ORDINANCE NO. 5654

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ADOPTING THE 2014-2016 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA BARBARA AND THE SANTA BARBARA POLICE MANAGEMENT ASSOCIATION

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. The Memorandum of Understanding between the City of Santa Barbara and the Santa Barbara Police Management Association entered into as of January 1, 2014 and attached hereto and incorporated herein by reference as Exhibit "A" is hereby adopted.

SECTION 2. During the term of the agreement, the City Administrator is hereby authorized to implement the terms of the Memorandum of Understanding between the City of Santa Barbara and the Santa Barbara Police Management Association without further action by the City Council, unless such further action is explicitly required by state or federal law. This authorization shall include, but not be limited to, the authority to implement employee salary increases and publish changes to the salary schedule(s) adopted with the annual operating budget.

Exhibit A

Agreement No. 24,858

CITY OF SANTA BARBARA
AND
SANTA BARBARA POLICE MANAGEMENT ASSOCIATION

MEMORANDUM OF UNDERSTANDING
JANUARY 1, 2014 THROUGH DECEMBER 31, 2016

Agreement No. 24,858

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SANTA BARBARA
AND THE
SANTA BARBARA POLICE MANAGEMENT ASSOCIATION

THIS AGREEMENT, SIGNED ON May 20, 2014, IS ENTERED INTO AS OF JANUARY 1, 2014, BETWEEN THE CITY OF SANTA BARBARA, HEREINAFTER REFERRED TO AS THE "CITY," AND THE SANTA BARBARA POLICE MANAGEMENT ASSOCIATION, HEREINAFTER REFERRED TO AS THE "ASSOCIATION."

Pursuant to Section 3.12 of the Municipal Code of the City of Santa Barbara and Section 3500 et. seq. of the Government Code, the duly authorized representatives of the City and the duly authorized representatives of the Association, having met and conferred in good faith concerning wages, hours, and terms and conditions of employment of Unit employees, declare their agreement to the provisions of this Memorandum of Understanding.

FOR THE CITY:

Kristine Schmidt
Employee Relations Manager

FOR THE ASSOCIATION:

David Whitham
Police Captain

Bill Marazita
Police Lieutenant

Todd Stoney
Police Lieutenant

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1. Scope of Representation

The Association represents the following management job classifications:

Police Lieutenant
Police Captain

2. Base Salaries

A. Base salary ranges for each classification will increase as follows:

Effective January 11, 2014	1.0%
Effective May 31, 2014	6.0%
Effective October 14, 2016	2.0%

B. During the term of the agreement, the existing ability of the Police Chief to recommend merit increases for eligible employees will not be changed. The intent of this section is that the Police Chief not be directed to reduce or eliminate merit increases during the term of the agreement based on economic conditions.

3. Compensation Analysis

Upon 30 days notice from the Association to the City, beginning no earlier than 120 days prior to the expiration of this Agreement, the parties will meet and consult in order to attempt to reach agreement about the position of Police Captain and Police Lieutenant compensation within the labor market and within the organization for purposes of discussion during labor negotiations for a successor agreement. This shall include examining:

1. Compaction Data: Internal compensation relationships between the City's management and non-management classifications.

2. Labor Market Data:
   i. The relative position of City of Santa Barbara's police management compensation within the applicable public sector labor market, and
   ii. The compensation differentials between comparable management and non-management classifications within the same labor market.

4. Overtime

Overtime will be accrued only when assigned by the Police Chief to emergency duty, disasters, mutual aid, or similar situations. Overtime will be accrued or paid out at the rate of time and one-half.

5. Educational Incentive (POST) Pay

Employees will receive advanced Police Officers Standards and Training (POST) pay in the same amount, and under the same conditions, as established for police sergeants under their labor agreement in effect at the time.

6. Spanish Language Premium Pay

Employees who establish proficiency in Spanish to the satisfaction of the Police Chief and the Human Resources Manager will be eligible for Spanish language premium pay in the same amount, and under the same conditions, as established for police officers under their labor agreement in effect at the time.

7. Uniform Allowance

Employees will receive a uniform allowance in the same amount, and under the same conditions, as established for a Police Officer under their labor agreement in effect at the time.

