

CITY OF STOCKTON

MID-MANAGEMENT/SUPERVISORY LEVEL MEMORANDUM OF UNDERSTANDING

The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, have exchanged freely information, opinions, and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the joint recommendations of the undersigned for salary and employee benefit adjustments for the period commencing January 1, 2009, and ending June 30, 2014

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SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager, or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.

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SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

- (a) General. The Association may have the regular dues of its members within the representation unit deducted from employees' paychecks under the procedures prescribed by the City for such deductions. The Association has exclusive privilege of dues deduction for its members.

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than yearly.

The employee's earnings must be sufficient, after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover that pay period from future earnings nor will the employee deposit the amount with the City which would have been withheld if the employee had been in a pay status during the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

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- (b) Indemnity and Refund. The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

2.2 Use of City Facilities

The Association shall be allowed by the City department in which it represents employees' use of space on available bulletin boards for communications having to do with official Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

City buildings and other facilities may be made available for use by City employees or the Association or their representative in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

Members of the Association are prohibited from using City equipment and/or time for their own personal use.

2.3 Advanced Notification

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association shall be provided with the notice described above and be given an opportunity, if requested, to negotiate changes to the content of said notice with the management representatives designated by the City Manager.

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2.4 Attendance at Meetings by Employees

City employees who are official representatives or unit representatives of the Association shall be given reasonable time off with pay to attend meetings with City Management representatives, or be present at City hearings where matters within the scope of representation or grievances are being considered.

The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such employee representatives shall request an excused absence, prior to the scheduled meeting whenever possible. Except by mutual agreement the number of employees excused for such purposes shall not exceed three (3) employees.

2.5 Maintenance of Membership

- (a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.
- (b) Every employee who is a member of the Association shall have the right to withdraw from membership no sooner than 120 days or no later than 60 days of the expiration date of this Agreement, as contained in Section 19 Duration of Agreement. An employee who has properly withdrawn membership as provided herein shall not be subject to the provisions of this Section.
- (c) Upon return from leaves of absence, the City shall reinstate the payroll deduction of Association dues for those employees who are on dues check-off immediately prior to taking leave, provided that the employee has not authorized cancellation of dues check-off in accordance with the prescribed provision or the Agreement under which they were a member has not expired.
- (d) Enforcement of this Section shall be the responsibility of the Association, utilizing appropriate civil procedures.

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SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 Non-Discrimination

- (a) The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, disability, political affiliation or legitimate Association activity against any employee or applicant for employment; and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.
- (b) The Association shall cooperate with the City in the objectives of Affirmative Action as defined by Federal and State regulations.

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SECTION 4. PROBATION

4.1 Supervisory Level

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

Supervising Librarian. Original and promotional appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period shall not be extended.

4.2 Mid-Management Level

All Mid-Management Level positions are considered to be salaried employees. They do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 Retention/Rejection of Probationer

During the probationary period a Mid-Management/Supervisory level employee may be rejected at any time by the appointing authority. Any employee who held a position in the classified service and subsequently appointed to a position in the unclassified service and subsequently removed from such position that employee shall have the right to be employed in a position comparable to his/her formerly held position in the classified service from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in section 7 of this Memorandum of Understanding, the Civil Service Rules and Regulations, the Stockton Municipal Code, and/or any other applicable City policy.

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SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee's position by the City Council, or if a shortage of work or funds requires a reduction in personnel. In doing so, the City shall follow the layoff procedure set forth herein below.

5.2 Layoff Scope

(a) The City shall designate the number of layoffs in each bargaining unit classification for each department of the City.

(b) Departments of the City are defined as follows:

- (1) City Attorney
- (2) City Auditor
- (3) City Clerk
- (4) City Manager
- (5) Community Development
- (6) Community Services
- (7) Economic Development
- (8) Financial Management
- (9) Fire
- (10) Housing and Redevelopment
- (11) Human Resources
- (12) Information Technology
- (13) Library
- (14) Municipal Utilities
- (15) Police
- (16) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least two (2) weeks to employees who will be laid off.

5.4 Precedence by Employment Status

No bargaining unit employee having regular status shall be laid off while employees working in seasonal, temporary, provisional, or probationary status are retained in the same or comparable classification as such regular employee. The order of layoff among bargaining unit employees not having not regular status shall be as follows:

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- (a) First, seasonal employees;
- (b) Second, provisional employees;
- (c) Third, temporary employees; and
- (d) Fourth, probationary employees.

Layoffs shall be by job classification according to reverse order of seniority as determined by total service in the City, except as specified above. For the purpose of this procedure, regular part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuing service:

- (a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry into regular City employment.
- (b) Time worked in seasonal, provisional, temporary, grant or other limited term status shall not count as service.
- (c) Time worked in a regular status or probationary status shall count as service.
- (d) If two (2) or more employees have the same seniority, the order of seniority shall be determined by lot.
- (e) Regular status part-time employees shall not have the right to bump regular status full-time employees.

5.5 Order of Layoff and Employee Options

Reduction in force shall occur in the following order:

- (a) The least senior employee occupying the position(s) being eliminated shall be the first laid off. The incumbent designated for layoff shall have the options noted below:
 - (1) Displacing the least senior employee occupying the same or comparable classification, Citywide.
 - (2) Taking a voluntary demotion within the City to a classification in which the employee had prior regular status, thus displacing the employee working in that classification who has the least seniority.
- (b) Seniority for the purposes of application of the layoff procedure in section 5 is

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determined by total City employment, excluding employment as a seasonal, provisional, or temporary employee.

- (c) Comparability of employee classifications for the purposes of application of the layoff procedure in section 5 shall be determined by the Director of Human Resources.
- (d) An employee displaced in accordance with section 5 shall be laid off in the same manner as an employee whose position has been abolished.

5.6 Health and Welfare Benefits During Layoff

Regular employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of federal and state regulations.

5.7 Voluntary Layoff

When a determination has been made that a layoff will occur, regular full-time employees may elect to be voluntarily laid off regardless of their seniority status. The following provisions apply to an employee who so elects to be laid off:

- (a) For payroll purposes, the employee will be treated as being on approved leave of absence without pay for up to twelve (12) months.
- (b) The employee will have the option to either retain sick leave and/or vacation balances for up to one (1) year in anticipation of reemployment or be paid off for those leaves in accordance with applicable provisions of this Memorandum of Understanding.
- (c) The names of employees who elect to be voluntarily laid off will be placed on reemployment lists in accordance with section 6.

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SECTION 6. REEMPLOYMENT

- (a) When an employee in the classified service who has been performing his/her duties in a satisfactory manner, as shown by the records of the department in which he/she has been employed, is laid off because of lack of funds or abolition of his/her position or has been on authorized leave of absence and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur. The employee shall not be placed on said list or lists without his/her request.
- (b) The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired."
- (c) In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class in the department for which the lists apply.

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SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend, or demote any employee provided the Stockton Municipal Code provisions and the rules and regulations of the Civil Service Commission and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

- (a) File no grievance.
- (b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.
- (c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.

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SECTION 8. GRIEVANCE PROCEDURE

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the time in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

- (a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee's classification, the procedures hereinafter specified may be invoked.
- (b) Step 2 - Director of Human Resources Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Human Resources within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity; 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Human Resources shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the Director of Human Resources fails to respond within the time limit.

- (c) Step 3 - The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within

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ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

- (d) Step 4 - Arbitration. If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Human Resources fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.
- (e) Effect of Decision. Decisions of arbitrators on matters properly before them shall be final and binding on the parties hereto except as provided otherwise herein.

8.4 Scope of Arbitration

No arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

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Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrated and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No change in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his judgment for the judgment of Management and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the department at Step 1. Only complaints which allege the employee is not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next open for such decision. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the Stockton Municipal Code and/or Civil Service Rules and Regulations, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the Stockton Municipal Code

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and/or the Civil Service Rules and Regulations requires that differing options be available to the employee, no action under paragraph (d) of subsection 8.3 above shall be taken unless it is determined that the employee is not availing himself of such option.

No action under paragraph (d) of subsection 8.3 above shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Human Resources will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.

