



**RESOLUTION NO. 2019-28**

**MEMORANDUM OF UNDERSTANDING  
CITY OF WINTERS  
MANAGEMENT (DEPARTMENT HEAD) EMPLOYEES**

**Effective  
July 1, 2019**

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**ARTICLE I  
GENERAL PROVISIONS**

**1.1 Application**

1.1.1 This Resolution applies to the following management employees:

Director of Administrative Services  
Director of Community Development  
Director of Financial Management  
Fire Chief  
Housing Manager  
Police Chief

**1.2 Term**

1.2.1

This Memorandum of Understanding shall remain in full force and effect from July 1, 2019 through June 30, 2021 and from year to year thereafter unless one party serves notice on the other.

**ARTICLE II            COMPENSATION**

**2.1 Salary**

2.1.1 The salary schedule for employees covered by this Resolution are set forth in Exhibit A.

2.1.1.1 Effective July 1, 2019, salary ranges will be established based on Cost of Living and merit based raises.

**2.2 Administrative Leave**

2.2.1 All employees covered by this Resolution shall receive 12 days administrative leave per fiscal year beginning July 1<sup>st</sup>. Actual accrual occurs in the same manner as sick leave (one (1) nine (9) hour day each month). This administrative leave shall be in addition to accrued vacation leave and other leaves provided by the City. Administrative leave shall be subject to the same rules for usage and accounting as vacation leave except as provided below:

2.2.2 Each employee may request in advance of accrual and receive Administrative time off which has not been accrued, and if the employee separates from employment before the time is accrued, the amount will be deducted from vacation time on the books or in cash.

2.2.3 If employee would like to cash in his or her administrative leave time, they may cash in up to twenty-seven hours, (27) must be accrued and on the books at the time the request is made.

2.2.4 No employee may carry over any administrative leave balance past June 30 each year. (Carry over is accepted while cash out is limited to anything under 63 hours.) Administrative leave balances have no cash value at separation.

2.3 **Cellular Phones.**

2.3.1 Cellular Phones. Employees covered by this Resolution are entitled to use a cellular telephone to conduct City business and emergencies.

2.4 **Deferred Compensation.**

2.4.1 The City of Winters contributes 7% of employee individual salary in to a deferred compensation contribution plan. Only plans approved by the City in its deferred compensation program will be eligible for City contribution. At the time of this contract ratification, the City offers four deferred compensation providers from which employees may select. An employee who has increased their personal contribution into a Deferred Compensation plan the City will contribute \$500 annually. (Employer paid deferred compensation is frozen at this time.)

2.5 **CALGOVEBA**

All employees covered under this Memorandum of Understanding agree to participate in the California Government VEBA (CALGOVEBA), a Individual health reimbursement account, pursuant to IRS Tax-exempt code 501 (c)(9). All employees agree to the contributions based on each pay period:

**Salary reduction: Contribution:**

<b>Employee Category</b>	<b>Mandatory Contribution</b>
0-10 Years of Service	\$150 per pay period
11-17 Years of Service	\$200 per pay period
18-25 Years of Service	\$225 per pay period
25 + Years of Service	\$250 per pay period

**Terminal Leave Contribution:**

<b>Employee Category</b>	<b>Mandatory Contribution</b>
0-5 Years of Service	50% value of leaves
6-10 Years of Service	75% value of leaves
11-20 Years of Service	75% value of leaves
20+ Years of Service	90% value of leaves

2.6 **Social Security.**

Employees are required to participate in Social Security. The City shall pay the employer costs as determined by the applicable rules and regulations. The employee shall pay their portion of Social Security as determined by the rules and regulations.

2.7 **State Unemployment Insurance (SUI).**

2.7.1 The City shall pay all State Unemployment Insurance costs.

2.8 **Longevity Incentive.**

2.8.1 An employee who has completed five (5) consecutive years employment is eligible to receive a lump sum amount equal to one-half (1/2) month's base wage payable at the beginning of the sixth (6<sup>th</sup>) year and each year thereafter until the employee leaves City employment.

