

**TOWN OF PARADISE  
RESOLUTION NO. 10-38**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE RECINDING  
RESOLUTIONS NO. 09-37 AND 06-20 AND ADOPTING RESOLUTION 10-38; A  
RESOLUTION ADOPTING THE AMENDED MEMORANDUM OF UNDERSTANDING  
BETWEEN THE TOWN OF PARADISE AND THE TOWN OF PARADISE POLICE  
MID-MANAGEMENT ASSOCIATION COVERING THE PERIOD FROM  
JULY 1, 2010 TO JUNE 30, 2011**

**WHEREAS**, Resolution No. 81-23 establishes procedures for Employee-Employer relations; and

**WHEREAS**, the Meyers-Millias-Brown Act of the State of California, commencing with Government Code Section 3500, requires certain procedures to be followed regarding Employee-Employer relations; and

**WHEREAS**, the Town Council has directed the Town Manager to meet and confer in good faith with members of the Town of Paradise Police Mid-Management Association, and they have so met.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Paradise as follows:

**Section 1.** That the attached Memorandum of Understanding (MOU) between the Town of Paradise and the Town of Paradise Police Mid-Management Association is approved for execution by the Town Manager.

**Section 2.** Furthermore, the Town Manager is hereby authorized to make appropriate adjustments to the Town's annual budget, including implementation of necessary administrative changes as may be required, to implement the terms and conditions set forth in the MOU.

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**Town of Paradise  
Resolution 10-38**

**PASSED AND ADOPTED** by the Town Council of the Town of Paradise this 29th day of September, 2010, by the following vote:

**AYES:** Steve "Woody" Culleton, Joe DiDuca, Frankie Rutledge, Alan White, Scott Lotter, Mayor

**NOES:** None

**ABSENT:** None

**NOT VOTING:** None



Scott Lotter, Mayor

**ATTEST:**

By:   
Joanna Gutierrez, CMC, Town Clerk

**APPROVED AS TO FORM:**



Dwight L. Moore, Town Attorney

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**THE TOWN OF PARADISE**

**AND**

**THE TOWN OF PARADISE  
POLICE MID-MANAGEMENT  
ASSOCIATION**



**July 1, 2010 THROUGH JUNE 30, 2011  
ADOPTED BY TOWN COUNCIL: September 29, 2010  
RESOLUTION NO. 10-38**

**POLICE MID-MANAGEMENT ASSOCIATION  
MEMORANDUM OF UNDERSTANDING  
JULY 1, 2010 THROUGH JUNE 30, 2011  
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**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE TOWN OF PARADISE AND THE TOWN OF PARADISE  
POLICE MID-MANAGEMENT ASSOCIATION  
JULY 1, 2010 THROUGH JUNE 30, 2011**

This Memorandum of Understanding, hereinafter referred to as the “Memorandum” has been prepared pursuant to the terms of Resolution No. 81-23 of the Town of Paradise, hereinafter referred to as the “Town,” and the Town of Paradise Police Mid-Management Association, hereinafter referred to as the “Association.”

It is agreed that this Memorandum is of no force and effect until ratified and approved by a resolution duly adopted by the Town Council of the Town of Paradise; however, it is agreed that the agreements contained herein are within the authority held by the representatives of the Town and of the Association.

**ARTICLE I. PREAMBLE**

1.1

**NONDISCRIMINATION**

It is the policy of the Town and the Association not to discriminate against any employee because of race, creed, or religion, physical or mental disability, sex, color, age, national origin, or veteran’s status as defined under any Act of Congress.

1.2

**TOWN ASSOCIATION RELATIONS**

This Memorandum is intended to promote, and shall be so construed and interpreted as to carry out the following general purposes. The Town and Association agree to promote harmonious relations between the parties and other employee groups; establish and maintain an orderly bargaining procedure; work to provide the best possible service to the general public; prompt and fair disposition of all grievances and disputes; and adhere to this Memorandum.

**ARTICLE II. RECOGNITION**

2.1

**RECOGNITION**

For the purpose of bargaining with respect to wages, hours of employment, and other conditions of employment, Town recognizes Association as the sole and exclusive representative of all permanent full-time and permanent part-time employees employed by the Town within the Town of Paradise Police Mid-Management Association “Bargaining Unit.” The employees are those assigned to classifications listed below:

Police Lieutenant

## **ARTICLE III. AUTHORIZED AGENTS**

### **3.1 AUTHORIZED AGENTS**

For the purpose of administering the terms and provisions of this Memorandum, the following authorized agents have been designated:

- A. Town's principal authorized agent shall be the Town Manager.
- B. Association's principal authorized agent shall be the president of the Association.**

## **ARTICLE IV. ASSOCIATION ACTIVITY**

### **4.1 MEMBERSHIP LIST**

- A. On or before January 31st of each year, Town shall furnish Association with a list showing the name, employment date, and classification of each employee in this Bargaining Unit.
- B. Upon ten (10) calendar days after a new employee is hired, Town shall provide Association the following information: name of individual, employment date, classification and department.
- C. The Association shall provide to the Town and keep current the names of the designated representative and a list of persons authorized to act on its behalf or receive service in its name.
- D. Town agrees to provide payroll deduction of dues for those employees who authorize such deductions for payment directly to the Association. The Association shall defend, indemnify and hold the Town harmless against any liability or costs accruing from any and all claims which arise from the implementation of this section.