8. Cafeteria Plan Contribution

A. Employees will receive a monthly contribution to the cafeteria plan for the purchase of health and welfare benefits and/or optional cash-out. The cafeteria plan contribution will be $1,676.00 per month. Effective June 1, 2014 this amount will increase to $1,711.00 per month. This increase will not be considered a qualifying event allowing benefit changes to selections made during the most recent open enrollment period. Effective January 1, 2016, this amount will be increased to $1,746.00 per month.

B. Information about the benefits available and their cost will be distributed to all employees at the beginning of each benefit year (i.e. calendar year).

C. The City retains full and complete control over the selection, approval and administration of the City's group insurance program.

D. The benefits will be subject to the following rules:

1) Benefit selections must be made prior to the beginning of each benefit year. Employee changes in benefit plan selections, such as adding or deleting coverage and/or dependents, may only be made in accordance with Section 125 of the Internal Revenue Code and City policy.
2) All benefits selected from the cafeteria plan must be paid for in full from the maximum benefit provided except when the maximum is insufficient to cover all insurance coverage selected. In such cases, the premium amount not funded by the City-provided benefit will be paid through an employee deduction applied against the medical premiums.
3) No unexpended dollar amounts associated with selected benefits may be disbursed to a terminating employee.
4) All benefit selections are subject to State and Federal rules, regulations, and laws regarding employee benefits and tax status. No guarantee is made regarding the tax-exempt status of any and all benefits presented or selected.
5) Employees will be eligible for benefits coverage and the monthly cafeteria plan contribution, on the first day of the month following their hire date.

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The cafeteria plan allowance can be used toward same sex and opposite sex domestic partner dependent coverage under the medical, dental, and vision plans, and any other plan where such coverage is allowed. In order to receive this benefit, domestic partners must be registered with the City Clerk's Office and/or the Secretary of State of California, and the employee must provide proof of registration. The affected employee(s) will be responsible for all tax consequences of this benefit.

Additionally, Domestic Partners who are registered with the City Clerk's Office and/or the Secretary of State of California are treated the same as spouses under all City policies related to employees' families.

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Life Insurance will be provided equal to an amount of one times annual salary. An equal amount will be provided for accidental death and dismemberment (ADD) coverage. This amount will not be counted against the cafeteria plan allowance.

11. Long Term Disability

Each employee will receive City-paid coverage under a long term disability insurance program. This amount will not be counted against the cafeteria plan allowance.

12. Short Term Disability

Employees will be eligible to participate in an optional Short-term Disability plan at their own cost.

13. Accident/Critical Illness Insurance

Employees will be eligible to participate in an optional Supplemental Accident and Critical Illness insurance plan at their own cost.

14. Tax-Qualified Expense Accounts

The City will continue to offer several tax-qualified arrangements to allow employees to set aside money to pay for eligible expenses on a pre-tax basis. These include:

- Medical Flexible Spending Account
- Dependent Care Account

15. Vacation

A. Employees will accrue vacation as follows:

0-2	15 Days	(120 hours)
3-5	20 Days	(160 hours)
6-7	25 Days	(200 hours)
8+	28 Days	(224 hours)

B. Effective September 30, 2012, the normal maximum vacation accrual will be increased from 352 hours to 392 hours (49 days). A employee whose vacation balances exceed the maximum accrual hours will not be eligible to accrue further vacation until such time as the employee has reduced his or her accrued leave balances through time off or catastrophic leave donation , to below the maximum accrual. There is no retroactive grant of vacation compensation for the period of time the vacation compensation was at the cap.

C. The maximum vacation accrual may be waived if scheduled vacations are cancelled by the City for emergencies or cancelled by the employee due to the illness, injury, or personal emergency. The employee will submit to the City Administrator, via the Department Head, a memo requesting approval for the accrual beyond the maximum. The City Administrator may establish a deadline by which the employee must reduce the vacation accrual to at or below the maximum, or be subject to the accrual discontinuance as outlined in Section B, above.

16. Vacation & Sick Leave Advanced Credit Upon Hire

A. An employee who is appointed from outside City of Santa Barbara government service within one (1) year of leaving employment with either the City of Santa Barbara or another city, county, state agency, federal agency or special district and who, in the opinion of the Human Resources Manager, possesses government experience directly related to the position to which he or she has been appointed, may be offered credit for years of prior service with the City of Santa Barbara and/or his or her immediate previous government employer in the following ways:

i. Vacation Accrual: At the discretion of the Human Resources Manager, the employee may be offered credit for up to the total number of prior full years of service at the

City of Santa Barbara and/or his or her immediate previous government employer toward the initial vacation accrual rate. The employee will not be eligible to progress to a higher accrual rate until employee has the normal required minimum amount of City of Santa Barbara service for that accrual rate.

ii. Sick bank: At the discretion of the Human Resources Manager, the employee may be credited with up to 96 hours of sick leave. Thereafter, employee will accrue sick leave at the normal rate.