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SECTION 9. LEAVES

9.1 Vacation - Mid-Management Level

- (a) The vacation plan for Mid-Management Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.
- (b) Vacation Allowance. Mid-Management Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee's vacation entitlement for the fiscal year.
 - (1) Mid-Management Level employees shall receive twenty (20) days with fifteen (15) years or less of continuous City service.
 - (2) Mid-Management Level employees shall receive twenty-five (25) days after fifteen (15) years and up to twenty-five (25) years of continuous City service.
 - (3) Mid-Management Level employees shall receive one (1) additional day vacation allowance for each year of continuous City service beyond twenty-five (25) years.
- (c) Vacation Carryover Maximum. Mid-Management Level employees shall be granted a maximum carry-over of one (1) previous year's vacation allowance plus fifteen (15) days as of June 30, of any year.
- (d) Vacation Carryover in Excess of Maximum.
 - (1) Whenever an employee's vacation hours exceed the maximum vacation carryover provision, the excess hours shall automatically be credited to the employee's sick leave balance at the end of the fiscal year.
 - (2) Mid-Management Level employees may carry-over vacation time in excess of the maximum allowance, as referenced above, when the vacation hours remains because of being in a paid status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.
- (e) Vacation Sell-Back Maximum.

Mid-Management Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Mid-Management employees may sell back ten (10) days per fiscal year. To qualify for this sell-back

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benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.2 Vacation - Supervisory Level

- (a) The vacation plan for Supervisory Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.
- (b) Vacation Allowance. Supervisory Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee's vacation entitlement for the fiscal year.
 - (1) Supervisory Level employees shall receive fifteen (15) days with five (5) years or less of continuous City service.
 - (2) Supervisory Level employees shall receive twenty (20) days after five (5) years of continuous City service.
 - (3) Supervisory Level employees shall receive twenty-five (25) days after fifteen (15) years and up to twenty-five (25) years of continuous City service.
 - (4) Supervisory Level employees shall receive one (1) additional day vacation allowance for each year of continuous City service beyond twenty-five (25) years.
- (c) Vacation Carryover Maximum. Supervisory Level employees shall be granted a maximum carry-over of one (1) previous year's vacation allowance plus fifteen (15) days as of June 30, of any year.
- (d) Vacation Carryover in Excess of Maximum.
 - (1) Whenever an employee's vacation hours exceed the maximum vacation carryover provision, the excess hours shall automatically be credited to the employee's sick leave balance at the end of the fiscal year.
 - (2) Supervisory Level employees may carry-over vacation time in excess of the maximum allowance, as referenced above, when the vacation hours remains because of being in a paid status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.
- (e) Vacation Sell-Back Maximum.

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Supervisory Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Supervisory Level employees may sell back ten (10) days per fiscal year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.3 Sick Leave

(a) Accrual. All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of ten (10) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall accrue sick leave while off duty on authorized sick leave; provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.

(b) Usage. Employees are entitled to sick leave pay for those days, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, illness, injury or exposure to contagious disease, which incapacitates him/her from performing his/her duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

(c) Family Sick Leave. Employees may utilize sick leave in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care. Such sick leave shall be limited, by the department head, to the time reasonably required to make other arrangements for such care.

Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care that otherwise would not be covered by the FMLA or CFRA leaves.

For the purpose of this Section, such sick leave shall be restricted to the employee's parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her

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absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for his/her request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the department head.

- (e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the department head.

The department head and the Director of Human Resources may make such sick leave usage reviews and may require such physician's documentation, as they deem necessary to insure proper use of the sick leave benefit.

- (f) Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:
- 1) Was hospitalized during the period for which sick leave is claimed, or
 - 2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.
- (g) Payment for Unused Sick Leave. Upon separation with ten (10) years or more of employment; or upon termination of employment by reason of death, service or disability retirement; the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current value.

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9.4 Other Leaves With Pay

- (a) Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

In the event of the death of a person not immediately related to an employee as defined above, the employee's department head may grant up to three (3) days bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

- (b) Court Appearance. Upon approval by the department head, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court because of jury service, in obedience to subpoena or by direction of proper authority, in accordance with the following provisions:

Said absence from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City through the employee's department head, within fifteen (15) days after receipt of all fees received except those specifically allowed for mileage and expenses.

Jury duty or witness duty appearances shall be considered as time in court. Upon being excused from court, an employee must return to work if he/she has two (2) or more hours remaining on his/her work schedule. Employees serving on jury duty during their normally scheduled days or hours off shall be granted an equivalent number of hours off during their normal week as scheduled by the supervisor. The noticed supervisor shall monitor the hours of jury duty or witness duty attendance and ensure that said hours are considered as time worked.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

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Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

- (c) Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of Reserve Corps or Force of the Federal Military, Naval or Marine Service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service of the United States or the State of California. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit as above specified and shall serve the balance of their probationary period before attaining the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.

9.5 Workers' Compensation Leave

Whenever any member of this unit, is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his/her duties, he/she shall become entitled, regardless of his/her period of service with the City, to a leave of absence while so disabled without loss of salary, in lieu of temporary disability payment, if any, which would be payable for the period of such disability but not exceeding one year, or until such earlier date as he/she is retired on permanent disability pension.

If injury is claimed to be job related or a recurrence of a previous job related

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sickness or injury, it must be verified with a written physician's statement. Otherwise disability leave will not be allowed. Any absence not so approved will be charged to sick leave if verification is not received.

9.6 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification, as the employee held at the time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head under this Section shall be subject to review by the Director of Human Resources, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereinafter.

The entitlement to City payment of premium shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of an injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustment.

9.7 Leave of Absence Without Pay

- (a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.
An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.

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Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

- (b) Application for and Approval of Leave of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the Director of Human Resources describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.8 Absence Without Official Leave (AWOL)

- (a) Failure to Report to Duty or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or cancelled, or at the expiration of a leave, shall be considered an absence without official leave and shall be subject to discipline.
- (b) Voluntary Resignation. Any employee in this bargaining unit absent without official leave for two (2) or more consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

9.9 Paternal/Adoption/Maternity/Pregnancy Leave

Family medical leave shall be in accordance with the Family Medical Leave Act ("FMLA") of 1993, the California Family Rights Act ("CFRA"), or Pregnancy Disability Leave ("PDL") and/or other applicable state and federal laws.

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SECTION 10. DAYS AND HOURS OF WORK

10.1 Workweek

- (a) The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) consecutive eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.
- (b) The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.
- (c) **Asparagus Festival Work Schedule.** Employees assigned to work at City facilities within the designated “footprint area” of the Asparagus Festival may work any of the following work schedules during the Asparagus Festival:

(1) Option 1: Baseline Work Schedule.

Monday	Tuesday	Wednesday	Thursday	Friday
7:30am-5:30pm	7:30am-5:30pm	7:30am-5:30pm	7:30am-5:30pm	7:30am-11:30am OR 8:00am-12:00pm
9-hours paid time 1-hour unpaid	9-hours paid time 1-hour unpaid	9-hours paid time 1-hour unpaid	9-hours paid time 1-hour unpaid	4-hours paid time

Monday	Tuesday	Wednesday	Thursday	Friday
8:00am-5:30pm	8:00am-5:30pm	8:00am-5:30pm	8:00am-5:30pm	7:30am-11:30am OR 8:00am-12:00pm
9-hours paid time 1/2-hour unpaid	9-hours paid time 1/2-hour unpaid	9-hours paid time 1/2-hour unpaid	9-hours paid time 1/2-hour unpaid	4-hours paid time

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(2) Option 2: Four Tens Work Schedule with Friday off.

Monday	Tuesday	Wednesday	Thursday	Friday
7:00am-6:00pm OR 8:00am-7:00pm	7:00am-6:00pm OR 8:00am-7:00pm	7:00am-6:00pm OR 8:00am-7:00pm	7:00am-6:00pm OR 8:00am-7:00pm	OFF DAY
10-hours paid time 1-hour unpaid	10-hours paid time 1-hour unpaid	10-hours paid time 1-hour unpaid	10-hours paid time 1-hour unpaid	0

Monday	Tuesday	Wednesday	Thursday	Friday
7:00am-5:30pm OR 8:00am-6:30pm	7:00am-5:30pm OR 8:00am-6:30pm	7:00am-5:30pm OR 8:00am-6:30pm	7:00am-5:30pm OR 8:00am-6:30pm	OFF DAY
10-hours paid time 1/2-hour unpaid	10-hours paid time 1/2-hour unpaid	10-hours paid time 1/2-hour unpaid	10-hours paid time 1/2-hour unpaid	0

- (3) Option 3: Vacation or Compensatory Time. The department head or designee may approve the use of vacation leave or compensatory time, and/or may approve any additional alternative schedule to formulate an acceptable 40-hour work schedule.
- (4) Employee preferences among the above approved scheduling options during the Asparagus Festival will be considered and accommodated by the City unless infeasible. Employees must notify their department heads of their scheduling preferences through their line of supervision.