## **ARTICLE V. WAGES**

### **5.1 WAGES**

1. The Town Manager may grant a new police mid-manager employee a beginning salary not to exceed the maximum for the affected class. Such salary should reflect a judgment as to the ability of the employee to achieve expected performance standards within anticipated time frames.
2. When an employee in the Bargaining Unit is assigned by the department head to work out of class and such assignment is approved by the Town Manager, the employee shall receive, a five percent (5%) increase for the period of assignment.
3. In the event of a disaster declaration, employees who are exempt from the Fair Labor Standards Act (FLSA) shall receive additional compensation at time and a half for hours worked over 40 in a work week.

4. Police mid-manager employees shall be evaluated for salary step adjustments at least annually with any changes normally to be made on the employee's anniversary date. The amount of any one adjustment may not exceed two salary steps and shall be granted at the discretion of the Town Manager. Increases in excess of two salary steps may be granted upon recommendation of the Town Manager and approval of the Town Council. In evaluating confidential/mid-management employees for salary increases, such performance criteria as may be deemed appropriate by the Town Manager shall be employed.
5. The Fiscal Year 2010-11 approved Salary Pay Plan for the Police Mid-Management Group is attached, named "Attachment A", and has been updated with the provisions of this MOU.
6. The Association agrees to a temporary base salary reduction of two percent (2%), as shown in the Salary Plan "Attachment A", effective September 27, 2010. Such salary reduction shall expire June 30, 2011.
7. "PERS Swap". In reference to Article XI, Section 11.1 Retirement, effective September 27, 2010, employees shall receive an increase in base pay of nine percent (9%). On the same date, employees shall be obligated to commence paying the full nine percent (9%) of the employee paid member contribution.

**5.2 EXCEPTIONAL PERFORMANCE BONUS**

In addition to the salary received as a result of application of the foregoing salary plan, police mid-manager employees shall be eligible for an Exceptional Performance Bonus not to exceed one (1) month of their regular pay.

Recommendations for granting an Exceptional Performance Bonus shall be submitted to the Town Manager. It will be granted only upon a showing of performance clearly and substantially exceeding job requirements.

**5.3 SALARY RANGE POLICY**

Disclosure of salaries of individual police mid-manager employees shall be provided only in accordance with the requirement of the California Public Records Act.

**ARTICLE VI. WORKING CONDITIONS**

**6.1 WORK SCHEDULES**

- A. Employees covered by this Memorandum shall remain on the four day/ten hour work schedule. Management has the right to schedule the four consecutive days. Nothing in this section shall prevent the parties from developing a schedule different from the one shown above that is necessary to meet the needs of the employees and the Town.

**6.2 OVERTIME-FAIR LABOR STANDARDS ACT**

Employees exempt from the FLSA will receive, in lieu of overtime, administrative leave.

**6.3 MID-MANAGEMENT ADMINISTRATIVE LEAVE**

1. All Association members will be eligible to receive eighty (80) hours of Administrative Leave in a fiscal year upon the Town Manager’s evaluation of the amount of time worked by such an employee in addition to normal work hours and approved in advance in writing. Such leave may be taken on approval of the Town, anytime after it has been allocated. Association employees will be paid for any unused leave in June at the end of the fiscal year.

2. For the 2010-2011 fiscal year, the Association agrees to waive administrative leave as a part of employee concessions to reach budget savings. This waiver of administrative leave, as well as the 2% base salary decrease for the period of September 27, 2010 to June 30, 2011, shall expire at the end of this MOU.

**6.4 FLEXTIME**

Employees covered by this memorandum shall work a minimum of forty (40) hours per week depending on the employees work schedule but the hours worked per day in a weekly period are flexible. This is in recognition of the special nature of police mid-management work. Evening meetings and other after-hours assignments shall not be included in the forty (40) hour minimum for employees receiving Administrative Leave.

