

CITY OF GARDEN GROVE
MEMORANDUM OF UNDERSTANDING
PURSUANT TO THE CALIFORNIA MEYERS-MILIAS-BROWN ACT
BY AND BETWEEN
THE GARDEN GROVE POLICE MANAGEMENT ASSOCIATION
AND
THE CITY OF GARDEN GROVE
2018 - 2022

THIS MEMORANDUM OF UNDERSTANDING (MOU) has been prepared pursuant to Resolution No. 4066-71, as amended, of the City of Garden Grove, which Resolution is generally identified as the "EMPLOYEE RELATIONS RESOLUTION" and the Government Code Sections 3500 through 3510, as amended, which is generally referred to as the Meyers-Milias-Brown Act.

This MOU has been developed as a result of the requests of the Garden Grove Police Management Association and the City of Garden Grove. The items in this MOU are subject to the approval of the City Manager and the City Council of the City of Garden Grove and will be placed into effect upon the taking of administrative action by the City Manager's Office and the adoption of the necessary ordinances and resolutions by the City Council, if acceptable to them, in accordance with the terms and conditions hereinafter set forth.

For simplicity of language and usage, whenever the male pronoun is used, it shall be assumed to apply to both genders.

The term of this Memorandum of Understanding shall be from July 1, 2018 through June 30, 2022.

POLICE MANAGEMENT ASSOCIATION/CITY
MEMORANDUM OF UNDERSTANDING

2018 - 2022

TABLE OF CONTENTS

SECTION	PAGE
1. Management Recognition and Management Rights	3
2. Salary Range Merit Step Eligibility	4
3. Salary and Compensation ..	5
4. Fringe Benefits	5
5. Administrative Leave.....	10
6. Exempt Police Management Classes.....	11
7. Effective Date and Term	11
INDEX	12

SECTION 1: MANAGEMENT RECOGNITION AND MANAGEMENT RIGHTS

- A. This MOU establishes wages, benefits, terms and conditions of employment for the Police Management classifications of Police Lieutenant and Police Captain.
- B. All management rights and functions except those which are clearly and expressly limited in this MOU shall remain vested exclusively in the City. It is expressly recognized merely by way of illustration and not by way of limitation that such rights and functions include, but are not limited to:
 - i. Manage the City.
 - ii. Establish and schedule working hours.
 - iii. Establish, modify, or change work schedules or standards.
 - iv. Institute changes in procedures.
 - v. Direct the work force, including the right to hire, promote, demote, transfer, suspend, discipline or discharge any employee.
 - vi. Determine the location of any new facilities, buildings, departments, divisions, or subdivisions thereof, and the relocation, sale, leasing or closing of facilities, departments, divisions, or subdivisions thereof.
 - vii. Determine services to be rendered and frequency thereof.
 - viii. Determine the layout of buildings and equipment and materials to be used therein.
 - ix. Determine processes, techniques, methods, and means of performing work.
 - x. Determine the size, character and use of inventories.
 - xi. Determine financial policy including accounting procedure; establish and administer the fiscal year budget.
 - xii. Determine the administrative organization of the City including those of departments, divisions, bureaus, units, and other subdivisions.
 - xiii. Determine selection, promotion, or transfer of employees.
 - xiv. Determine the size and characteristics of the work force.
 - xv. Determine the allocation and assignment of work to employees.
 - xvi. Determine policy affecting the selection of new employees.
 - xvii. Determine the establishment of quality and quantity standards and the judgment of quality and quantity standards of work required.
 - xviii. Determine administration of discipline.
 - xix. Determine control and use of City property, materials, and equipment.
 - xx. Schedule work periods and determine the number and duration of work periods.
 - xxi. Establish, modify, eliminate or enforce rules and regulations.
 - xxii. Place work with outside firms.
 - xxiii. Determine the kinds and numbers of personnel necessary to execute the City mission.
 - xxiv. Determine the methods and means by which such operations are to be conducted.
 - xxv. Require employees, where necessary, to take in service training courses during working hours.
 - xxvi. Determine duties to be included in any job classifications.

- xxvii. Take any necessary action to carry out the mission of the City in cases of an emergency, urgency, or other unusual situations.
- xxviii. Prescribe a uniform dress to be worn by designated employees.