B. A former City of Santa Barbara employee reemployed within one year under Santa Barbara Municipal Code Section 3.16.320 will automatically qualify for the full vacation accrual credit under (i), above, for his or her prior City of Santa Barbara service. However, under no circumstance will prior accrued vacation balances cashed out to the employee upon termination be reinstated.

17. Holidays

Employees shall accrue 4 hours of holiday leave each biweekly pay period (26 pay periods per year). Said hours shall be credited to the employee's Holiday Bank.

1. The following days are included in the Holiday Bank:
   - January 1st (New Year's Day)
   - 3rd Monday in January (Martin Luther King Jr.'s Birthday)
   - 3rd Monday in February (President's Day)
   - Last Monday in May (Memorial Day)
   - July 4th (Independence Day)
   - 1st Monday in September (Labor Day)
   - 4th Thursday in November (Thanksgiving)
   - The Friday immediately following Thanksgiving Day
   - December 25th (Christmas Day)
2. Four additional days (32 hours) each fiscal year are included in the holiday bank and may be designated by the employee as holidays

For employees hired or promoted into the bargaining unit on or after July 1, 2013 only: If an employee's holiday bank exceeds 120 hours, the City shall have the option to either require the employee to take the holiday time off or to pay the employee for the hours at straight time. The option of time off or pay in lieu of holiday hours shall be at the sole discretion of the City. Employee in the bargaining unit before July 1, 2013 will not be subject to this provision.

18. Management Leave

A. Full-time regular employees designated as being exempt from the overtime provisions of the Fair Labor Standards Act will be eligible for management leave, subject to the Police Chief's approval.

B. Each eligible management employee is awarded management leave for the fiscal year as follows:

• Employees on the payroll July 1 (inclusive)	40 hours
• Employees hired between July 2 and October 1 (inclusive)	30 hours
• Employees hired between October 2 and January 1 (inclusive)	20 hours
• Employees hired between January 2 and April 1 (inclusive)	10 hours

C. An employee on a Leave of Absence without Pay on July 1st will receive the Management Leave hours (prorated) when s/he returns to work

D. The Police Chief may grant additional paid Management Leave to each eligible management employee during the year. The amount of additional paid leave, if any, will be subject to discretion of the Police Chief.

E. Management Leave is scheduled like vacation.

F. Management Leave is not related to hours worked nor subject to accrual, and may not be carried over beyond the end of the fiscal year. Upon resignation or termination, an employee will not be entitled to any payout of management leave.

G. Administration of Management Leave is subject to the discretion and approval of the Police Chief. Final resolution of any disputes arising with regard to Management Leave will rest with the City Administrator.

19. Sick Leave

Sick leave allowance will accrue at the rate of 8 hours per month. Effective May 31, 2014 there will be a 2080 hours maximum sick leave accrual, not including non-replenishable sick leave, for all employees except as provided herein.

Grandfathering: Employees who are members of the bargaining unit on May 30, 2014 and whose accrual balances already exceed the 2080 hour cap on that date will not be subject to a maximum sick accrual.

20. Non-Replenishable Sick Leave

A. After five (5) years of continuous service, an employee may accumulate additional "non-replenishable" sick leave at the rate of sixteen (16) hours at full salary for each additional year of continuous service.

B. The maximum accumulation is two hundred and forty (240) hours and is not replenishable.

C. Non-replenishable sick leave hours may only be used after the employee's entire regular sick leave bank is exhausted.

21. Catastrophic Leave

Employees will be eligible to donate vacation time to the applicable leave banks of full-time and part-time employees who are incapacitated due to a catastrophic illness or injury or who must care for a spouse or child who has a catastrophic illness or injury under the Management Catastrophic Leave Policy.

22. Leaves of Absence

A. Employees may request a medical leave of absence of up to one year under the City's FMLA/CFRA Family Medical Leave Policy, the Leave without Pay (Medical Reasons) Policy, the Maternity Leave Policy, and/or the Parental Leave Policy.