**ARTICLE III MEDICAL AND RELATED BENEFITS**

3.1 **Medical Insurance**

3.1.1

(a) Cafeteria Allowance (Effective January 1, 2019). The City shall make a monthly allowance available to each full-time employee under the City's Section 125 plan ("Plan") for the purchase of any benefits offered under the Plan including medical, dental, vision and supplemental insurance coverage. The allowance for which the employee will be eligible shall be based on the coverage level in which the employee enrolls for medical insurance as set forth below:

<u>Coverage Level</u>	<u>Monthly Allowance</u>
Employee Only	\$1,200
Employee +1	\$1,700
Family	\$1,950

Any portion of the monthly allowance that is not allocated towards the purchase of benefits under the Plan shall be paid to the employee as taxable wages. Effective January 1, 2020 and every year thereafter during the term of this agreement, the City shall increase the preceding allowance by up to 5% of the aggregate increase in the monthly premiums unless premiums increase by more than 10%, then the City will increase the allowance by 50% of the increase up to 7.5% for: (a) the CalPERS Kaiser basic plan in the Sacramento region, (b) dental plan and (c) vision plan, from the prior year for the applicable coverage level. The employee shall be responsible for any cost in the selected benefits in excess of the

allowance but such out-of-pocket cost shall be made on a pre-tax basis by payroll deduction.

Prior agreements permitted some employees to receive a greater cafeteria allowance than our new cafeteria plan. That excess benefit is being eliminated. Those employees will receive a one time "bridge payment" paid on the first pay period in July 2019 to help ameliorate the loss of the previous benefit. All such bridge payments are subject to applicable payroll taxes and withholdings, and they are not reportable compensation for CalPERS purposes.

(b) Medical Opt-Out Amount (Effective January 1, 2019).

Employees eligible for the Allowance pursuant to the preceding section that are covered by another group health plan may receive a monthly taxable payment equal to \$1,200 in lieu of the Allowance. Employees may elect this option by completing an opt-out agreement provided by the City and providing satisfactory proof of enrollment of the employee and his or her spouse and dependents, if any, in an alternative group health plan. This election will only apply for the calendar year in which it was made. A new opt-out election must be made each calendar year during open enrollment to be eligible to receive the opt-out amount. Employees who opt out of medical, may purchase dental, vision, and supplemental insurance through the City.

(c) Miscellaneous. Employees may be required to purchase other insurance pursuant to terms and conditions established by insurance carriers and as agreed to by the Association.

**3.2 Long Term Disability Insurance**

3.2.1 The City shall provide to all employees covered by this Resolution coverage in the long term disability insurance plan. Employer paid.

**3.3 Life Insurance**

3.3.1 The City shall maintain in effect life insurance for all employees covered by this Resolution in the amount of two-times employee's annual salary. Employer paid.

**ARTICLE IV LEAVES**

**4.1 Holidays**

4.1.1 Employees shall receive the following holidays:

New Year's Day	Labor Day
Martin Luther King's Birthday	Veteran's Day
Presidents Day	Thanksgiving Day
Half Day Good Friday	The Day after Thanksgiving Day

Memorial Day	December 24 <sup>th</sup> (Christmas Eve)
Independence Day	December 25 <sup>th</sup> (Christmas Day)
Cesar Chavez Day (Recognized Only – Monday through Friday)	

4.1.2 In addition, each management employee shall receive two (2) floating holidays per year. These two floating holidays have no cash value, and may not be cashed at separation. Each floating holiday is equivalent to one work day and cannot be broken up by hours.

4.1.3 If any holiday falls on a Sunday, the Monday following will be observed as the holiday. If it falls on a Saturday, the Friday preceding will be observed.

**4.2 Vacation Leave**

4.2.1 Each employee shall earn paid vacation leave on a monthly basis at each pay period during the month. Vacation time shall be prorated in any partially worked month and the accrual rate shall be effective on the first day beginning the new benchmark year.

Years of Service	Vacation Leave Earned Annually
0 through 3 years	12 days
4 through 6 years	15 days
7 through 9 years	17 days
10 through 12 years	20 days
13 through 16 years	22 days
17 through 22 years	25 days
23 through plus years	27 days

4.2.2 Upon approval of the City Manager, employees may, at his/her request cash in their unused vacation leave hours paid directly to him/her at their regular hourly rate of pay, but must leave one weeks vacation time on the books.