The exercise of the foregoing powers, rights, authority, duties, and responsibilities by the City, adoption of policies, rules, regulations, and practices in furtherance thereof, and the use of judgment and discretion in connection therewith, shall be limited only by the specific and express terms of this MOU, and then only to the extent such specific and express terms are in conformance with law. As pursuant to the law, all subjects, in relation to wages, hours, and working conditions will continue to be the subject of meet and confer or meet and consult, whichever is applicable.

- C. All provisions for wages, hours, fringe benefits, terms and conditions of employment not specifically enumerated herein shall continue to be provided in the same amount, time, place, and manner as was done during the period of the prior Police Management Resolution.

SECTION 2: SALARY RANGE MERIT STEP ELIGIBILITY

Step increases for individual employees are granted in recognition of merit. The normal time intervals between the steps are as follows:

Employment at Step A	
Step A to Step B	Six months
Step B to Step C	One year
Step C to Step D	One year
Step D to Step E	One year
Step E to Step F	One year
Step F to Step G	One year
Step G to Step H	One year
Step H to Step I	One year

SECTION 3: SALARY AND COMPENSATION

1. Wages

Effective in the pay period following July 1, 2019, all members shall receive a two percent (2.0%) increase to base salary.

Effective in the pay period following July 1, 2020, Step H on the salary schedule shall be five percent (5%) higher than Step G.

Effective in the pay period following July 1, 2020, all members shall receive a two and one half percent (2.5%) increase to base salary.

Effective in the pay period following July 1, 2021, Step I (a four percent 4% step) on the salary schedule shall be created. All members of the Association who, on July 1, 2021, are at Step H for at least one year, will move to Step I effective on the first day of the pay period following July 1, 2021. All members of the bargaining unit who, on July 1, 2021 have not been at Step H for at least one year, will be eligible to move to Step I on the first day of the pay period in which their next anniversary date occurs.

2. Peace Officer Standards and Training (POST) Certification Pay

Effective July 1, 2019, Police Lieutenants are eligible to receive \$385 per pay period for being currently enrolled in or having completed the POST Management Course.

Effective July 1, 2019, Police Captains are eligible to receive \$385 per pay period for possession of a POST Management Certificate.

SECTION 4: FRINGE BENEFITS

A. Cafeteria Plan

- i. The City shall make a monthly fringe benefit contribution for each eligible member of the unit to be used toward the cafeteria plan. These funds shall only be used for eligible plans included within the cafeteria plan. The plan includes health, dental, vision, and cash.
- ii. Health Care or Dependent Care: Employees may deduct monies on an annual basis into a medical reimbursement account or a childcare account up to the maximum permitted by law.
- iii. All employees must enroll in one of the PERS health program plans, unless they submit to the City both (1) proof of health coverage and (2) sign a health insurance waiver. Employees who fail to complete both requirements shall not be allowed to utilize their cafeteria plan

contributions for any other eligible plans. Employees who wish to opt out of medical coverage by the City must provide proof of minimum essential coverage ("MEC") through another sources (other than coverage in the individual market, whether or not obtained through Covered California).

- iv. An employee who selects the option of not enrolling ("Waiver of Coverage") in one of the PERS plans and who meets the conditions outlined in section 4.A.(iii) shall receive a \$205.00 per month (\$355.00 effective July 1, 2020, \$455.00 effective July 1, 2021) in cash paid out each pay period.
- v. Affordable Care Act: The parties agree that either party may reopen negotiations during the term of his MOU to consider the impact of the Affordable Care Act on the City, the Association and the employees it is recognized to represent. This reopener is limited to the impact of the Act and nothing else. The parties agree that neither side will be required to negotiate on any other topic, including, but not limited to compensation and benefits. No changes will be made without a mutual agreement of the parties.

vi. FRINGE BENEFIT CONTRIBUTIONS EFFECTIVE JULY 1, 2020:

Employee only	\$805 per month
Employee plus 1	\$1270 per month
Employee plus 2 or more	\$1550 per month
Waiver of Coverage	\$355 per month

vii. FRINGE BENEFIT CONTRIBUTIONS EFFECTIVE JULY 1, 2021:

Employee only	\$905 per month
Employee plus 1	\$1370 per month
Employee plus 2 or more	\$1650 per month
Waiver of Coverage	\$455 per month

B. Tuition Reimbursement

Police Lieutenants and Police Captains are eligible to participate in the Tuition Reimbursement Program offered to other management employees.