B. The City Administrator may grant an extra leave of absence, in addition to that provided under the various sick leave policies to an employee who has been continuously employed by the City for five (5) years or more. When all sick leave has been exhausted, the employee can make a request, in writing, for extra leave and attach a report from his/her medical doctor stating the extent of the illness and the approximate time required for recovery. If approved the request shall be based on the following schedule:

Service in Years (active & continuous):	Maximum # of Months of Extra Leave Allowable:	
5- 10	3	
10-15	6	(including the 3 above)
15-20	9	(including the 6 above)
20 +	12	(including the 9 above)

During such period of extra leave, the employee shall receive an amount equal to 50% of his/her regular salary (MC 3.08.210).

C. Non-Medical Leave: Employees may also request a personal leave of absence of up to one year for non-medical reasons under the City's Leave of Absence without Pay (Non-medical reasons) Policy. A sabbatical may constitute a reason for a leave of absence. An approved leave of absence without pay will not constitute a break in continuous service.

23. PERS Retirement

A. Retirement Formula: Employees designated as "classic" employees will be covered under the Police Safety contract under the Public Employees' Retirement System (PERS) with a 3% at age 50 benefit formula and with a final compensation measurement period of the highest single (1) year.

Effective January 1, 2013, new employees and/or members as defined by California Public Employees' Pension Reform Act of 2013 (hereinafter "AB 340") shall be covered under the 2.7% at 57 retirement formula, with a final compensation measurement period of the average of the highest three (3) consecutive years, as well as all other statutory requirements of AB 340.

B. Member Contributions: Prior to May 31, 2014, the City will contribute 6.12% of the 9.0% PERS member contribution rate on behalf of bargaining unit members designated as "classic" employees; the employee will pay 2.88% of the member contribution. All such sums as required by law shall be credited to the individual member's account. Effective May 31, 2014, bargaining unit members designated as "classic" employees will pay the full 9% member contribution and the City will no longer pay any portion of these employees' member contributions.

Notwithstanding the above, effective January 1, 2013, new employees and/or members as defined by AB 340 shall contribute the greater of what other employees contribute, or half the normal cost as defined by AB 340; the City will not pay any portion of these employees' contributions.

C. Employees will also have the option, at their own expense, to receive PERS service credit for any military service time or other service time eligible for service credit purchase under the PERS Police Safety plan.

D. The parties agree that any provisions of this Agreement that are contrary to or inconsistent with the lawful provisions of AB 340, shall be modified so as to cause them to be consistent with those lawful provisions through letter of understanding to amend the Agreement.

24. Deferred Compensation

In addition to the City's retirement plans, employees may elect to participate in a tax-qualified Section 457 government defined contribution retirement program.

25. Service Credit For Sick Leave Upon Retirement

A. At the time of retirement, the City purchases an annuity for the retiring employee that pays a monthly benefit similar to the PERS amendment that provides service credit for sick leave.

B. The following conditions apply to this benefit:

1. In order to qualify for service credit for sick leave upon retirement, the retiring employee must have at least 500 sick leave hours;
2. The conversion rate of 0.004 years of service credit for each day of sick leave is utilized;
3. The retiring employee may take the cash purchase value of the annuity in lieu of the monthly annuity;
4. 90% PERS retirement limit
   a. Prior to December 21, 2010, safety group members who obtained 90% of final compensation upon retirement were not eligible for this benefit. All safety group PERS contract evaluations limit a safety member's maximum annual pension to no more than 90% of final compensation regardless of the length of service and this benefit carried the same restriction. This provision was not intended to provide a benefit when a similar benefit would not be available from PERS under the service credit for sick leave contract amendment.
   b. Effective December 21, 2010, employees who are eligible to receive an annuity under this program shall no longer be subject to reduction of that annuity based on the 90% PERS retirement limit. This shall not apply, however, to any employee who was already subject to a reduced annuity as of December 21, 2010 .
5. If the City amends its PERS Police contract evaluation to include service credit for sick leave upon retirement, employees will be included in that PERS contract amendment and the annuity program will be discontinued.

26. Retiree Medical Insurance Contribution

A. This provision is applicable to employees who retire from City service and

1. Have 10 or more years of classified or unclassified service; or
2. Retire from the City with an industrial disability retirement.

B. The City will contribute $10.50 per month, per year of service, toward the purchase of retiree medical insurance, up to a maximum of 35 years (i.e. $367.50 per month).