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10.2 Work Furloughs

- (a) 80 Furlough Hours in Fiscal Year 2008-2009. Each employee shall take eighty (80) furlough hours between October 22, 2008, and June 30, 2009, in accordance with (c) and (d) of this section.
- (b) Equalized Payroll Deductions. Payroll deductions for the eighty (80) furlough hours described in section 10.2, paragraph (a) herein above shall be equalized so that each employee shall have 4.444 hours at the employee's regular hourly rate of pay deducted from each of the following eighteen (18) pay warrants: October 22, 2008; November 7, 2008; November 22, 2008; December 7, 2008; December 22, 2008; January 7, 2009; January 22, 2009; February 7, 2009; February 22, 2009; March 7, 2009; March 22, 2009; April 7, 2009; April 22, 2009; May 7, 2009; May 22, 2009; June 7, 2009; June 22, 2009; and July 7, 2009.
- (c) Standard Furlough Days. Except as provided in 10.2(d) herein below, each employee shall take the following furlough days:
 - (1) Monday, November 10, 2008;
 - (2) Monday, November 24, 2008;
 - (3) Tuesday, November 25, 2008;
 - (4) Wednesday, November 26, 2008;
 - (5) Wednesday, December 24, 2008;
 - (6) Friday, December 26, 2008;
 - (7) Monday, December 29, 2008;
 - (8) Tuesday, December 30, 2008;
 - (9) Wednesday, December 31, 2008; and
 - (10) Friday, January 2, 2009.
- (d) Exception to Standard Furlough Days for Some Employees. Employees shall adhere to the standard work furlough days shown in Section 10.2, paragraph (c) herein above; except where it is impracticable for certain City departments or operations (such as Police Telecommunication Supervisors, Fire Telecommunication Supervisors, and other public safety and essential services functions). In such cases, eighty (80) furlough hours must be scheduled between the employee and his/her manager or supervisor and the employee must use eighty (80) furlough hours no later than June 30, 2009.
- (e) Maximum Vacation Carryover due to Furlough Occurrences. In the event the vacation scheduling of eighty (80) furlough hours causes any Association member to exceed the maximum vacation carryover provisions pursuant to Section 9.1 (c) and 9.2 (c), of this Memorandum, such employee shall be allowed to carryover into the 2009 calendar year the equivalent number of vacation hours not used as a result of the furlough occurrence to ensure that

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the employee is not adversely affected. To the extent any employee exceeds the maximum carryover provisions of Section 9.1 (c), 9.2 (c), of this Memorandum for the 2010 calendar year, such hours shall be automatically cashed out on an hour-for-hour basis at the end of the 2010 calendar year.

- (f) Health and Welfare and Other Benefits Not Affected. Notwithstanding the occurrence of furloughs, Association members shall continue to receive the full amount and application of all fringe benefits including, without limitation and by way of illustration, City contribution to health and welfare benefits, accrued vacation leave, accrued sick leave, etc.
- (g) Separation from City Service before July 7, 2009. Any employee who separates from City service before the final 4.444 hour furlough deduction on July 7, 2009, and after having used furlough hours shall have his or her final compensation reduced by the sum of the number of furlough hours the employee has actually used minus the number of furlough hours actually deducted from the employee's pay warrants multiplied by the employee's regular hourly rate of pay. Conversely, any employee who separates from City service before July 7, 2009, having suffered furlough deductions in excess of the actual number of furlough hours the employee has used shall have his or her final compensation credited by a like amount.
- (h) Up to 96 Furlough Hours in Fiscal Year 2009-2010. Each employee shall be required to schedule and take up to ninety-six (96) furlough hours between July 1, 2009, and June 30, 2010, in the event the City's revenue growth assumptions in the General Fund are 2.5% or less. Payroll deductions for the ninety-six (96) furlough hours in Fiscal Year 2009-2010, if implemented, shall be equalized in the same manner as furlough deductions for Fiscal Year 2008-09 so that each employee shall have up to 4 hours at the employee's regular hourly rate of pay deducted from each of the twenty-four (24) pay warrants in Fiscal Year 2009-2010. The City and the Association shall meet and confer to develop the furlough calendar for Fiscal Year 2009-2010.

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SECTION 11. OVERTIME

11.1 Eligibility

- (a) Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.
- (b) Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked.
 - (1) The overtime rate as used in the Memorandum of Understanding means one and one-half (1-1/2) times the employee's regular rate of pay.
 - (2) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.
 - (3) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall be compensated at the overtime rate for all time worked in excess of 56 hours in a seven (7) day workweek.
 - (4) Except as otherwise provided in section 12, employees shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked on a holiday observed by the City, not to exceed eight (8) hours including employees employed on a per-hour or per-days basis.
 - (5) Except as otherwise provided in section 12, any time worked on a holiday observed by the City in excess of eight (8) hours shall be paid for at double time and one-half (2-1/2) except for employees on a per hour or per day basis.
 - (6) Use of vacation leave, sick leave and other paid leaves shall be counted as time worked.

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11.2 Compensatory Time Off (CTO)

- (a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.
- (b) CTO in Lieu of Overtime Compensation. Except Fire Telecommunications Supervisors assigned to a 56-hour workweek, employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate one and one-half (1-1/2) hours of CTO for each hour of overtime worked in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status.
- (c) Use. Use of CTO shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of CTO shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.
- (d) Maximum Accrual. No more than one-hundred (100) hours of CTO may be carried on the books at any time, except Fire Telecommunications Supervisors assigned to a 56-hour workweek who may not accrue CTO. Once one hundred (100) hours of CTO is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid to the employee. At the end of each calendar year, all CTO will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover CTO cannot exceed the forty (40) hours maximum.

Any CTO balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid to the employee.

- (e) Elimination of CTO for Fire Telecommunications Supervisors. Effective January 1, 2009, Fire Telecommunications Supervisors assigned to a 56-hour workweek shall no longer accrue or use CTO and shall be paid at their regular rate of pay for all accrued and unused CTO hours on or about January 7, 2009; provided, however, any Fire Telecommunications Supervisors having any approved leave request(s) for CTO for time off work through January 31, 2009, shall be permitted to use the approved CTO leave.

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SECTION 12. HOLIDAYS

12.1 Holidays Observed by the City: (Mid-Management/Supervisory Level)

(a) Employees shall receive the following observed holidays:

<u>Observed</u>	<u>Holiday</u>
(1) January 1	New Year's Day
(2) Third Monday in January	Martin Luther King Jr's., Birthday
(3) Second Monday in February	Lincoln's Birthday
(4) Third Monday in February	Washington's Birthday
(5) March 31 (FLOATING)	Cesar Chavez Day
(6) Last Monday in May	Memorial Day
(7) July 4	Independence Day
(8) First Monday in September	Labor Day
(9) Second Monday in October	Columbus Day
(10) November 11	Veteran's Day
(11) Fourth Thursday in November	Thanksgiving
(12) The Friday after Thanksgiving	
(13) December 25	Christmas Day
(14) Employees' Birthday	

FLOATING holiday to be taken with ninety (90) work days on or after the observed holiday.

- (b) In addition, a day appointed by the President or Governor, as a public holiday shall be observed if adopted by the Stockton City Council.
- (c) In the event a day appointed by the President or Governor as a public holiday is not adopted by the Stockton City Council pursuant to the above paragraph, the City Manager may, at his discretion, determine that certain City employees will be not be required to work that day, but that certain City offices will remain open at a minimal staffing level. If the City Manager makes such a determination, such staffing shall be at the discretion of the Department Head. Employees who are required to work on that day will earn a "float" day off, to be taken at a time approved, in advance, by the Department Head. The "float" day off must be taken within ninety (90) workdays from the date of the minimally staffed workday. Employees not regularly scheduled to work on that date will have an equivalent number of hours added to their vacation accrual balance.