4.2.3 Vacation Leave Accrual will be capped at 500 hours. Accrual during a fiscal year that has exceeded the 500 hour cap will be reset to the 500 cap effective on the following June 30<sup>th</sup> of each fiscal year if not used. All employees shall take at least one (1) week {5 straight working days} away from the job each year.

Side letter of agreement with employees over 500 hours.

4.2.4 An employee separated from City service shall be compensated for vacation hours on the books.

### **4.3 Sick Leave**

4.3.1 Represented full-time employees in this Association earn and accumulate sick leave at the rate of one (1) day (8 hours/9 hours for employees working a 9/80 alternative work schedule) per month for each calendar month of service. An employee continues to earn sick leave while on any paid leave. There shall be no limit to the amount of sick leave credit and employee may accrue. Each employee has one (1) hour deducted from the employee's accrued sick leave time for each hour of sick leave taken. Employees who retire from the City of Winters with 20 years or more of service may receive ½ cash out, up to 500 hours. Remaining hours after the 500 hours cashed out will go toward PERS Service Credit for eligible employees.

4.3.2 If an employee is absent from work for more than three (3) consecutive days, evidence, in the form of a physician's certificate or otherwise, may be required to determine the adequacy of reasons for an employee's sick leave absence.

4.3.3 An employee may take five (5) days off of Sick Leave for bereavement which shall not be counted as part of the fifty-four (54) hours Incentive Sick Leave Bonus, but will be subtracted from accrued sick leave. Bereavement may be granted for death involving members of the immediate family (for this purpose, members of the immediate family shall be defined as: spouse, mother, father, sister, brother, children, grandparents, mother-in-law, or father-in-law).

4.3.4 The City has implemented a Sick Leave Incentive Program for all employees. The Sick Leave Incentive shall be one percent (1%) of an employee's base annual salary. The Sick Leave Incentive shall be paid during the first week of December.

For employees to be eligible for the Sick Leave Incentive, they must not have used more than fifty-four (54) hours of sick leave between December 1 and November 30. New hires are eligible for a pro-rated incentive if hired by June 1. Sick Leave used for work related injuries or illnesses shall not be counted as part of the fifty-four (54) hours Incentive Sick Leave Bonus, but will be subtracted from accrued sick leave. The effective date for determination of work related injuries or illnesses shall be based upon a medical report.

4.3.5 Employees shall not accrue sick leave when they are not in a City-paid leave status (e.g. off but not using vacation or sick time).

4.4 **Catastrophic Illness or Injury**

4.4.1 Full-time employees may donate portions of their vacation or administrative leave balances to other employees who have suffered catastrophic illness or injury. Employees receiving donations of time must first exhaust all available vacation, compensatory time, administrative leave and sick leave.

**ARTICLE V RETIREMENT**

5.1.1 The City will continue its participation in the Public Employee's Retirement System during the term of this agreement.

5.1.2 The formulas in effect are:

**Tier One Retirement Formula**

Miscellaneous employees hired before December 31, 2012 will receive a 2% @ 55, with a single highest year, retirement formula.

Safety employees hired before 2012 will receive a 3% @ 55, with a three year average compensation formula.

**Tier Two Retirement Formula**

Miscellaneous employees hired on or after January 1, 2013 and who are not considered new member as defined by California Government Code Section 7522.04(f) will receive a 2% @ 55.

Safety employees hired in 2012 will receive a 2% @ 50, with a three year average compensation formula.

**Tier Three Retirement Formula**

Miscellaneous employees hired after January 1, 2013 and who qualify as "new members" as defined by California Government Code Section 7522.04(f) will receive a 2% @ 62, with a three year average, retirement formula.

Safety employees hired after January 1, 2013 will receive a 2.7% @ 57, with a three year average compensation formula.

The City shall pay the employer rate and the employee shall pay the employee rate for Miscellaneous.

The City shall pay the employer rate and the employee shall pay the employee rate for Safety Employee.

5.1.3 The City will continue to pay the employer's share to the retirement system.

- 5.1.4 The City provides the sick leave conversion benefit as specified in the Government Code, Section 20965 to miscellaneous category of employees who are eligible.
- 5.1.5 The City shall maintain the PERS single highest year option for miscellaneous category of employees who are eligible.