C. The retiree is not limited to the purchase of a City sponsored plan, provided however, that if the retiree purchases another insurance plan, the retiree must supply the City with adequate proof of insurance coverage prior to any contribution from the City. Proof of such coverage will be provided to the City on a periodic basis, as reasonably determined by the City.

D. The City will continue to make its contribution until the retiree reaches age 65 or dies, whichever occurs first, provided however, that if the retiree dies before reaching the age of 65 and there is a surviving spouse or registered domestic partner, the City's contribution will cease when the retiree would have reached 65. Thereafter, the spouse may remain on the insurance plan, at his/her cost, subject to the conditions set forth by the insurance company.

27. Educational Reimbursement Programs

If the Citywide Educational Reimbursement Policy and/or the Management Master's Degree Program are reinstated, employees will be eligible to apply for reimbursement under the same terms and conditions as other Group II (Non-executive) Managers.

28. Layoff and Rehire

A. In cases of the abolition of a position which results in the layoff of personnel or reduction in force, the individual with the least time in classification will be the first laid off.

B. Where individuals possess equal time in classification, total time with the Santa Barbara City Police Department will be used to determine seniority.

C. The individual affected will have the right to "bump" downward to the next lower sworn classification such that the last hired employee in the lowest sworn rank will be the first employee laid off.

D. Rehiring will be accomplished pursuant to Municipal Code Section 3.16.350.

29. Retroactivity

An employee will be eligible for retroactive increases to salaries and benefits provided under this Agreement on the dates specified for each increase if the employee is an active City employee and bargaining unit member on the date that the City Council ratifies this Agreement.

30. City Rights

A. The City shall retain, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law, except to the extent such authority is explicitly waived by the express terms of this agreement.

B. The City's rights shall include the right to determine the level of, and the manner in which, the City's activities are conducted, managed, and administered. The Association recognizes the exclusive right of the City to establish and maintain rules and procedures for the administration of its departments. Such rights include, but are not limited to, 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 economic reasons or for cause as provided in Section 1007 of the City Charter; 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; and exercise complete control and discretion over its organization and the technology of performing its work.

C. The Association recognizes that the City Administrator retains, whether exercised or not, exclusive management decision-making authority over matters within the rights of the City.

D. The Association recognizes that all bargaining unit members are "unclassified" employees as that term is defined in Article X of the City Charter.

31. Term, Waiver, and Severability

A. The term of this agreement shall be thirty-six (36) months commencing January 1, 2014 and ending at midnight on December 31, 2016. The term of this agreement may be extended by mutual agreement.

B. The Association acknowledges that it had the unlimited right to bargain with regard to issues within the scope of representation. For the term of this Agreement, unless otherwise provided in this Agreement, the City shall not be further obligated to meet and confer. All terms and conditions of employment not covered by this agreement shall continue to be subject to the City's direction and control.

C. **If any provision of this Agreement is declared by judicial authority to be unlawful, unenforceable, or not in accordance with applicable provisions of state, federal or local laws or regulations, such part of the provision will be suspended and superseded by the applicable law or regulation and the remainder of this Agreement shall remain in full force and effect for the duration of this Agreement.**

Exhibit A

CITY OF SANTA BARBARA
AND
SANTA BARBARA POLICE MANAGEMENT ASSOCIATION

MEMORANDUM OF UNDERSTANDING
JANUARY 1, 2014 THROUGH DECEMBER 31, 2016

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8+	28 Days	(224 hours)

B. Effective September 30, 2012, the normal maximum vacation accrual will be increased from 352 hours to 392 hours (49 days). A employee whose vacation balances exceed the maximum accrual hours will not be eligible to accrue further vacation until such time as the employee has reduced his or her accrued leave balances through time off or catastrophic leave donation , to below the maximum accrual. There is no retroactive grant of vacation compensation for the period of time the vacation compensation was at the cap.

C. The maximum vacation accrual may be waived if scheduled vacations are cancelled by the City for emergencies or cancelled by the employee due to the illness, injury, or personal emergency. The employee will submit to the City Administrator, via the Department Head, a memo requesting approval for the accrual beyond the maximum. The City Administrator may establish a deadline by which the employee must reduce the vacation accrual to at or below the maximum, or be subject to the accrual discontinuance as outlined in Section B, above.