C. Retirement Plan

i. Retirement Formula

- a) Unit members who are regarded as "classic members" as defined by the Public Employees' Pension Reform Act of 2013 (PEPRA) are

covered by the 3% @ 50 formula (Government Code section 21362.2). "Classic member" is generally defined as any member hired before December 31, 2012 as well as any member hired after January 1, 2013 who is a lateral hire from another PERS agency, public agency with reciprocity or a member who has had less than a six month break in service from his/her previous public agency employment.

- i) One-Year Final Compensation option "single highest year" (Government Code section 20042).
- b) Unit members hired on or after January 1, 2013 who are defined as "new members" under PEPRA, are covered by the 2.7% @ 57 formula (Government Code section 7522.25(d)).
 - ii) Final compensation will be based on the highest annual average pensionable compensation during the 36 consecutive months immediately preceding the effective date of his or her retirement, or some other 36 consecutive month period designated by the member per Government Code section 7522.32(a).

ii. Employee Contributions to the Retirement System

- a) Employees subject to the 3%@50 Formula:

These employees shall contribute twelve percent (12%) as an employee retirement contribution. The twelve percent shall be comprised of nine percent (9%) of compensation earnable as the required CalPERS member contribution and three percent (3%) of compensation earnable per Government Code section 20516(a). All 12% shall be regarded as member contributions and credited to members' accounts.

- b) Employees subject to the 2.7%@57 Formula:

Per the PEPRA and Government Code section 20516.5, these employees shall contribute the statutorily mandated employee contribution rate as determined by CalPERS for the City. The City will receive the normal cost rate from CalPERS in its annual valuation report which will also include the rate (which is in quarter of a percent increments) at which new members will be charged for their employee/member contribution.

- iii. The City has adopted the CalPERS resolution in accordance with and as permitted by IRS Code section 414(h)(2) to ensure (i.e., "pick up" as that

term is used in section 414 (h)(2) of their employee contribution is made on a pre-tax basis.

iv. Pay Off at Retirement

At the time of an Association member's retirement, the City shall pay the employee an amount equal to 100% of his/her total accumulated but unused sick leave hours up to a maximum of 750 hours accumulated but unused sick leave. Any remaining accumulated but unused sick leave hours will be used toward the extension of his service period under the PERS retirement system, subject to Government Code Section 20965.

At the request of the Association member, 100% of his/her accumulated but unused sick leave hours may be used toward the extension of his service period under Government Code Section 20965 and no payout will occur.

D. Retiree Medical Contribution

Effective July 1, 2000, the City shall contribute to the Police Association Retiree Medical Trust Fund (or a similar retiree medical premium plan) an amount equal to the average annual cost, but not to exceed 1.6% of salary for the positions of Police Lieutenant or Police Captain. The salary total for the positions of Police Lieutenant and Police Captain will be, for the purposes of this calculation only, increased by 2%. In doing so, the Police Management Association warrants that there are no legal barriers to the validity of the trust fund or to payment by the City to such a trust fund, and that by making any such payment, the City would assume no obligation or liability to the trust fund (or alternative plan) or its beneficiaries, or to the Police Management Association.

E. Additional Fringe Benefits

Increases of additional fringe benefits made for the Police Association members shall also be provided to the Police Management Association.

F. Sick Leave

Association members shall accrue sick leave at the rate of ten (10) hours per calendar month.

G. Uniforms

The City shall provide up to four work uniforms per year on an as-needed basis.

The City shall report to CalPERS the monetary value of uniforms and uniform maintenance for those employees required to wear uniforms. This shall apply to "Classic" members, not new members per Title 2 California Code of Regulations section 571(a)(5) as defined by the Public Employees' Pension Reform Act of 2013. The monetary value by classification is listed in Exhibit A, entitled "UNIFORM ALLOWANCE."

Uniform allowance is defined as compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain.