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- (d) Birthday Holiday Leave. The department head with due consideration for the wishes of the employee may authorize the birthday holiday to be taken within ninety (90) work days on or after the employee's birthday.
- (e) For employees in the Police Department on a 4/10 work schedule, a holiday will be worth ten (10) hours for the purposes of compensation, until such time the City, in its sole discretion, determines that it is worth eight (8) hours.
- (f) Police Telecommunications Supervisors assigned to shifts (phase days) shall receive, in addition to their normal compensation, one day's pay for each of the holidays listed in 12.1 (a) above, on which the employee does not work, except for the employee's birthday and floating holiday(s). Such employees required to work a holiday on a hire-back basis, shall be compensated at time and one-half (1½), in addition to their normal compensation (10 hours) and paid holiday (10 hours). Such employees required to work a holiday on a regularly scheduled basis shall be compensated at time and one-half (1½) overtime in addition to their normal compensation (10 hours). The maximum additional compensation subject to CalPERS for working the holiday will be twenty (20) hours.
- (g) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall receive, in addition to their normal compensation, one 24-hour shift's pay for each of the holidays listed in 12.1 (a) above at the rate of 28 hours per month regardless of whether the Fire Telecommunications Supervisor actually works on any or all of the listed holidays. Additionally, Fire Telecommunications Supervisors shall be compensated at the overtime rate for all time actually worked on a holiday (excluding the birthday holiday and floating holiday(s)). The provisions of this section 12.1(e) shall be effective January 1, 2009.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

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SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

- (a) The City will pay seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (P.E.R.S). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20615.
- (b) The City's P.E.R.S. retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993.
- (c) The City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 20930.3 and Section 20930.33, at the employee's expense, upon adoption by Stockton City Council and P.E.R.S. Administration Board.
- (d) The City will provide P.E.R.S. California Government Code Section 20615.5 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added P.E.R.S. benefits. At the beginning of employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H (2) will be concurrently implemented with P.E.R.S. California Government Code Section 20615.5, effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.
- (e) The City will provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.
- (f) The City will provide P.E.R.S. California Government Code Section 21382.5 (Fourth Level of 1959 Survivor Benefits) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.
- (g) The City will provide PERS California Government Code Section 21335 (up to five percent 5.0% Annual Cost of Living Allowance Increase) as added PERS benefits, to be effective upon adoption by the Stockton City Council and PERS Administration Board.

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- (h) Reopener. The City and the Association agree to reopen Section 13.1 (b) in year 2011 to discuss providing an enhanced miscellaneous retirement formula to employees (e.g. CalPERS 2.7% at age 55, 3% at age 60, etc.). If the parties fail to reach an agreement, the existing provisions of Section 13.1 (b) shall remain unchanged.

13.2 Uniform Allowance

- (a) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of six-hundred and fifty dollars (\$650.00), one-half payable in April and one-half payable in October.
 - (1) Fire Telecommunications Supervisor;
 - (2) Police Telecommunications Supervisor;
 - (3) Property Room Supervisor;
 - (4) Senior Police Telecommunications Supervisor; and
 - (5) Supervising Police Records Assistant.
- (b) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of seven hundred dollars (\$700.00), one-half payable in April and one-half payable in October.
 - (1) Animal Services Supervisor; and
 - (2) Supervising Evidence Technician.
- (c) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of seven hundred and twenty-five dollars (\$725.00), one-half payable in April and one-half payable in October.
 - (1) Senior Community Service Officer.
- (d) The City shall increase the amount contributed for annual uniform allowance to all of the above classifications in section 13.2 (a), (b), and (c) by fifty dollars (\$50.00) effective July 1st of each fiscal year.
- (e) Safety Protective Footwear Reimbursement. Employees required to wear safety protective footwear in accordance with City Manager's Administrative Directive HR-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of one hundred sixty dollars (\$160.00).

13.3 Public Employees' Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees' Retirement

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System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

- (a) The City will provide at no cost to the employee, deferred compensation as a supplement to voluntary deferred compensation plans, if any, for which the individual employee may be eligible.
- (b) Effective July 1, 2012, the City shall contribute a total of one and one-half percent (1.5%) of the employee's current base salary to the employee's deferred compensation account.
- (c) Effective July 1, 2013, the City shall contribute an additional one-half percent (0.5%) for a total of two half percent (2.0%) of the employee's current base salary to the employee's deferred compensation account.

13.5 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager's Administrative Directive, MAN-16, Section III. B.

13.6 Educational Incentive Pay

- (a) Educational Incentive Pay shall be available for employees hired after April 16, 2000, who have completed twelve (12) months of continuous employment.
- (b) Employees with degrees/diplomas above and beyond that is required of their position shall be provided 3% of the top step of the position. Employees are limited to no more than 3% regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his/her diploma/degree, the 3% will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.
- (c) For employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

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13.7 Longevity Pay

- (a) The City shall pay each employee who completes twelve (12) continuous years of service with the City, two and one-half percent (2.5%) of the top salary step of the employee's pay range to the employee as a professional growth.
- (b) Reopener. The City and the Association agree to reopen Section 13.7 (a) in year 2011 to discuss modifying the compensation for longevity pay. If the parties fail to reach an agreement, the existing provisions of Section 13.7 (a) shall remain unchanged.

13.8 Call Back Pay

- (a) Supervisors only who are called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1-1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1-1/2) times his/her hourly rate of pay, which ever is greater.
- (b) To be eligible for call back pay, both of the following conditions must be met:
 - 1) the call back must occur outside of the employee's regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee's regular work hours including overtime.

13.9 Standby Duty Pay

Supervisors only who are directed to remain on standby duty during their regular days off shall be paid at the rate of four (4) hours pay at regular time or compensatory time off for each twenty-four (24) hours of standby duty plus one and one-half (1-1/2) time for all time which said supervisors are required to work during such assignment. Standby duty of less than twenty-four (24) hours shall be prorated to the equivalent of four (4) hours pay at regular time.

13.10 Bilingual Pay

Job positions determined by the Department Head requiring bilingual translation skills shall receive a stipend amount of \$140.00 per month for verbal translation skills, or \$200.00 per month for verbal and written translation skills upon testing and certification by the Human Resources Department.

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SECTION 14. INSURANCE PLANS

14.1 Health and Welfare Benefits

- (a) The City will provide Mid-Management/Supervisory Level employees with a comprehensive health, dental/orthodontic, vision and prescription insurance program, as designated by the City of Stockton. The premiums for these coverages for employees and their eligible dependents shall be paid by the City for the term of this Memorandum of Understanding.
- (b) Effective July 1, 1993, the medical plan is the City's Modified Employee Medical Plan, as amended on February 1, 2008, which is attached as Appendix A and incorporated by this reference.
- (c) Effective January 1, 1997, the City will continue the above-stated medical coverage benefits for spouse and eligible dependents upon the death of an employee while employed with the City of Stockton. At age sixty-five (65), the spouse's City medical coverage shall be secondary (supplemental) to Medicare.
- (d) Effective January 1, 1997, the lifetime orthodontic maximum is TWO THOUSAND DOLLARS (\$2,000.00).
- (e) Effective January 1, 2008, the annual dental maximum benefit is ONE THOUSAND FOUR HUNDRED DOLLARS (\$1,400.00).
- (f) Beginning January 1, 2009, the Association agrees to participate in a joint labor-management committee to develop strategies to reduce the City's healthcare costs while maintaining access to quality healthcare.
- (g) Reopener. The City and Association shall meet and confer in calendar year 2011 to discuss an employee contribution toward Health, Dental, Vision and Prescription Benefits provided under Section 14.1. If the parties fail to reach agreement, the existing provision of Section 14.1 shall remain unchanged.

14.2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

- (a) Mid-Management Level employees will receive life insurance coverage equal to two and three-quarter (2.75) times their annual salary.

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- (b) Supervisory Level employees will receive life insurance coverage equal to two (2) times their annual salary. In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS (\$1,000).

14.3 Long Term Disability Insurance Coverage

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Essentially, this is an income protection plan, which provides disability income for Mid-Management/Supervisory Level employees including:

- (a) Each disability - approximately 66 2/3% of salary.
- (b) A 30-day waiting period before eligibility for benefit.
- (c) Benefit payable until age sixty-five (65).

14.4 Retirement Medical Allowance for Employees Hired Prior to January 1, 2009

- (a) The City will contribute all premiums necessary for the purpose of providing hospital-medical and prescription benefits for each City employee who has retired. Such coverage shall include one (1) dependent and shall be determined by the eligible date noted below.

- (1) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

- (2) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

- (b) Major Medical Deductible

The major medical deductible will be ONE HUNDRED DOLLARS (\$100) per person for those individuals who retired prior to January 1, 1993, and had retiree medical coverage under the original City Employee Medical Plan.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(c) Prescription Coverage

Prescription coverage will be provided for retirees.

14.5 Retirement Medical Supplement for Employees Hired Prior to January 1, 2009

Employees hired before January 1, 2009, who are eligible for retirement medical allowance under section 14.4, which includes one (1) eligible dependent, will continue to be covered under the City's Modified Employee Medical Plan, when they reach age sixty-five (65), as supplemental and secondary coverage to Medicare, or any other medical plan available through the employee or the employee's spouse. The affected employee shall be responsible for paying any associated costs for Medicare coverage Part A and B.