16. Vacation & Sick Leave Advanced Credit Upon Hire

A. An employee who is appointed from outside City of Santa Barbara government service within one (1) year of leaving employment with either the City of Santa Barbara or another city, county, state agency, federal agency or special district and who, in the opinion of the Human Resources Manager, possesses government experience directly related to the position to which he or she has been appointed, may be offered credit for years of prior service with the City of Santa Barbara and/or his or her immediate previous government employer in the following ways:

i. Vacation Accrual: At the discretion of the Human Resources Manager, the employee may be offered credit for up to the total number of prior full years of service at the

City of Santa Barbara and/or his or her immediate previous government employer toward the initial vacation accrual rate. The employee will not be eligible to progress to a higher accrual rate until employee has the normal required minimum amount of City of Santa Barbara service for that accrual rate.

ii. Sick bank: At the discretion of the Human Resources Manager, the employee may be credited with up to 96 hours of sick leave. Thereafter, employee will accrue sick leave at the normal rate.

B. A former City of Santa Barbara employee reemployed within one year under Santa Barbara Municipal Code Section 3.16.320 will automatically qualify for the full vacation accrual credit under (i), above, for his or her prior City of Santa Barbara service. However, under no circumstance will prior accrued vacation balances cashed out to the employee upon termination be reinstated.

17. Holidays

Employees shall accrue 4 hours of holiday leave each biweekly pay period (26 pay periods per year). Said hours shall be credited to the employee's Holiday Bank.

1. The following days are included in the Holiday Bank:
   - January 1st (New Year's Day)
   - 3rd Monday in January (Martin Luther King Jr.'s Birthday)
   - 3rd Monday in February (President's Day)
   - Last Monday in May (Memorial Day)
   - July 4th (Independence Day)
   - 1st Monday in September (Labor Day)
   - 4th Thursday in November (Thanksgiving)
   - The Friday immediately following Thanksgiving Day
   - December 25th (Christmas Day)
2. Four additional days (32 hours) each fiscal year are included in the holiday bank and may be designated by the employee as holidays

For employees hired or promoted into the bargaining unit on or after July 1, 2013 only: If an employee's holiday bank exceeds 120 hours, the City shall have the option to either require the employee to take the holiday time off or to pay the employee for the hours at straight time. The option of time off or pay in lieu of holiday hours shall be at the sole discretion of the City. Employee in the bargaining unit before July 1, 2013 will not be subject to this provision.

18. Management Leave

A. Full-time regular employees designated as being exempt from the overtime provisions of the Fair Labor Standards Act will be eligible for management leave, subject to the Police Chief's approval.

B. Each eligible management employee is awarded management leave for the fiscal year as follows:
   - Employees on the payroll July 1 (inclusive) 40 hours
   - Employees hired between July 2 and October 1 (inclusive) 30 hours
   - Employees hired between October 2 and January 1 (inclusive) 20 hours
   - Employees hired between January 2 and April 1 (inclusive) 10 hours

C. An employee on a Leave of Absence without Pay on July 1st will receive the Management Leave hours (prorated) when s/he returns to work

D. The Police Chief may grant additional paid Management Leave to each eligible management employee during the year. The amount of additional paid leave, if any, will be subject to discretion of the Police Chief.

E. Management Leave is scheduled like vacation.

F. Management Leave is not related to hours worked nor subject to accrual, and may not be carried over beyond the end of the fiscal year. Upon resignation or termination, an employee will not be entitled to any payout of management leave.

G. Administration of Management Leave is subject to the discretion and approval of the Police Chief. Final resolution of any disputes arising with regard to Management Leave will rest with the City Administrator.

19. Sick Leave

Sick leave allowance will accrue at the rate of 8 hours per month. Effective May 31, 2014 there will be a 2080 hours maximum sick leave accrual, not including non-replenishable sick leave, for all employees except as provided herein.

Grandfathering: Employees who are members of the bargaining unit on May 30, 2014 and whose accrual balances already exceed the 2080 hour cap on that date will not be subject to a maximum sick accrual.

20. Non-Replenishable Sick Leave

A. After five (5) years of continuous service, an employee may accumulate additional "non-replenishable" sick leave at the rate of sixteen (16) hours at full salary for each additional year of continuous service.

B. The maximum accumulation is two hundred and forty (240) hours and is not replenishable.

C. Non-replenishable sick leave hours may only be used after the employee's entire regular sick leave bank is exhausted.

21. Catastrophic Leave

Employees will be eligible to donate vacation time to the applicable leave banks of full-time and part-time employees who are incapacitated due to a catastrophic illness or injury or who must care for a spouse or child who has a catastrophic illness or injury under the Management Catastrophic Leave Policy.