H. Holidays

i. General Provision

Effective January 1, 2016, each Association employee will receive a total of 126 hours of pay in-lieu of holiday as designated below in subsection H(iv). The holidays are ten (10) holidays at ten (10) hours of pay and two (2) holidays at eight (8) hours of pay. This additional compensation will be paid as the holiday occurs and shall be reported to PERS as Special Compensation pursuant to Title 2, Division 1, Chapter 2 of the California Code of Regulations, specifically § 571(a)(5) – Statutory Items, Holiday Pay.

ii. Part-Year Employment

An Association employee who commences employment at a time other than the beginning of a calendar year shall only be entitled to receive those holidays described in subsection H(iv) that occur during the period actually worked.

iii. Effect of Unpaid Leave of Absence

An employee who is on an unpaid leave of absence during any holiday designated in subsection H(iv) is not entitled to receive any holiday benefits for that holiday.

iv. Designated Holidays

January 1st (New Year's Day)
Third Monday of January (Martin Luther King Jr. Day)*
Third Monday of February (President's Day)
Last Monday of May (Memorial Day)

July 4th (Independence Day)
First Monday in September (Labor Day)
Second Monday of October (Columbus Day)*
November 11th (Veteran's Day)
Fourth Thursday in November (Thanksgiving Day)
The Day after Thanksgiving
December 24th (Christmas Eve)
December 25th (Christmas Day)
December 31st (New Year's Eve)

* Eight (8) hour Holiday

v. Holiday – End of Year Cash Out

Any portion of the annual holiday hours not used at the end of the calendar year will be relinquished in return for a cash payment equal to the value of those benefits based upon the employee's hourly rate of pay in effect on December 31 of the calendar year in question.

To the extent permitted by law, Holiday Cash Out will be reported to CalPERS as special compensation per Title 2 California Code of Regulations section 571(a)(5) for "Classic" members as Holiday Pay.

SECTION 5: ADMINISTRATIVE LEAVE

The Police Management positions listed in this MOU shall be exempt from all overtime provisions contained in the Municipal Code or in any Memorandum of Understanding in the group(s) supervised, except as specifically authorized by the City Manager.

Employees in Police Management positions shall receive forty (40) hours of Administrative Leave each January. Upon the Police Chief's recommendation, the City Manager may approve additional Administrative Leave hours, not to exceed forty (40) hours, for employees involved in additional major projects or assignments. The granting of additional leave time shall be at the sole determination of the City Manager.

Administrative Leave cannot be cashed out at any time. No employee may have more than eighty (80) hours of Administrative Leave time on the books at any time without the City Manager's approval. All Administrative Leave granted in a calendar year must be used by the end of the same calendar year, or it is forfeited. The City Manager shall establish procedures for employees who are hired or who terminate during a calendar year.

SECTION 6: EXEMPT POLICE MANAGEMENT CLASSES

All classes listed in this Police Management MOU shall be designated as exempt and be considered to be exempt from the provisions of the Municipal Code Section 2.44.390 and from the provisions of the Fair Labor Standards Act (FLSA) except as determined by the City Manager.

The appointment and removal of Division heads are governed by the Municipal Code Section 2.08.100.

Those employees who have used all their accrued leave benefits and are absent for less than one (1) day shall not have that time treated as an absence without pay.

Employees in this category shall be subject to disciplinary actions involving unpaid time off in accordance with FLSA regulations.

SECTION 7: EFFECTIVE DATE AND TERM

Following ratification of this MOU by the membership of the Association and approval thereof by the City Council of the City of Garden Grove, said agreement shall be effective from July 1, 2018, through and including June 30, 2022. During the term of said agreement, neither party shall propose any improvements in wages, hours, or working conditions concerning the affected employees which are to take effect prior to the expiration date of said agreement, except as explicitly outlined herein.

DATED: August 13, 2019

FOR THE CITY OF GARDEN GROVE:

FOR THE GARDEN GROVE POLICE
MANAGEMENT ASSOCIATION:

LAURA J. STOVER
Human Resources Director

Lt. MICHAEL VISCOMI
President

EXHIBIT A

UNIFORM ALLOWANCE

<u>Title</u>	<u>Reported to PERS Each Pay Period</u>
Police Captain	\$24.22
Police Lieutenant	\$24.22

POLICE MANAGEMENT ASSOCIATION/CITY
MEMORANDUM OF UNDERSTANDING
2015 – 2018

INDEX

	Section No.	Page No.
Administrative Leave	5	10
Cafeteria Plan	4	5
Certificate Pay	3	5
Effective Date and Term	7	11
Exempt Police Management Classes	6	11
Fringe Benefit Contribution	4	5
Fringe Benefits, Additional	4	8
Holidays	4	9
Management Recognition and Rights	1	3
Retiree Medical Contribution	4	8
Retirement Plan	4	6
Salary Range Merit Step Eligibility	2	4
Sick Leave	4	8
Tuition Reimbursement	4	6
Uniforms	4	9
Wages	3	5