**ARTICLE VI PUBLIC SAFETY DIRECTORS**

- 6.1 Special Provisions for Public Safety Directors.  
Public Safety Directors covered by this Resolution shall have separate provisions regarding retirement, vehicle use, uniform allowance and holiday time use.
- 6.1.1 Police Chief. The Chief of Police shall receive the same safety retirement benefits and uniform allowance as provided to safety personnel. The City of Winters shall provide a City vehicle for use by the Chief of Police.
- 6.2 Equity Clause  
Should represented subordinate employee groups or associations, including the Winters Police Officers Association, Winters Police Sergeants Association, or the City of Winters Fire Department employees compensated according to the Fire Department Personnel Rules and Benefits, receive new and better economic or benefit(s) provisions than those provided to Police Chief or Fire Chief under this agreement, the Police Chief or Fire Chief, whoever is superior to the represented subordinate employee groups or associations, shall receive the equivalent economic or benefit(s) provisions provided to the subordinate employee group or association on a prospective basis. This excludes specific incentive pay currently afforded to these groups, such as bilingual pay, education pay, holiday pay, or shift differential pay, unless previously afforded to the Police Chief or Fire Chief under this agreement.  
  
Should any other subordinate represented employee group or association agree to adverse economic or benefit(s) provisions, or the City imposes adverse economic or benefit(s) provisions on them as a result of impasse, the Department Head Association shall be engaged pursuant to current labor law to discuss, in good faith, any similar terms. At no time shall economic or benefit(s) provisions be imposed upon the Police Chief or Fire Chief that are in excess of the adverse economic or benefit(s) provisions imposed on the subordinate employee group or association.

**ARTICLE VII**

**OTHER COMPENSABLE ITEMS NOT SET FORTH HEREIN**

- 7.1 Other Compensable Items Not Set Forth Herein
- 7.1.1 Other items not set forth herein which are compensable as terms and conditions of employment of the employees covered by this Resolution shall continue to be compensated by the City of Winters at the rate applicable on July 1, 2019 unless determined otherwise by the Winters City Council in accordance with law or required otherwise by law.

Approved by the City of Winters Management (Department Head) Employee Association on the 25<sup>th</sup> day of June, 2019.

BY: [Signature]  
Association Representative

BY: [Signature]  
Association Representative

Accepted for submittal to the City Council on the 27 day of June, 2019.

BY: [Signature]  
John W. Donlevy, Jr., City Manager

APPROVED, RATIFIED, AND ORDERED IMPLEMENTED by the Winters City Council on the 2<sup>nd</sup> day of July, 2019.

[Signature]  
Bill Biasi, Mayor

ATTEST:

[Signature]  
Tracy Jensen, City Clerk

**EXHIBIT A**  
**MONTHLY SALARY RANGES**

**CITY OF WINTERS**  
**EXEMPT SALARY SCHEDULE**  
**July 1, 2019**  
**5% COLA**

<b>Position</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
Director of Administrative Services (v)	\$8,877	\$9,321	\$9,787	\$10,277	\$10,791
Director of Community Development (v)	\$8,877	\$9,321	\$9,787	\$10,277	\$10,791
Director of Financial Management	\$8,877	\$9,321	\$9,787	\$10,277	\$10,791
Fire Chief	\$8,877	\$9,321	\$9,787	\$10,277	\$10,791
Housing Manager	\$8,877	\$9,321	\$9,787	\$10,277	\$10,791
Police Chief	\$9,437	\$9,909	\$10,405	\$10,925	\$11,471

**CITY OF WINTERS**  
**EXEMPT SALARY SCHEDULE**  
**July 1, 2020**  
**2.5% COLA**

<b>Position</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
Director of Administrative Services (v)	\$9,099	\$9,554	\$10,032	\$10,534	\$11,060
Director of Community Development (v)	\$9,099	\$9,554	\$10,032	\$10,534	\$11,060
Director of Financial Management	\$9,099	\$9,554	\$10,032	\$10,534	\$11,060
Fire Chief	\$9,099	\$9,554	\$10,032	\$10,534	\$11,060
Housing Manager	\$9,099	\$9,554	\$10,032	\$10,534	\$11,060
Police Chief	\$9,673	\$10,157	\$10,665	\$11,198	\$11,758