**ARTICLE VII. PAID LEAVES**

**7.1 HOLIDAYS**

The Police Lieutenants shall be paid for thirteen (13) holidays per year in lieu of a day off. Recognized holidays are: New Year's Day, Martin Luther King Birthday, Washington's Birthday, Memorial Day, Independence Day, Admission Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving Day, Christmas Eve, Christmas Day, a floating holiday, and any other day proclaimed by the President and/or Governor as a public holiday, day of mourning or day of thanksgiving.

Six holidays shall be paid on the first payday in June, and seven holidays shall be paid on the first payday in December. Any other day proclaimed by the President and/or Governor as a public holiday, day of mourning or day of thanksgiving shall be paid on the following payday. Full-time probationary employees shall be paid for holidays on a pro-rated basis based upon their date of hire and number of holidays earned therefrom.

**7.2 SICK LEAVE**

A. **General Policy.** Sick leave with pay shall be earned by regular full-time, regular part-time and those authorized limited term employees and may be used as herein provided.

B. **Definition.** Sick leave means the necessary absence from duty of an employee because of:

1. The employee’s illness or injury.
2. The employee’s exposure to contagious disease.

3. The employee's dental, eye, and other physical or medical examination or treatment by a licensed practitioner.
4. Illness or disability caused or contributed to by pregnancy, miscarriage, abortion, childbirth, or recovery from any of the foregoing.
5. For the death or serious illness of a person in the employee's "immediate family" each such absence shall not exceed three (3) days. The length of such absence shall be approved by the appropriate department head. The absence may be extended beyond three (3) days with the approval of the Town Manager. The absence may be charged, upon the request of the employee, to annual vacation leave with pay to the extent such annual vacation leave with pay has been accumulated by said employee.
6. "Immediate family" is defined as: A person related by blood, marriage, or adoption who is a spouse, son, daughter, sister, sister-in-law, brother, brother-in-law, mother, father, grandfather or grandmother of either husband or wife, or any other relative residing in the employee's immediate household.

C. **Substantiating Sick Leave.** Department heads shall approve sick leave for the purposes mentioned in the above section. However, if in the opinion of the department head, there is a need for substantiating evidence or an investigation in regard to appropriate use of sick leave, he/she may require the employee to submit substantiating evidence including, but not limited to, a physician's certificate. The Personnel Director or Town Manager may also require a substantiation of illness.

D. **Transfer of Sick Leave.** When a regular employee is transferred to, or appointed to, another Town department, sick leave credit shall be assumed by the new department.

E. **Rate of Accrual.** Paid sick leave shall accrue as follows:

1. Eight (8) hours per month for full-time employees.
2. A regular part-time employee shall accrue sick leave with pay in proportion that his/her hours of service bear to full-time service.
3. No sick leave credit shall be earned when an employee is on leave without pay.
4. Sick leave may be accumulated to a maximum of two thousand (2,000) hours. No sick leave shall be earned beyond two thousand (2,000) hours.

F. **Exclusions.** No employee shall be entitled to sick leave while absent from duty on account of any of the following causes:

1. Sickness or injury resulting from outside employment (as evidenced by a contract or payroll documents or as adjudicated by the Worker's Compensation Appeals Board).
2. Injury purposely self-inflicted but not as a result of any job-related condition.

- G. **Absence Paid by Worker's Compensation Insurance.** Regular employees in this unit shall receive the difference between the Worker's Compensation for the lost time and the employee's sick leave accrued with assurance of no loss of salary as long as a sick leave balance is available (except as provided by the State Labor Code). Employees must send payments received from Worker's Compensation to the Town to avoid double payments as long as regular salary is received from the Town.
- H. **Records.** Sick leave shall be certified by the department head to the Human Resources Manager on payroll forms provided by the Human Resource Office. The Human Resources Manager shall maintain complete and accurate sick leave records for all employees.
- I. **Loss of Sick Leave.** Any employee whose continuity of employment with the Town is broken for any reason shall lose his/her entitlement to any sick leave which has been accrued. However, when an employee is re-employed after a break in service resulting from layoff, leave of absence or military leave, such employee shall be credited with any unused or uncompensated sick leave which had accumulated prior to such break in service .
- J. Eligible employees may convert accumulated sick leave to cash on one of the following basis:
1. **At the time of retirement from the Town of Paradise, after twenty (20) years service with the Town, or at age sixty (60), the employee may elect to receive a cash sum equal to twenty-five percent (25%) of the accumulated sick leave up to a maximum payment for one-hundred (100) hours.**
  2. **Upon termination in good standing, an employee shall be paid for all unused sick leave accrued over two hundred forty (240) hours at one-half (1/2) the employee's rate of pay up to a maximum of two thousand five hundred (\$2,500) dollars.**
- K. **Sick Leave Conversion.** Accumulated sick leave may be converted by eligible employees to vacation leave on the following basis:
1. Eligibility requires the employee to have accumulated four hundred eighty (480) hours of sick leave prior to conversion.
  2. After conversion, the employee must have no less than two hundred forty (240) hours of accrued sick leave.
  3. Eight (8) hours of vacation may be credited to an eligible employee's accrued vacation balance for each sixty-four (64) hours of accrued sick leave traded in. Those sick leave hours traded shall be deleted from the employee's accumulate sick leave balance.