14.6 Defined Contribution for Retiree Medical for Employees Hired on or After January 1, 2009

- (a) Employees hired on or after January 1, 2009, shall have retiree health benefits provided under a City-established defined contribution Retiree Medical Trust ("Trust").
- (b) Employees hired on or after January 1, 2009, shall contribute three percent (3%) of their base salary to the Trust. Additionally, the City shall contribute to the Trust an amount equal to two percent (2%) of the employee's base salary. Thus, the combined total of the City and the employee contribution to the Trust shall be five percent (5%).
- (c) Employees hired on or after January 1, 2009, the amount of any distribution will depend entirely on the amount of the employee and City contributions and the terms of the Trust.
- (d) Employees hired on or after January 1, 2009, shall not be eligible for either the regular Retiree Medical Allowance (to age 65) or the Supplemental Allowance (after age 65) as set forth in section 14.4 (a), (b), (c) and section 14.5 of this Memorandum of Understanding.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

14.7 Retiree Medical Trust for Unit Members Hired on or After January 1, 2009

- (a) As soon as practicable, after January 1, 2009, the City shall establish a Retiree Medical Trust ("Trust") that will be governed by Trustees selected by the Association and the City for purposes of receiving employee and City contributions, and for paying a monthly distribution to the City's health plan to subsidize premiums on behalf of eligible retirees.

- (b) The City will seek an IRS ruling so that employee and City contributions will be pre-tax, including the contribution of employee accrued sick leave pay-off. The City will also seek tax-exempt status for the Trust's earnings and the benefits paid from the Trust.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 15. SALARY PLAN

15.1 Salary Adjustments

- (a) Effective on each of the following six (6) listed dates, the City shall increase the salaries of all bargaining unit employees by a percentage based on the Revenue Growth Formula of ninety percent (90%) of the actual growth from the prior year in the City of Stockton’s General Fund for: (1) property tax; (2) sales and use tax; (3) utility user tax; and (4) business license tax as determined by comparing the actual year-end amounts reported in the Comprehensive Annual Financial Reports (CAFRs) according to the following table; provided, however, that each salary increase shall be not less than two and one-half percent (2.5%) and not more than seven percent (7.0%).

<u>Date of Salary Increase</u>	<u>Fiscal Years Used to Determined Revenue Growth</u>
July 1, 2009	90% of revenue growth from FY 2007-2008 compared to FY 2006-2007
July 1, 2010	90% of revenue growth from FY 2008-2009 compared to FY 2007-2008
July 1, 2011	90% of revenue growth from FY 2009-2010 compared to FY 2008-2009
July 1, 2012	90% of revenue growth from FY 2010-2011 compared to FY 2009-2010
July 1, 2013	90% of revenue growth from FY 2011-2012 compared to FY 2010-2011
June 30, 2014	90% of revenue growth from FY 2012-2013 compared to FY 2011-2012

- (b) The City agrees to notify the Association of any change in accounting procedures, legislative changes, and the like, that may materially affect the determination of growth in City revenues as described in Section 15.1(a), and to negotiate with the Association an agreed-upon Revenue Growth Formula should any such change occur.
- (c) In the event the City hereafter agrees to a higher percentage than ninety percent (90%) of any index for any other employee organization or group for determination of salary adjustments, the City shall notify the Association and the higher percentage shall also apply to the Association when determining salary adjustments (*i.e.*, percentage increase shall match other labor groups).
- (d) Reopener. The City and the Association agree to reopen in year 2011 this section 15.1 (a) to discuss the revenue growth formula used to determine across-the-board salary increases. If the parties fail to reach an agreement

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

on any changes that may be proposed by either party, the existing provisions of section 15.1 (a) shall remain unchanged.

- (e) Effective July 1, 2009, salary adjustments shall no longer be fitted to the City of Stockton Salary Schedule Matrix, as set forth in the City of Stockton's Salary Schedule.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base when such a conversion is appropriate. In determining equivalent amounts on different time basis, the City shall provide tables or the regulations for the calculation of payment for service of less than full-time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.3 Salary Step after Military Leave

All employees who have been granted military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.4 Salary Step when Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the Director of Human Resources.

15.5 Salary Step after Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher rank, that employee shall be entitled to a step in the range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next step shall not exceed the maximum salary of the higher rank. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the class to which demoted.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

15.6 Salary On Reinstatement

If a former employee is reinstated in the same position previously held or to one carrying a similar salary range, his/her salary shall not be higher than his/her salary at the time of his/her separation unless there has been an increase within the salary range.

15.7 Acting Pay

An employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position after five (5) days, shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Association.

15.9 Special Assignment Pay

The department head and with the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

15.10 Salary Survey Implementation

The salary recommendations contained in the Fiscal Year 2007 Classification and Compensation Survey shall be implemented in the following manner:

- (a) Effective July 1, 2009, the City shall implement the results of the classification and compensation salary survey (Appendix B) by increasing the base salary of the affected classifications by seventy percent (70%) of the dollar amount shown on Appendix B.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

- (b) Effective July 1, 2010, the City shall further implement the results of the classification and compensation salary survey (Appendix B) by increasing the base salary of the affected classifications by the remaining thirty percent (30%) of the dollar amount shown on Appendix B.
- (c) The City shall conduct a Classification and Compensation Study base on July 1, 2011, classification and compensation data; however, the City shall have no obligation to implement the survey data findings. The data gathered shall be used for information and discussion purposes between the City and the Association during the re-opener period in July 2011 of the labor agreement.

15.11 Emergency Medical Services (EMS) Dispatcher Accreditation Pay

- (a) The City and the Association acknowledge that California Health and Safety Code section 1797.220 directs the local emergency medical services (EMS) agency to establish policies and procedures to assure medical control of the emergency medical system.
- (b) The City and the Association acknowledge that as of July 1, 2008, the San Joaquin County EMS Agency requires all employees of agencies providing emergency medical dispatch (EMD) services to possess and maintain accreditation through San Joaquin County, to include compliance with EMS Agency and National Academies of Emergency Dispatch (NAED) policies, procedures, protocol, and standards. Fire Telecommunications Supervisors are among those employees represented by the Association who must acquire and maintain accreditation by the San Joaquin County EMS Agency as a condition of providing EMD services for the City.
- (c) The City and the Association acknowledge that in the event the San Joaquin County EMS Agency rescinds the certification of any bargaining unit employee as a result of any dispute arising from the exercise of the power set forth in San Joaquin County EMS Agency Policy No. 2101 (or any successor or similar policy), the City will make every effort, insofar as practicable and fiscally responsible, to employ such persons in positions for which such employees are qualified or may become qualified within a reasonable period of time and that do not require accreditation by the San Joaquin County EMS Agency.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

- (d) Emergency Medical Services (EMS) Dispatcher Accreditation Pay. Effective January 1, 2009, the City shall compensate all Fire Telecommunications Supervisors who are accredited as San Joaquin County Emergency Medical Services Dispatchers an additional one-hundred seventy five dollars (\$175) per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

- (e) Continuing Education for Emergency Medical Dispatchers. The City shall provide to Fire Telecommunications Supervisors all necessary EMD continuing education during normal working hours and at no cost to the employee. However, employees who do not participate in the EMD training offered by the City during normal working hours shall be responsible to complete the necessary continuing education on their own time without additional compensation; provided, however, that all necessary ride-along hours shall be compensated as time worked.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 16. SEVERABILITY OF PROVISIONS

In the event that any provisions of this Memorandum of Understanding are declared by the court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 17. PAST PRACTICES AND EXISTING MEMORANDA OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

SECTION 18. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein, this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter; provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

SECTION 19. DURATION OF AGREEMENT

All provisions of this Memorandum of Understanding shall be effective January 1, 2009, shall remain in full force and effect to and including the 30th day of June, 2014 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2014, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 20. MAINTENANCE OF OPERATIONS/CITY RIGHTS

- (a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented thereby agrees that from 12:01 a.m. of January 1, 2009, through and inclusive of June 30, 2014, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing other than informational picketing, against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment, including compliance with the request of another labor organization or bargaining unit to engage in such activity in an attempt to induce a change in wages, hours and other terms and conditions of employment.
- (b) An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction, that the employee is, or has, engaged in any activity prohibited by subsection (a) of this Section. The City may take other action, which it deems appropriate.
- (c) If the City Council, by majority vote, determines to its satisfaction, that subsection (a) of this Section has been violated by the Association, the City may take such remedial action, as it deems appropriate.
- (d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.
- (e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.

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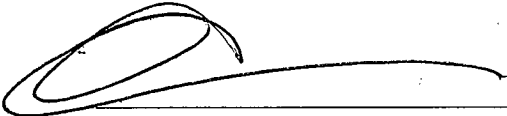
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MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

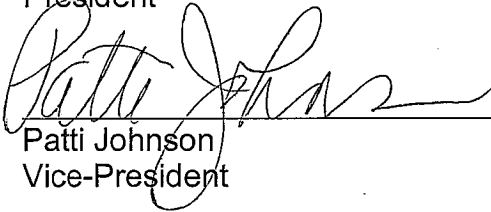
IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 12th day of December 2008.

