shall be offered positions for which they qualify before new employees are hired.

Re-employment lists shall remain in effect for a period of one year. All employees on the reemployment list shall be mailed notices of vacancies in the City for a period of one year after their layoff.

Section 14.0 Work Hours

When management employees work extraordinary hours; due to large numbers of night meetings, emergencies, major projects, etc., they may, subject to the approval of the Department Head, or in the case of a department head, the City Manager, be authorized additional time off. Such time will be granted only for extraordinary hours; both in excess of the regular work schedule and that time compensated for by administrative leave; and not exceed forty (40) hours per year.

Managers in 24/7 operations whose regular work shift falls on a City holiday shall receive an equivalent number of hours off duty, to be scheduled subject to Department Head approval and used within one month of the holiday. Such time will not be banked, incremented, or paid in lieu of time off.

In no event shall this time be construed to constitute overtime compensation nor shall it be applied on an hour for hour basis. This time has no cash value and is not bankable.

Section 15.0 FEMA Reimbursed Overtime

In cases where there has been a declared emergency and the City receives cash reimbursement from FEMA, the City will reimburse represented employees for extraordinary overtime at an hour for hour basis.

Section 16.0 Flexible Work Schedules

When operationally appropriate and determined to be in the best interest of the City, departments may establish flexible work schedules. Establishment of such schedules shall be in the sole discretion of the Department Head with the approval of the City Manager.

Section 17.0 Management Development Program

In addition to the tuition reimbursement set forth herein, full-time employees shall receive a one thousand dollar (\$1,000.00) per calendar year management development reimbursement. This reimbursement may be for such career development items as training courses, software, technical books, computer purchases when utilized for work-related items, San Leandro club memberships, fitness equipment and/or health club memberships, etc. Expenses reimbursed under this program are

subject to the approval of the employees' Department Head, or in place of the Department Head, the City Manager.

Section 18.0 Tuition Reimbursement

The Tuition Reimbursement Program of the City of San Leandro Personnel Manual, Administrative Procedure 1840 is incorporated here by reference. The maximum tuition reimbursement benefit under the program is one thousand dollars (\$1,000.00) per employee per calendar year.

It is understood by the parties that classes taken as prerequisites to an approved course of study are covered by this Tuition Reimbursement Program.

Section 19.0 Bonus Pay

The City Manager, in his sole discretion, may award additional pay based on performance, pursuant to the provisions of the Personnel Rules or other authority.

Section 20.0 Miscellaneous

- 20.1 Salary Upon Promotion
 - Employees promoting to Lieutenant shall be placed at the salary step which provides a minimum increase of at least five percent (5%). All Assignment Differentials and Shift Differentials will be taken into consideration when determining salary step placement.
- 20.2 The compensatory time off balance of an employee promoting to Lieutenant shall be cashed out at the Sergeant rate. Management employees are not eligible to accrue compensatory time off.
- 20.3 Should the SLPOA receive an overall compensation settlement substantively in excess of that provided by SLPMA, the City and SLPMA agree to reopen negotiations on compensation.
- 20.4 Application of Pay and Benefits
 Only employees of the City, at the time this agreement is ratified by the City Council, are eligible to receive any of the salary or benefits so provided.
- 20.5 The City and Association have discussed the City's unfunded pension and OBEB liabilities. While reserving their respective rights, the parties agree to work cooperatively in subsequent meet and discuss processes to explore and consider these issues.
 - Nothing in this section shall be interpreted to constitute a reopener to this MOU.

Section 21.0 Term of Agreement

The above modifications have been agreed upon by the signatories of this Memorandum and shall be presented as a joint recommendation for implementation in reference to all employees represented by the San Leandro Police Management Association. The modifications listed herein shall be effective for the period of time listed in section 1.0.

Dated:	Dated:
City Representative:	Representatives: San Leandro Police Management Association
Chris Zapata City Manager	Ron Clark, President
	Isaac Benabou, Treasurer
	Jeff Tudor, Member

Appendix A

SR CLASSIFICATION	Step 1	Step 2	Step 3	Step 4	Step 5
101 Police Captain	12748	13386	14055	14758	15495
100 Police Lieutenant	11086	11640	12222	12833	13474

SR CLASSIFICATION	Step 1	Step 2	Step 3	Step 4	Step 5
101 Police Captain	13130	13787	14477	15200	15960
100 Police Lieutenant	11418	11989	12589	13218	13879

SR CLASSIFICATION	Step 1	Step 2	Step 3	Step 4	Step 5
101 Police Captain	13524	14201	14910	15656	16439
100 Police Lieutenant	11762	12349	12967	13615	14295

SR CLASSIFICATION	Step 1	Step 2	Step 3	Step 4	Step 5
101 Police Captain	13930	14626	15357	16126	16932
100 Police Lieutenant	12114	12719	13355	14023	14724