### 7.3 **VACATION LEAVE**

- A. **Eligibility.** All regular employees who are eligible for benefits under this Memorandum are eligible to earn and accrue vacation leave.

- B. **Rate of Accrual.** Except as otherwise provided in this section, eligible employees who are in a paid status of eighty (80) hours per pay period shall earn vacation leave with pay at the following rate:

Police mid-management employees shall accrue vacation according to the following schedule effective January 1, 2006:

<u>Years of Service</u>	<u>Vacation Hours Accrued Annually</u>
0 - 4	120 Hours
5 - 9	135 Hours
10 - 14	176 Hours
15 - 25	200 Hours
26 & Over	216 Hours

Eligible employees who are not in a paid status of a full eighty (80) hours during a pay period shall be credited with the appropriate prorated accrual based on the above hourly rates and actual hours in a paid status.

- C. **Vacation Accrual During Probation.** New probationary employees during the first thirteen (13) pay periods of their probation period, shall accrue vacation, but shall not take vacation until after his/her thirteenth (13th) pay period.
- D. **Use of Vacation.** The time at which an employee may use his/her accrued vacation leave and the amount to be taken at any one time shall be determined by the department head with particular attention to the needs of the Town, but also as far as possible, considering the wishes of the employee. Employees shall not work for any other department of the Town during vacation leave.
- E. **Maximum Accumulation.** As of December 31 of each year an employee may carry over unused vacation leave to an equivalent of twice the employee's annual vacation rate.
- F. **Terminal Vacation Pay.** Employees who are separated from the Town shall be entitled to a lump sum payment for vacation leave accumulated as of the last day worked. In case of death, compensation for accrued vacation leave shall be paid in the same manner that salary due to the retirement beneficiary is paid.
- G. **Transfer of Vacation Leave.** When an employee is transferred to, or appointed to, another department, his/her vacation credit shall be assumed by the new department.

#### 7.4 **BEREAVEMENT LEAVE**

In the event of a death in the immediate family of an employee of the Town, bereavement leave with pay shall be granted upon request not to exceed three (3) regularly scheduled working days for each leave. "Immediate family" is defined as: a person related by blood, marriage, or adoption who is a spouse, son, daughter, sister, sister-in-law, brother, brother-in-law, mother, father, grandfather or grandmother of either husband or wife, or any other relative residing in the employee's immediate household. The aforementioned bereavement leave shall not be deducted from or otherwise charged against sick leave or any other accrued leave or vacation.

**7.5 FAMILY MEDICAL LEAVE ACT**

In the event of absence from work due to childbirth, employee or family illness leave shall be granted under the provisions of the Family Medical Leave Act, and the following shall apply:

- A. The employee may use all accrued sick leave, vacation and compensation time off balance.
- B. When sick leave and vacation balances are used up, the employee shall be granted a leave of absence without pay and the Town contribution to the health plan shall continue to the end of the leave period, provided the employee pays any required employee share.
- C. The combined period of leave with pay and leave without pay, shall not exceed the limits set out in the governing federal or state Family Medical Leave laws.

**ARTICLE VIII. MEDICAL, LIFE AND DISABILITY INSURANCE PLANS**

**8.1 HEALTH PLAN**

The Town shall provide a health plan as provided below:

**8.1.1 MEDICAL PLAN**

- 1. All employees must enroll in an available medical plan in accordance with PERS and Town regulations. The employee shall pay all administrative fees required by the PERS medical program.

Effective following adoption of this Memorandum or enrollment in the PERS medical program, the Town agrees to pay monthly premiums for a medical plan, up to the following amounts. Effective December 1, 2005, the Town will share the cost of the medical premiums on an 80% (employer)- 20% (employee) ratio based on the PERS Choice premium. The 80%/20% ratio will exist for each of the tiers (employee only, employee plus one, and employee plus two or more). The 80%-20% sharing will be effective from December 1, 2005 to November 30, 2006. For example, the "Town Cap" towards medical coverage for the Calendar year 2010 shall be:

	<u>Town Share</u>
Employee	\$390.77
Employee plus one	\$787.86
Employee plus two or more	\$1,024.22

For the period from December 1, 2006 through June 30, 2008, an increase in the PERS Choice premium below 9.99% will be shared 80(employer)/20(employee). Any increase amount for the PERS Choice premium rate above 10% will be shared on a 50/50 basis. These ratios will exist for each of the tiers (employee only, employee plus one, and employee plus two or more).