**STOCKTON MANAGEMENT B & C
ASSOCIATION**

**CITY OF STOCKTON,
a municipal corporation**



Peaches Ehrich
President



Patti Johnson
Vice-President




Robert Applegate
Board Member



J. Gordon Palmer, Jr.
City Manager



Dianna R. Garcia
Director of Human Resources



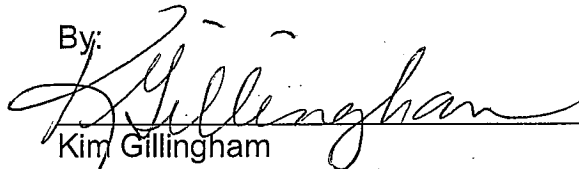
Dionysia Smith
Assistant Director of Human Resources

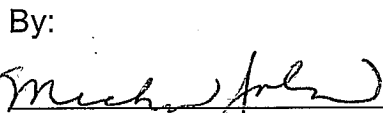


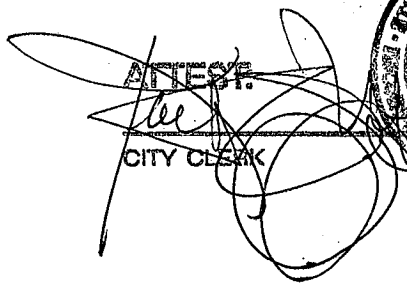
Ethel Francois
Deputy Director of Human Resources


Approved as to form:
Goyette & Associates, Inc.

Approved as to form:
Ren Nosky, City Attorney

By: 
Kim Gillingham
Labor Representative for Association

By: 
Michon Johnson
Deputy City Attorney


ANEST
CITY CLERK



MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Appendix A - City of Stockton's Modified Employee Medical Plan (Benefit Recap)

SERVICE	% PAID	DESCRIPTION
\$2,000,000 Lifetime \$ Maximum		
Deductible		\$150.00 per person, per year (\$450.00 per family)
Acupuncture	60%	Limited to 12 visits per calendar year.
Alcohol and Drug Treatment (Substance Abuse Benefit)	100% 75% 50%	Three residential treatment programs per lifetime per member, of up to 30 days each, as follows: 1st Admission: 100% ; 2nd Admission: 75% ; 3rd Admission: 50% . Must initiate through the City's E.A.P. Program. For active & family members only, not retirees .
Ambulance	80%	Ground or Air.
Annual Physical/Preventive Care Office Visit Lab/Diagnostic	80% 100%	Based on specific guidelines and services recommended by the physician. (80% office visit), (100% for lab/diagnostic).
Chiropractic Visits	80%	Of allowable amounts. Subject to utilization review.
Emergency Physician	100%	For surgery or for other approved emergency services. (Non-emergency illness 50%).
Emergency Room	100%	1st treatment of accident injury within 72 hours if health endangering or life threatening acute illness. Otherwise 50%.
Hearing Aids	80%	Lifetime max of \$6,000 per member.
Home Health Care and Hospice	100%	Subject to <u>Case Management</u> .
Hospitalization	100%	Semi-private room rate. Pre-admit certification required if non-emergency. Concurrent utilization review required. If non-member hospital used in area where member hospitals are available (70%).
Inpatient Psychiatric	80%	
Other Covered Services/Supplies	varies	See Plan document for complete list.
Outpatient Mental or Nervous Disorder Treatment	80%	First 5 visits per year. 60% next 10 visits per year. (Maximum 15 visits per year. Must initiate through the City's E.A.P. Program.)
Outpatient Radiology/Lab	100%	Includes Preventive care: pap smear, mammogram, prostate, and other covered services.
Physicians Office Visits	80%	
Pregnancy	100%	Normal or C-Section for employee or spouse/registered domestic partner.
Prescription Drug Program	100%	After \$3 Generic / \$8 Brand name, co-pay for up to 60 day supply of prescription drugs & insulin. No vitamins. (Note: Does not apply to deductible or maximum out-of-pocket).
Radiation/Chemotherapy/Dialysis	100%	
Surgeon/Anesthesiologist	100%	

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Therapy Benefits	100%	100% of allowed amount for physical, respiratory and cardiac therapy; and speech therapy following surgery, injury or non-congenital organic disease. UTILIZATION REVIEW REQUIRED.
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Employee Maximum out-of pocket: After the employee pays \$1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.

The Benefit Recap is to be used strictly for a brief overview of benefits provided by the medical plan. Please refer to the Plan Document for detailed coverage information. All services/supplies must be medically necessary with (the exception of preventive care).

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

APPENDIX B – CITY OF STOCKTON 2007 CLASSIFICATION AND COMPENSATION STUDY

**City of Stockton
Multi-Year Adjustments by Bargaining Unit (No Inflation)**
(Employees in Below Market Job Classes and Annual Adjustment Costs)

					Cost of Annual Adjustment	
					1st Increase	2nd Increase
Bargaining Unit	# of Employees	Total Payroll of Barg Unit	# of Employees Adjusted	Total Dollar Amount of Increase	7/1/2009	7/1/2010
04-Mid Management	26	\$3,058,512.00	16	\$50,616.76	\$35,431.73	\$15,185.03
05-Supervisory	130	\$9,791,556.00	59	\$244,593.36	\$171,215.35	\$73,378.01
Totals:	156	\$12,850,068.00	75	\$ 295,210.12	\$ 206,647.08	\$ 88,563.04

Total Cost over 2 years: \$295,210.12

Stockton Management B Classifications listed below are base salaries under market and will receive an increase based on the 2007 Classification and Compensation Study

Class Code	Current Job Classification Title	Group	Top Step Annual Base Salary as of 12/01/08	% Under Market Variance	\$ Under Market Variance	1st increase	2nd increase
						7/1/2009	7/1/2010
04159	Fleet and Facilities Manager	MB	\$104,472	8.14%	\$8,506.48	\$5,954.54	\$2,551.94
04145	Planning Manager	MB	\$104,472	7.00%	\$7,314.07	\$5,119.85	\$2,194.22
04121	Deputy Information Technology Director	MB	\$110,820	5.30%	\$5,874.14	\$4,111.90	\$1,762.24
04131	Deputy Director of Parks and Recreation	MB	\$118,020	4.11%	\$4,850.62	\$3,395.44	\$1,455.19
04149	Deputy Community Development Director/Building	MB	\$129,876	2.71%	\$3,523.31	\$2,466.32	\$1,056.99
04198	Revenue Officer	MB	\$99,984	1.95%	\$1,953.65	\$1,367.56	\$586.10
04146	Deputy Community Development Director/Planning	MB	\$129,876	1.83%	\$2,373.74	\$1,661.62	\$712.12
04151	Deputy PW Director/Operations & Maintenance	MB	\$134,760	1.61%	\$2,165.14	\$1,515.60	\$649.54
04128	Parks Superintendent	MB	\$99,984	0.66%	\$661.45	\$463.01	\$198.43
04124	Community & Cultural Services Superintendent	MB	\$99,984	0.66%	\$659.89	\$461.93	\$197.97

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04130	Recreation Superintendent	MB	\$99,984	0.66%	\$659.89	\$461.93	\$197.97
04163	Engineering Services Manager	MB	\$124,728	0.58%	\$729.39	\$510.57	\$218.82

Stockton Management C Classifications listed below are base salaries under market and will receive an increase based on the 2007 Classification and Compensation Study