22. Leaves of Absence

A. Employees may request a medical leave of absence of up to one year under the City's FMLA/CFRA Family Medical Leave Policy, the Leave without Pay (Medical Reasons) Policy, the Maternity Leave Policy, and/or the Parental Leave Policy.

B. The City Administrator may grant an extra leave of absence, in addition to that provided under the various sick leave policies to an employee who has been continuously employed by the City for five (5) years or more. When all sick leave has been exhausted, the employee can make a request, in writing, for extra leave and attach a report from his/her medical doctor stating the extent of the illness and the approximate time required for recovery. If approved the request shall be based on the following schedule:

Service in Years (active & continuous):	Maximum # of Months of Extra Leave Allowable:	
5- 10	3	
10-15	6	(including the 3 above)
15-20	9	(including the 6 above)
20 +	12	(including the 9 above)

During such period of extra leave, the employee shall receive an amount equal to 50% of his/her regular salary (MC 3.08.210).

C. Non-Medical Leave: Employees may also request a personal leave of absence of up to one year for non-medical reasons under the City's Leave of Absence without Pay (Non-medical reasons) Policy. A sabbatical may constitute a reason for a leave of absence. An approved leave of absence without pay will not constitute a break in continuous service.

23. PERS Retirement

A. Retirement Formula: Employees designated as "classic" employees will be covered under the Police Safety contract under the Public Employees' Retirement System (PERS) with a 3% at age 50 benefit formula and with a final compensation measurement period of the highest single (1) year.

Effective January 1, 2013, new employees and/or members as defined by California Public Employees' Pension Reform Act of 2013 (hereinafter "AB 340") shall be covered under the 2.7% at 57 retirement formula, with a final compensation measurement period of the average of the highest three (3) consecutive years, as well as all other statutory requirements of AB 340.

B. Member Contributions: Prior to May 31, 2014, the City will contribute 6.12% of the 9.0% PERS member contribution rate on behalf of bargaining unit members designated as "classic" employees; the employee will pay 2.88% of the member contribution. All such sums as required by law shall be credited to the individual member's account. Effective May 31, 2014, bargaining unit members designated as "classic" employees will pay the full 9% member contribution and the City will no longer pay any portion of these employees' member contributions.

Notwithstanding the above, effective January 1, 2013, new employees and/or members as defined by AB 340 shall contribute the greater of what other employees contribute, or half the normal cost as defined by AB 340; the City will not pay any portion of these employees' contributions.

C. Employees will also have the option, at their own expense, to receive PERS service credit for any military service time or other service time eligible for service credit purchase under the PERS Police Safety plan.

D. The parties agree that any provisions of this Agreement that are contrary to or inconsistent with the lawful provisions of AB 340, shall be modified so as to cause them to be consistent with those lawful provisions through letter of understanding to amend the Agreement.

24. Deferred Compensation

In addition to the City's retirement plans, employees may elect to participate in a tax-qualified Section 457 government defined contribution retirement program.

25. Service Credit For Sick Leave Upon Retirement

A. At the time of retirement, the City purchases an annuity for the retiring employee that pays a monthly benefit similar to the PERS amendment that provides service credit for sick leave.

B. The following conditions apply to this benefit:

1. In order to qualify for service credit for sick leave upon retirement, the retiring employee must have at least 500 sick leave hours;
2. The conversion rate of 0.004 years of service credit for each day of sick leave is utilized;
3. The retiring employee may take the cash purchase value of the annuity in lieu of the monthly annuity;
4. 90% PERS retirement limit
   a. Prior to December 21, 2010, safety group members who obtained 90% of final compensation upon retirement were not eligible for this benefit. All safety group PERS contract evaluations limit a safety member's maximum annual pension to no more than 90% of final compensation regardless of the length of service and this benefit carried the same restriction. This provision was not intended to provide a benefit when a similar benefit would not be available from PERS under the service credit for sick leave contract amendment.
   b. Effective December 21, 2010, employees who are eligible to receive an annuity under this program shall no longer be subject to reduction of that annuity based on the 90% PERS retirement limit. This shall not apply, however, to any employee who was already subject to a reduced annuity as of December 21, 2010 .
5. If the City amends its PERS Police contract evaluation to include service credit for sick leave upon retirement, employees will be included in that PERS contract amendment and the annuity program will be discontinued.