### **8.1.2 DENTAL PLAN**

1. Employees may choose to be covered under the Dental Plan in accordance with the plan carrier and Town regulations. The Town will share the cost of dental premiums at 80% (employer) – 20% (employee) ratio. The 80%-20% ratio would exist for each of the tiers (employee only, employee plus one, and employee plus family)
2. Any increase in the dental plan premium below 9.99% will be shared 80(employer)/20(employee). Any increase amount for the dental plan premium rate above 10% will be shared on a 50/50 basis.

### **8.1.3 VISION PLAN**

Employees may choose to be covered under the Vision Plan in accordance with the plan carrier and Town regulations. The Town agrees to pay 80% of the premium for the vision plan.

### **8.1.4 DEFERRED COMPENSATION OPTION**

Employees may shift the Town share of the medical plan premiums to a Town sponsored deferred compensation program (either ICMA or ING/Aetna) subject to one of the following conditions:

- A. An employee must submit proof of coverage under a qualified health plan, which must be comparable to one of the plans offered under PERS by the Town and a signed health insurance waiver by July 1st and January 1st of each year.
- B. An employee must provide proof of coverage under the employee's retired health plan, which must be comparable to one of the plans offered under PERS by the Town, and a signed health insurance waiver by July 1st and January 1st of each year to qualify for waiver from the Town Health Plan requirements.
- C. Effective the first of the month following ratification, the maximum amount that can be deferred shall be limited to the amount the Town is contributing towards the "employee only" medical rate only.
- D. The Town agrees to actively cooperate, within the constraints of the insurance carriers re-enrollment regulations, with any employee who desires to reenroll in the health insurance plans to expedite any such enrollment

### **8.2 INTERNAL REVENUE CODE SECTION 125 PLAN**

The Town will offer the full Internal Revenue Code Section (IRC) 125 Plan.

### **8.3 RETIREE MEDICAL PLAN**

- A. Employees retiring after enrollment shall be in accordance with PERS medical program regulations.
- B. Employees of the Town who, immediately upon termination, retire under the PERS retirement plan, and remain in the Town's medical plan, shall have a Town paid contribution toward their medical plan premium. The contribution shall be under the uneven contribution program in accordance with PERS medical program regulations. The employer's contribution for each

annuitant shall be increased annually by five percent (5%) of the monthly contribution for employees, until such time as the contributions are equal; and that the contributions for employees and annuitants shall be in addition to those amounts contributed by the Public Agency for administrative fees and to the Contingency Reserve Fund.

- C. In addition, accumulated sick leave at time of retirement not used for any other purpose may be converted to paid health plan premium until the value is exhausted or the retiree reaches 65 or the spouse or surviving spouse reaches 65. The rate of sick leave conversion shall be fifty percent (50%) of the regular daily rate that the employee was receiving at retirement.
- D. Town agrees that for new employees, hired after January 1, 2011, their CalPERS retiree and spouse medical benefits shall vest as follows which is based on California Public Employees Retirement Law, Government Code Section 22893 (this vesting schedule represents time with a CalPERS agency, of which five (5) of those years must be completed as a Town of Paradise employee):

50% vested – 10 years of service

55% vested – 11 years of service

60% vested – 12 years of service

65% vested – 13 years of service

70% vested – 14 years of service

75% vested – 15 years of service

80% vested – 16 years of service

85% vested – 17 years of service

90% vested – 18 years of service

95% vested – 19 years of service

100% vested – 20 years of service

(100% employee/90% spouse of a premium amount set by the state pursuant to Government Code Section 20069 and Government Code Section 22871.) The Town shall have the right to reopen to discuss the vesting schedule if there is any change to the vesting options in the Public Employees Retirement Law.

#### **8.4 LONG-TERM DISABILITY INSURANCE**

The Town shall provide to the employees in the unit long-term disability insurance in the amount of two-thirds (2/3) of base salary and including a rider for future eligibility.

#### **8.5 LIFE INSURANCE**

A. Town shall provide prepaid life insurance in an amount of one hundred thousand (\$100,000) dollars for each employee in the Bargaining Unit.

B. If acceptable to the life insurance carrier, the Town shall allow an employee at their cost to buy up to an additional one hundred thousand (\$100,000) dollars of life insurance coverage.

**8.6 PUBLIC EMPLOYEE UNEMPLOYMENT INSURANCE**

Town shall provide Public Employee Unemployment Insurance at no cost to employee.

**8.7 WORKER’S COMPENSATION INSURANCE**

Town shall provide Worker’s Compensation Insurance at no cost to employee.