Class Code	Current Job Classification Title	Group	Top Step Annual Base Salary as of 12/01/08	% Under Market Variance	\$ Under Market Variance	1st increase	2nd increase
						7/1/2009	7/1/2010
05727	Supervising Evidence Technician	MC	\$65,052	16.92%	\$11,007.67	\$7,705.37	\$3,302.30
05535	Property Room Supervisor	MC	\$62,880	14.23%	\$8,949.15	\$6,264.40	\$2,684.74
05197	Geographic Information Systems Supervisor	MC	\$85,884	13.08%	\$11,233.63	\$7,863.54	\$3,370.09
05198	Technology Systems Supervisor	MC	\$85,884	12.56%	\$10,787.03	\$7,550.92	\$3,236.11
05270	Risk/Loss Control Officer	MC	\$70,896	10.67%	\$7,564.60	\$5,295.22	\$2,269.38
05220	Code Enforcement Field Manager	MC	\$73,116	10.56%	\$7,724.16	\$5,406.91	\$2,317.25
05348	Senior Economic Development Analyst	MC	\$80,400	10.20%	\$8,200.80	\$5,740.56	\$2,460.24
05349	Program Manager I	MC	\$79,524	9.39%	\$7,467.30	\$5,227.11	\$2,240.19
05173	Program Manager II	MC	\$88,680	9.39%	\$8,327.05	\$5,828.94	\$2,498.12
05169	Senior Administrative Analyst	MC	\$79,608	9.39%	\$7,475.19	\$5,232.63	\$2,242.56
05218	Supervising Public Works Inspector	MC	\$76,716	8.55%	\$6,557.12	\$4,589.98	\$1,967.14
05214	Code Enforcement Supervisor	MC	\$69,900	8.47%	\$5,920.53	\$4,144.37	\$1,776.16
05485	Supervising Combination Inspector	MC	\$76,716	8.20%	\$6,291.29	\$4,403.90	\$1,887.39
05212	Fleet Operations Coordinator	MC	\$78,180	8.14%	\$6,365.69	\$4,455.99	\$1,909.71
05301	Fleet Manager	MC	\$88,236	8.14%	\$7,182.41	\$5,027.69	\$2,154.72
05459	Micro-Computer Section Supervisor	MC	\$69,552	5.82%	\$4,047.93	\$2,833.55	\$1,214.38
05199	Network Support Services Supervisor	MC	\$85,884	5.82%	\$4,998.45	\$3,498.91	\$1,499.53
05293	Animal Services Supervisor	MC	\$67,236	5.49%	\$3,691.26	\$2,583.88	\$1,107.38
05154	Senior Buyer	MC	\$68,184	3.74%	\$2,552.35	\$1,786.65	\$765.71
05343	Arborist	MC	\$69,900	2.91%	\$2,032.64	\$1,422.84	\$609.79
05345	Recreation Supervisor	MC	\$69,900	2.88%	\$2,013.15	\$1,409.21	\$603.95
05274	Parks Supervisor	MC	\$59,220	2.88%	\$1,705.54	\$1,193.88	\$511.66
05471	Senior Golf Course Supervisor	MC	\$75,348	2.88%	\$2,170.02	\$1,519.02	\$651.01
05470	Senior Parks Supervisor	MC	\$75,348	2.88%	\$2,170.02	\$1,519.02	\$651.01
05425	Supervising Librarian	MC	\$73,116	2.82%	\$2,061.87	\$1,443.31	\$618.56
05825	Reprographics Supervisor	MC	\$60,420	2.73%	\$1,651.15	\$1,155.81	\$495.35
05455	Supervising Accountant	MC	\$85,968	2.00%	\$1,718.93	\$1,203.25	\$515.68
05286	Deputy Building Official	MC	\$99,984	1.91%	\$1,912.14	\$1,338.49	\$573.64
05522	Fire Telecommunications Supervisor (10-12 hour)	MC	\$71,172	1.70%	\$1,209.92	\$846.95	\$362.98
05518	Fire Telecommunications Supervisor (24-hour)	MC	\$71,172	1.70%	\$1,209.92	\$846.95	\$362.98
05541	Police Telecommunications Supervisor	MC	\$71,172	1.70%	\$1,207.08	\$844.95	\$362.12
05201	Senior Police Telecommunications Supervisor	MC	\$80,964	1.70%	\$1,373.15	\$961.20	\$411.94
05226	Plan Check Engineer	MC	\$92,292	1.66%	\$1,529.81	\$1,070.87	\$458.94
05400	Supervising Mechanic	MC	\$70,536	1.48%	\$1,047.43	\$733.20	\$314.23
05117	Supervising Plan Checker/Structural Engineer	MC	\$103,332	1.08%	\$1,115.99	\$781.19	\$334.80

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05718	Parking District Supervisor	MC	\$64,860	0.31%	\$202.21	\$141.55	\$60.66
05722	Supervising Parking Attendant	MC	\$52,944	0.31%	\$165.06	\$115.54	\$49.52

Stockton Management B Classifications listed below are base salaries over market and will not receive an increase based on the 2007 Classification and Compensation Study

Class Code	Current Job Classification Title	Group	Top Step Annual Base Salary as of 12/01/08	% Over Market Variance	\$ Over Market Variance	1st increase		2nd increase	
						7/1/2009	7/1/2010	7/1/2009	7/1/2010
04100	Engineering Manager/Assist MUD Director	MB	\$140,940	11.27%	\$15,889.48	\$0.00	\$0.00	\$0.00	\$0.00
04158	City Traffic Engineer	MB	\$124,728	9.60%	\$11,976.49	\$0.00	\$0.00	\$0.00	\$0.00
04179	Deputy Redevelopment Director	MB	\$118,020	9.40%	\$11,097.78	\$0.00	\$0.00	\$0.00	\$0.00
04178	Deputy Housing Director	MB	\$118,020	7.10%	\$8,383.59	\$0.00	\$0.00	\$0.00	\$0.00
04177	Deputy Economic Development Director	MB	\$118,020	3.40%	\$4,009.09	\$0.00	\$0.00	\$0.00	\$0.00
04155	Purchasing Agent	MB	\$99,984	2.94%	\$2,942.60	\$0.00	\$0.00	\$0.00	\$0.00
04139	Deputy Director MUD/Wastewater	MB	\$124,248	2.73%	\$3,390.25	\$0.00	\$0.00	\$0.00	\$0.00
04164	Deputy Director MUD/Water Resource Planning	MB	\$134,760	2.73%	\$3,677.08	\$0.00	\$0.00	\$0.00	\$0.00
04142	Deputy PW Director/Solid Waste & Building	MB	\$106,584	2.47%	\$2,632.62	\$0.00	\$0.00	\$0.00	\$0.00
04160	Solid Waste Manager	MB	\$99,984	2.06%	\$2,063.68	\$0.00	\$0.00	\$0.00	\$0.00
04107	Deputy Director of Library Services	MB	\$118,020	1.89%	\$2,230.18	\$0.00	\$0.00	\$0.00	\$0.00
04147	Deputy Director MUD/Stormwater	MB	\$124,248	1.56%	\$1,938.27	\$0.00	\$0.00	\$0.00	\$0.00
04122	Deputy Director MUD/Wastewater (PE)	MB	\$134,760	1.56%	\$2,102.26	\$0.00	\$0.00	\$0.00	\$0.00
04167	Deputy Director MUD/Water & Collection Systems	MB	\$124,248	1.56%	\$1,938.27	\$0.00	\$0.00	\$0.00	\$0.00
04166	Deputy Director MUD/Water & Collection Systems (PE)	MB	\$134,760	1.56%	\$2,102.26	\$0.00	\$0.00	\$0.00	\$0.00
04123	Deputy Director MUD/Water & Sewer (PE)	MB	\$134,760	1.56%	\$2,102.26	\$0.00	\$0.00	\$0.00	\$0.00
04039	Deputy PW Director/City Engineer	MB	\$140,940	1.37%	\$1,933.25	\$0.00	\$0.00	\$0.00	\$0.00
04163	Engineering Services Manager	MB	\$124,728	0.58%	\$729.39	\$0.00	\$0.00	\$0.00	\$0.00
04156	Geographic Information Systems Manager	MB	\$85,800	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04157	Management Information Systems Manager	MB	\$85,800	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Stockton Management C Classifications listed below are base salaries over market and will not receive an increase based on the 2007 Classification and Compensation Study

Class Code	Current Job Classification Title	Group	Top Step Annual Base Salary as of 12/01/08	% Over Market Variance	\$ Over Market Variance	1st increase		2nd increase	
						7/1/2009	7/1/2010	7/1/2009	7/1/2010
05680	Materials Supervisor	MC	\$70,896	15.19%	\$10,769.10	\$0.00	\$0.00	\$0.00	\$0.00
05210	Geographic Information Systems Administrator	MC	\$73,116	13.08%	\$9,563.57	\$0.00	\$0.00	\$0.00	\$0.00
05495	Facilities Maintenance Supervisor	MC	\$61,884	10.19%	\$6,305.98	\$0.00	\$0.00	\$0.00	\$0.00
05473	Senior Facilities Maintenance Supervisor	MC	\$80,004	10.19%	\$8,152.41	\$0.00	\$0.00	\$0.00	\$0.00
05336	Budget Analyst I	MC	\$56,784	7.57%	\$4,298.55	\$0.00	\$0.00	\$0.00	\$0.00

MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

05206	Budget Analyst II	MC	\$79,608	7.57%	\$6,026.33	\$0.00	\$0.00
05460	Public Works Supervisor	MC	\$80,160	7.51%	\$6,020.02	\$0.00	\$0.00
05450	Public Works Supervisor/Electrical	MC	\$86,832	7.51%	\$6,521.08	\$0.00	\$0.00
05450	Public Works Supervisor/Electrical	MC	\$86,832	7.51%	\$6,521.08	\$0.00	\$0.00
05221	Senior Public Works Supervisor	MC	\$88,236	7.51%	\$6,626.52	\$0.00	\$0.00
05216	Senior Public Works Supervisor/Electrical	MC	\$95,580	7.51%	\$7,178.06	\$0.00	\$0.00
05236	Associate Engineer/Mechanical	MC	\$86,400	6.88%	\$5,944.32	\$0.00	\$0.00
05237	Associate Engineer/Traffic	MC	\$86,400	6.88%	\$5,944.32	\$0.00	\$0.00
05127	Associate Mechanical Engineer	MC	\$95,868	6.88%	\$6,595.72	\$0.00	\$0.00
05708	Executive Assistant	MC	\$62,880	6.49%	\$4,080.91	\$0.00	\$0.00
05125	Associate Civil Engineer	MC	\$95,868	6.18%	\$5,924.64	\$0.00	\$0.00
05234	Associate Engineer	MC	\$86,400	6.18%	\$5,339.52	\$0.00	\$0.00
05232	Associate Traffic Engineer	MC	\$95,868	6.18%	\$5,924.64	\$0.00	\$0.00
05720	Supervising Office Assistant	MC	\$58,920	5.59%	\$3,293.63	\$0.00	\$0.00
05741	Supervising Revenue Assistant	MC	\$64,860	5.54%	\$3,593.24	\$0.00	\$0.00
05370	Supervising Real Property Agent	MC	\$99,984	5.49%	\$5,489.12	\$0.00	\$0.00
05505	Fire Telecommunications Specialist	MC	\$69,768	5.34%	\$3,725.61	\$0.00	\$0.00
05771	Supervising Police Records Assistant	MC	\$62,880	3.17%	\$1,993.30	\$0.00	\$0.00
05291	Housing Programs Supervisor	MC	\$82,932	2.65%	\$2,197.70	\$0.00	\$0.00
05126	Architect	MC	\$76,104	2.55%	\$1,940.65	\$0.00	\$0.00
05225	Assistant City Traffic Engineer	MC	\$107,328	2.47%	\$2,651.00	\$0.00	\$0.00
05116	Senior Civil Engineer	MC	\$107,328	2.47%	\$2,651.00	\$0.00	\$0.00
05260	Library Division Manager	MC	\$87,792	1.89%	\$1,659.27	\$0.00	\$0.00
05886	Senior Community Service Officer	MC	\$58,332	0.91%	\$530.39	\$0.00	\$0.00
05461	Tree Maintenance Supervisor	MC	\$69,900	0.43%	\$300.57	\$0.00	\$0.00
05191	Senior Planner	MC	\$90,468	0.05%	\$46.40	\$0.00	\$0.00
05235	Senior Transportation Planner	MC	\$90,024	0.05%	\$45.01	\$0.00	\$0.00
05209	Computer Operations & Maintenance Supervisor	MC	\$73,116	0.00%	\$0.00	\$0.00	\$0.00
05472	Craft Maintenance Supervisor	MC	\$68,184	0.00%	\$0.00	\$0.00	\$0.00
05360	Financial Services Supervisor	MC	\$68,112	0.00%	\$0.00	\$0.00	\$0.00
05497	Library Building Maintenance Supervisor	MC	\$58,920	0.00%	\$0.00	\$0.00	\$0.00
05287	Park Facility Planner	MC	\$99,984	0.00%	\$0.00	\$0.00	\$0.00
05207	Police Planning Analyst	MC	\$79,608	0.00%	\$0.00	\$0.00	\$0.00
05130	Quality Improvement Coordinator	MC	\$94,728	0.00%	\$0.00	\$0.00	\$0.00
05196	SCADA/CMMS Manager	MC	\$85,884	0.00%	\$0.00	\$0.00	\$0.00
05217	Surveying Supervisor	MC	\$72,468	0.00%	\$0.00	\$0.00	\$0.00
05686	Warehouse Supervisor	MC	\$54,780	0.00%	\$0.00	\$0.00	\$0.00

LETTER OF UNDERSTANDING
BETWEEN THE CITY OF STOCKTON
AND
STOCKTON MANAGEMENT B & C ASSOCIATION

PRE-LAY OFF HEARING PROCEDURE

This Letter of Understanding ("LOU") is made effective January 9, 2009, and has been jointly prepared by the designated representatives of the City of Stockton, a public agency within the meaning of section 3501(c) of the Government Code of the State of California (the "City"), and the designated representatives of both the Mid-Management and Supervisory Level Units of the Stockton Management B & C Association, a recognized employee organization within the meaning of section 3501(b) of the Government Code of the State of California (collectively, "Management B & C"). This LOU modifies that certain Memorandum of Understanding between the City and Management B & C for the period ending June 30, 2014 ("MOU"), as follows:

WHEREAS, the City Council of the City of Stockton has adopted Resolution No. 08-0446 authorizing the City Manager to layoff City employees in order to meet the revised fiscal year 2008-2009 appropriation levels if those levels are not met from the hiring freeze, Voluntary Separation Program, interdepartment transfers, normal attrition, and other cost reduction measures; and

WHEREAS, members of Management B & C have been granted bumping rights under the Memorandum of Understanding, and accordingly each member is entitled, upon request, to an administrative hearing prior to being laid off (Pre-Lay Off Hearing); and

WHEREAS, the subject matter of the Pre-Lay Off Hearing is limited to the order of lay offs; now, therefore

The City and Management B & C, after meeting and conferring in good faith under section 3505 of the Government Code of the State of California, have reached the following understanding regarding the procedure by which Pre-Lay Off Hearings will occur:

1. Within 10 work days of the receipt of a notice of layoff by a member of Management B & C, the member may file a Request for a Pre-Lay Off Hearing with the Director of Human Resources or a designee of the Director of Human Resources, who shall act as the Pre-Lay Off Hearing Officer.

2. The Hearing Request must be in writing upon a form supplied by the Human Resources Department (see exhibit). The Hearing Request must state specifically what provisions of the lay off procedures were incorrectly applied and the reasons or actions constituting the misapplication.

3. The basis for the Hearing Request shall be limited to:
 - a. Order of Lay Off. The order of lay off shall include seniority calculation, determination of comparable class, service time, continuous service, previously held positions, and other similar matters.
 - b. Order of Placement on Reemployment Lists. The basis of a hearing for reemployment shall be based upon the identification of a comparable or lower classification and the order of placement on such lists.
4. The Pre-Lay Off Hearing Officer shall schedule the hearing to occur before the effective date of the layoff, and the hearing shall be held in the Human Resources Department in a room made suitable for the occasion.
5. The unit member contesting the lay off notice shall attend the hearing to present his or her case and shall have the right to be accompanied by union or other representation.
6. The Pre-Lay Off Hearing Officer shall issue his or her decision prior to the effective date of the layoff.
7. Unless otherwise found by the Pre-Lay Off Hearing Officer, the appeal procedure contained herein shall not delay the effective date of the lay off.
8. Nothing contained herein shall be construed as restricting the employee's or B & C's rights pursuant to the City Charter, Memorandum of Understanding, the Civil Service Rules, or the Stockton Municipal Code.
9. Any dispute arising from the interpretation and application of this LOU shall be resolved in accordance with the grievance procedures set forth in Section 8 of the MOU.

IN WITNESS WHEREOF, the parties hereto have executed this Letter of Understanding effective the date first set forth above.

APPROVED AS TO FORM:

CITY OF STOCKTON,
a Municipal Corporation

REN NOSKY
CITY ATTORNEY

By: H. Michon Johnson
H. Michon Johnson
Its: Deputy City Attorney

By: Dianna R. Garcia
Dianna R. Garcia
Its: Employee Relations Officer

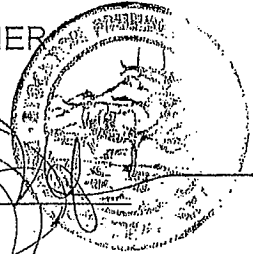
ATTEST
[Signature]
CITY CLERK

APPROVED AS TO FORM:
GOYETTE & ASSOCIATES INC., PC.

ATTEST:
KATHERINE GONG MEISSNER
CITY CLERK

By: Luciano Beltran
Luciano Beltran
Its: Labor Representative for
Mid-Management/Supervisory Association

By: [Signature]
~~Deputy City Clerk~~



STOCKTON CITY EMPLOYEES
ASSOCIATION

By: [Signature]
Peaches Ehrich
Its: President