26. Retiree Medical Insurance Contribution

A. This provision is applicable to employees who retire from City service and

1. Have 10 or more years of classified or unclassified service; or
2. Retire from the City with an industrial disability retirement.

B. The City will contribute $10.50 per month, per year of service, toward the purchase of retiree medical insurance, up to a maximum of 35 years (i.e. $367.50 per month).

C. The retiree is not limited to the purchase of a City sponsored plan, provided however, that if the retiree purchases another insurance plan, the retiree must supply the City with adequate proof of insurance coverage prior to any contribution from the City. Proof of such coverage will be provided to the City on a periodic basis, as reasonably determined by the City.

D. The City will continue to make its contribution until the retiree reaches age 65 or dies, whichever occurs first, provided however, that if the retiree dies before reaching the age of 65 and there is a surviving spouse or registered domestic partner, the City's contribution will cease when the retiree would have reached 65. Thereafter, the spouse may remain on the insurance plan, at his/her cost, subject to the conditions set forth by the insurance company.

27. Educational Reimbursement Programs

If the Citywide Educational Reimbursement Policy and/or the Management Master's Degree Program are reinstated, employees will be eligible to apply for reimbursement under the same terms and conditions as other Group II (Non-executive) Managers.

28. Layoff and Rehire

A. In cases of the abolition of a position which results in the layoff of personnel or reduction in force, the individual with the least time in classification will be the first laid off.

B. Where individuals possess equal time in classification, total time with the Santa Barbara City Police Department will be used to determine seniority.

C. The individual affected will have the right to "bump" downward to the next lower sworn classification such that the last hired employee in the lowest sworn rank will be the first employee laid off.

D. Rehiring will be accomplished pursuant to Municipal Code Section 3.16.350.

29. Retroactivity

An employee will be eligible for retroactive increases to salaries and benefits provided under this Agreement on the dates specified for each increase if the employee is an active City employee and bargaining unit member on the date that the City Council ratifies this Agreement.

30. City Rights

A. The City shall retain, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law, except to the extent such authority is explicitly waived by the express terms of this agreement.

B. The City's rights shall include the right to determine the level of, and the manner in which, the City's activities are conducted, managed, and administered. The Association recognizes the exclusive right of the City to establish and maintain rules and procedures for the administration of its departments. Such rights include, but are not limited to, 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 economic reasons or for cause as provided in Section 1007 of the City Charter; 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; and exercise complete control and discretion over its organization and the technology of performing its work.

C. The Association recognizes that the City Administrator retains, whether exercised or not, exclusive management decision-making authority over matters within the rights of the City.

D. The Association recognizes that all bargaining unit members are "unclassified" employees as that term is defined in Article X of the City Charter.

31. Term, Waiver, and Severability

A. The term of this agreement shall be thirty-six (36) months commencing January 1, 2014 and ending at midnight on December 31, 2016. The term of this agreement may be extended by mutual agreement.

B. The Association acknowledges that it had the unlimited right to bargain with regard to issues within the scope of representation. For the term of this Agreement, unless otherwise provided in this Agreement, the City shall not be further obligated to meet and confer. All terms and conditions of employment not covered by this agreement shall continue to be subject to the City's direction and control.

C. If any provision of this Agreement is declared by judicial authority to be unlawful, unenforceable, or not in accordance with applicable provisions of state, federal or local laws or regulations, such part of the provision will be suspended and superseded by the applicable law or regulation and the remainder of this Agreement shall remain in full force and effect for the duration of this Agreement.

ORDINANCE NO. 5654

STATE OF CALIFORNIA	)	
	)	
COUNTY OF SANTA BARBARA	)	ss.
	)	
CITY OF SANTA BARBARA	)	

I HEREBY CERTIFY that the foregoing ordinance was introduced on May 20, 2014, and was adopted by the Council of the City of Santa Barbara at a meeting held on June 3, 2014, by the following roll call vote:

AYES:	Councilmembers Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Helene Schneider
NOES:	None
ABSENT:	Councilmember Dale Francisco
ABSTENTIONS:	None

IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on June 4, 2014.

Gwen Peirce, CMC
City Clerk Services Manager

I HEREBY APPROVE the foregoing ordinance on June 4, 2014.

Helene Schneider
Mayor