**ARTICLE IX. SAFETY BENEFITS**

**9.1 PROVISIONS**

Town shall make reasonable provisions for the safety of employees in the performance of their work.

**ARTICLE X. TOWN PERSONNEL RULES**

**10.1 PERSONNEL RULES**

Where benefits and working conditions are not specifically described in this Memorandum those provided for by the Town of Paradise Personnel Rules shall apply. If such rules conflict with language contained in this Memorandum, this Memorandum shall have precedent.

In the event of proposed changes to Town Personnel Rules and Regulations, subject to meet and confer, the Association shall be advised in writing, for the purpose of enabling the Town and the Association to meet and consult as soon as possible with respect to any proposed changes.

**10.2 TERMS OF PROBATION**

Newly hired employees shall have a six (6) month probation period and shall be eligible for a step increase after one (1) year. Promotional employees shall serve a six (6) month probationary period. There shall be no less than a twelve (12) month aggregate probation period. In addition, a terminated employee does not have the right to bump a less senior employee.

**ARTICLE XI. RETIREMENT AND OTHER BENEFIT PROGRAMS**

**11.1 RETIREMENT**

1. The Town shall provide current public safety employees in the Association a retirement plan under PERS at 3% at 50 formula for safety members. In addition to the 3%@50, the retirement plan shall include the following options:

- |                               |   |
|-------------------------------|---|
| Government Code Section 20042 | One Year Final Compensation               |
| Government Code Section 21574 | Fourth Level 1959 Survivor Benefits       |
| Government Code Section 20965 | Credit for Unused Sick Leave              |
| Government Code Section 21427 | Improved Non-Industrial Disability        |
| Government Code Section 21024 | Military Service Credit as Public Service |

2. Upon agreement of all public safety units, the Town shall provide public safety employees in the Association hired after January 1, 2011, a retirement plan under PERS of three percent at age fifty-five (3%@55).

In addition to the 3%@55, the retirement plan for employees hired after January 1, 2011, shall include the following options:

Government Code Section 20037	Three Year Final Compensation
Government Code Section 21574	Fourth Level 1959 Survivor Benefits
Government Code Section 20965	Credit for Unused Sick Leave
Government Code Section 21427	Improved Non-Industrial Disability
Government Code Section 21024	Military Service Credit as Public Service

3. "PERS Swap". Effective September 27, 2010 employees shall pay the entire nine percent (9%) of the employee paid member contribution rate toward their retirement plan. In consideration of this, and at the same time, the Town shall increase such employees' base pay by nine percent (9%). The Town of Paradise Salary Pay Plan shall be updated accordingly. Since the employees will be paying their employee paid member contributions (EMPC), it will no longer be necessary for the Town to pay the cost and report the value of EPMC.

## **11.2 VEHICLE USAGE**

The positions of Police Lieutenant shall have reasonable use of assigned vehicles within a seventy-five (75) mile radius of the Town of Paradise at the discretion of the Town Manager.

## **11.3 COMPUTER LOAN PROGRAM**

The Town has established a "computer loan fund" of ten thousand (\$10,000) dollars to provide for loans to employees for the purchase of computers. A maximum of three thousand, two hundred and fifty (\$3,250) dollars per loan may be made to an eligible employee. Such loans shall be repaid at an interest rate of three and one-half percent (3-1/2%) over a two (2) year period. Repayment shall be through payroll deduction for a period of two (2) years with all unpaid amounts due and payable in full upon termination.

## **11.4 UNIFORM ALLOWANCE**

Employees belonging to the Police Department mid-management personnel shall receive an annual uniform allowance equal to the amount and paid in the same manner as specified in the Police Unit MOU.

These allowances shall be applied towards the cost of uniform and equipment maintenance expenses and replacement of uniforms due to normal wear.

## ARTICLE XII. MANAGEMENT RIGHTS

### 12.1 MANAGEMENT RIGHTS

The Town retains, solely and exclusively, all the rights, powers, and authority exercised or held prior to the execution of this Memorandum, and in addition, shall retain the following Management Rights not in conflict with this Memorandum of Understanding.

To manage and direct its business and personnel; to manage, control, and determine the mission of its departments, building facilities and operations; to create, change, combine or abolish jobs, departments and facilities in whole or in part; to subcontract or discontinue work for economic or operational reasons; to direct the work forces; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote and maintain the discipline and efficiency of its employees; to establish work standards, schedules of operation and reasonable work load; to specify or assign work requirements and require overtime; to schedule working hours and shifts; to adopt rules of conduct and penalties for violation thereof; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means, and places of providing services and to take whatever action necessary to prepare for and operate in an emergency.

Nothing in this article shall be construed to limit, amend, decrease, revoke or otherwise modify the rights vested in the Town by any law regulating, authorizing or empowering the Town to act or refrain from acting.

## ARTICLE XIII. GRIEVANCE PROCEDURE

### 13.1 DEFINITIONS

- A. **Grievance.** A grievance is a claimed violation, misapplication, or misinterpretation of a specific provision of this Memorandum which adversely affects the grievant.
- B. **Grievant.** A grievant is an employee in the unit who is filing a grievance as defined above. Alleged violations, misapplications, or misinterpretations which affect more than one employee in substantially similar manner may be consolidated at the discretion of management as a group grievance and thereafter represented by a single grievant.
- C. **Day.** Day shall mean a day in which the Town's main administrative office is open for business.

### 13.2 GRIEVANCE PROCESS

#### A. **Informal Level**

Within five (5) days from the event giving rise to a grievance or from the date the employee could reasonably have been expected to have had knowledge of such event, the grievant shall orally discuss his/her grievance with his/her immediate supervisor. A supervisor shall have five (5) days to give an answer to the employee.

**B. Formal Levels**

1. **Level 1.** If a grievant is not satisfied with the resolution proposed at the informal level, he/she may within ten (10) days of the receipt of such answer file a formal written grievance with his/her supervisor on a form containing a statement describing the grievance, the section of this Memorandum allegedly violated, and the remedy requested. The supervisor (or designee) shall, within five (5) days thereafter give a written answer to the grievant on the form provided.
2. **Level 2.** If the grievant is not satisfied with the written answer from the supervisor, the grievant may within ten (10) days from the receipt of such answer, file a written appeal to the department head. Within ten (10) days of receipt of the written appeal, the department head or his/her designee, shall investigate the grievance which may include a meeting with the concerned parties and give written answer to the grievant.
3. **Level 3.** If the grievant is not satisfied with the written answer from the department head, the grievant may, within ten (10) days from the receipt of such answer file a written appeal to the Town Manager. Within ten (10) days of receipt of the written appeal, the Town Manager or his/her designee, shall investigate the grievance which shall include a meeting with the concerned parties and give written answer to the grievant.
4. **Level 4.** If the grievant is not satisfied with the written answer from the Town Manager, the grievant may, within ten (10) days from the receipt of such answer, file a written appeal to the Town Council. Within ten (10) days of receipt of the written appeal, the Town Manager or his/her designee, shall schedule a personnel session with the concerned parties and the Town Council. The Town Council will conduct the hearing and render a decision which shall be final and binding on both parties.

**13.3 GENERAL PROVISIONS**

- A. If a grievant fails to carry his/her grievance forward to the next level within the prescribed time period, the grievance shall be considered settled based upon the decision rendered at the most recent step utilized.
- B. If a supervisor or manager fails to respond with an answer within the given time period, the grievant may appeal his/her grievance to the next higher level.
- C. The grievant may be represented by a person of his/her choice at any formal level of this procedure.
- D. Time limits and formal levels may be waived by mutual written consent of the parties.
- E. Proof of service shall be accomplished by certified mail or personal delivery.

## **ARTICLE XIV. EDUCATION REIMBURSEMENT**

### **14.1 PURPOSE**

The parties agree to a tuition reimbursement program to be jointly administered by representatives of the Association and the Town.

### **14.2 EDUCATION REIMBURSEMENT**

Police mid-management employees shall receive education reimbursement according to the following parameters:

- A. The annual expenditures for this purpose shall not exceed five hundred fifty (\$550) dollars per student per year.
- B. Reimbursement to an individual may not exceed fiftypercent (50%) of actual costs for tuition and textbooks.
- C. Approved reimbursement must be for courses related to the job of the employee.
- D. Before reimbursement is given, the employee must submit evidence that a grade "C" (passing) or better has been earned in the course.
- E. The courses approved must be taken on the employee's own time.

### **14.3 EDUCATION INCENTIVE PAY FOR POLICE MID-MANAGEMENT PERSONNEL**

Police mid-management employees shall receive education incentive pay as follows:

Effective July 1, 2006, a base amount of seventy-five dollars (\$75.00).

An additional one dollar (\$1.00) per month for each unit successfully completed up to a maximum of sixty-five (65) units.

An additional fifty-five dollars (\$55.00) per month for having been awarded an intermediate certificate from the Commission of Peace Officers Standards and Training of California.

An additional thirty dollars (\$30.00) per month for having been awarded an advanced certificate from the Commission on Peace Officers Standards and training of California.

There shall be a maximum amount of two hundred twenty-five dollars (\$225.00) per month for education incentive pay.

## ARTICLE XV. LONGEVITY PAY

The Town will provide a longevity pay program for employees who qualifies, the following amount as longevity pay:

### 15.1 TEN YEARS

An amount equal to two and one-half percent (2.5%) of salary at ten (10) years.

### 15.2 FIFTEEN YEARS

Effective July 1, 2003, an additional amount equal to two and onehalf percent (2.5%) for a total of five (5.0%) of salary at fifteen(15) years.

## ARTICLE XVI. TERMINATION OF MID-MANAGEMENT EMPLOYEES

### 16.1 TERMINATION OF MID-MANAGEMENT EMPLOYEES

In the event a mid-management employee is terminated or asked other than for willful misconduct in office to resign, they will receive, at a minimum, thirty (30) days written notice and cash severance pay in a lump sum equal to one month's pay and pay for unused annual vacation leave, administrative leave, and sick leave in accordance with this MOU and the Town Personnel Rules.

## ARTICLE XVII. FULL UNDERSTANDING, MODIFICATION AND WAIVER

### 17.1 FULL UNDERSTANDING, MODIFICATION AND WAIVER

This Memorandum sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved by the Town Council.

The waiver of any breach, term or condition of this Memorandum by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

## ARTICLE XVIII. SAVINGS PROVISION

### 18.1 SAVINGS PROVISION

If any provisions of this Memorandum are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect.

**ARTICLE XIX. IMPLEMENTATION**

**19.1 IMPLEMENTATION**

The Memorandum shall be of no force or effect until ratified and approved by formal action of the Town Council and the membership of the Police Mid-Management Unit. It is recognized that certain provisions may require ordinance changes in order to be effectuated.

**ARTICLE XX. PEACEFUL PERFORMANCE**

**20.1 PEACEFUL PERFORMANCE**

The parties to this Memorandum recognize and acknowledge that the services performed by the Town employees covered by this Memorandum are essential to the public health, safety, and general welfare of the residents of this jurisdiction. Association agrees that under no circumstances will the Association recommend, encourage, cause or permit its members to initiate, recognize, participate in, nor will any member of the bargaining unit take part in any strike, sit-down, stay-in, sick-out, slow-down, or picketing (hereinafter collectively referred to as work stoppage), in any office or department of this jurisdiction, nor to curtail any work or restrict any production, or interfere with any operation of the Town. In the event of any such work stoppage by any member of the bargaining unit, the Town shall not be required to negotiate on the merits of any dispute which may have given rise to such work stoppage until said work stoppage has ceased.

**ARTICLE XXI. TERM AND OPENING**

**21.1 TERM OF MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding shall be effective as of July 1, 2010 and shall remain in full force and effect to, and including June 30, 2011. After June 30, 2011, the Memorandum shall terminate. Until the Town and the Association agree on the terms for a subsequent memorandum of understanding, or there is an impasse pursuant to Government Code Section 3505.4 regarding a new memorandum of understanding, the terms of this Memorandum will remain in effect, except for those provisions which have been assigned expiration dates.

DATED: September 29, 2010

Town Representative:

Association Representative(s):

[Redacted signature]

[Redacted signature]

Labor Negotiator

President

[Redacted signature]

[Redacted signature]

Town Manager

Vice President

**TOWN OF PARADISE SALARY PAY PLAN  
POLICE MID-MANAGEMENT ASSOCIATION  
Attachment "A"**

<b>Position Title</b>	<b>Hours/ Week</b>	<b>A Step</b>	<b>B Step</b>	<b>C Step</b>	<b>D Step</b>	<b>E Step</b>	<b>F Step</b>
<b>POLICE LIEUTENANT</b>							
Current							
HOURLY	40	29.91	31.41	32.98	34.63	36.36	38.18
BIWEEKLY		2,392.80	2,512.80	2,638.40	2,770.40	2,908.80	3,054.40
MONTHLY		5,184.40	5,444.40	5,716.53	6,002.53	6,302.40	6,617.87
ANNUAL		62,212.80	65,332.80	68,598.40	72,030.40	75,628.80	79,414.40
Start of Pay Period Following Ratification - June 30, 2011							
HOURLY	40	31.95	33.55	35.23	36.99	38.84	40.78
BIWEEKLY		2,556.00	2,684.00	2,818.40	2,959.20	3,107.20	3,262.40
MONTHLY		5,538.00	5,815.33	6,106.53	6,411.60	6,732.27	7,068.53
ANNUAL		66,456.00	69,784.00	73,278.40	76,939.20	80,787.20	84,822.40
Effective July 1, 2011							
HOURLY	40	32.60	34.23	35.94	37.74	39.63	41.61
BIWEEKLY		2,608.00	2,738.40	2,875.20	3,019.20	3,170.40	3,328.80
MONTHLY		5,650.67	5,933.20	6,229.60	6,541.60	6,869.20	7,212.40
ANNUAL		67,808.00	71,198.40	74,755.20	78,499.20	82,430.40	86,548.80