

SIDE LETTER AGREEMENT BETWEEN
THE CITY OF EL CERRITO
AND
EL CERRITO POLICE EMPLOYEE'S ASSOCIATION

MODIFYING LANGUAGE ON SALARIES AND RETIREMENT

July 15, 2014

Representatives for the City of El Cerrito and representatives for the El Cerrito Police Employees' Association have agreed to the following modifications of the Memorandum of Understanding between the City of El Cerrito and the El Cerrito Police Employees' Association which expires on June 30, 2016 and was extended to June 30, 2017 by a Side Letter between the parties dated July 8, 2010 and subsequently modified by a Side Letter dated June 19, 2012. It is the intent of the parties that the Side Letter dated July 15, 2014, modifies as follows the Side Letters dated July 8, 2010 and June 19, 2012.

The modifications to the Memorandum of Understanding between the City of El Cerrito and the El Cerrito Police Employees' Association are as follows:

- Section 3.1 Duration of this Memorandum – This agreement shall be in full force and effect commencing July 1, 2006, through December 31, 2017. Terms and conditions of this Agreement shall remain in full force until adoption of a successor Agreement.
- Section 7.1 – 7.5 Health, Dental and Retirement
 - Maintenance of current benefits for term of MOU.
- Section 7.4 Retirement Plan for Sworn Personnel
 - Effective June 30, 2001, the retirement plan for sworn personnel shall be the 3.0% @ 50 PERS Plan, including:
 - Credit for Unused Sick leave at retirement
 - Final Compensation - Single highest year
 - 1959 Survivor Benefits Level IV
 - For sworn personnel who are hired after December 31, 2012 and who are not “Classic Employees” as defined by CalPERS, the following retirement benefits shall be provided:
 - Retirement formula commonly known as 2.7% @ 57
 - Final Compensation – 3 Year Average
 - Credit for Unused Sick Leave at Retirement
 - The employee contribution shall be 50% of the normal cost as defined by PERS.
 - For miscellaneous personnel who are hired after December 31, 2012 and who are not “Classic Employees” as defined by CalPERS, the following retirement benefits shall be provided:
 - Retirement formula commonly known as 2% @ 62
 - Final Compensation – 3 Year Average
 - Credit for Unused Sick Leave at Retirement

- The employee shall contribution shall be 50% of the normal cost as defined by PERS.
- Section 8.1 Holidays
 - Effective July 1, 2010, the City will increase the number of floating holidays from two (2) to three (3).
- Section 13.1 Base Monthly Salaries
 - Salary increases for Non-Sworn Personnel
 - Effective July 2010 – 2.0%
 - Effective January 2011 – 2.0%
 - Effective July 2011 – Survey
 - Effective the first full pay period in July 2012, there shall be no increase to the base salary for represented classifications.
 - Effective July 2013 – Survey
 - Effective the first full pay period after adoption of this Side Letter by the City Council, the base monthly salary shall be increased by 8.0%.
 - Effective the first full pay period in July 2015, the base monthly salary shall be increased by 4.5%.
 - Effective the first full pay period in July 2016, the base monthly salary shall be increased by 4.0%.
 - Salary increase for Police Sergeant
 - Effective July 2010 – 3.0%
 - Effective January 2011 – 3.0%
 - Effective July 2011 – 3.0%
 - Effective January 2012 – 3.0 %
 - Effective the first full pay period in July 2012, there shall be no increase to the base salary for represented classifications.
 - Effective July 2013 – Survey
 - Effective the first full pay period after adoption of this Side Letter by the City Council, the base monthly salary shall be increased by 8.0%.
 - Effective the first full pay period in July 2015, the base monthly salary shall be increased by 4.5%.
 - Effective the first full pay period in July 2016, the base monthly salary shall be increased by 4.0%.
 - Salary increase for Police Officer/Corporal
 - Effective July 2010 – 3.5%
 - Effective January 2011 – 3.5%
 - Effective July 2011 – 3.5%
 - Effective January 2012 – 3.5%
 - Effective the first full pay period in July 2012, there shall be no increase to the base salary for represented classifications.

- Effective July 2013 – Survey
 - Effective the first full pay period after adoption of this Side Letter by the City Council, the base monthly salary shall be increased by 8.0%.
 - Effective the first full pay period in July 2015, the base monthly shall be increased by 4.5%.
 - Effective the first full pay period in July 2016, the base monthly salary shall be increased by 4.0%.
- Section 13.3 - Pension Reimbursement
 - A represented regular employee's base monthly salary shall be as stated in Section 13.1, with the employee's PERS contribution paid by the City.
 - Effective the first payroll period after adoption of this Side Letter by the City Council, classic safety employees shall pay their 9.0% employee contribution towards PERS.
 - Effective the first payroll period after adoption of this Side Letter by the City Council, classic miscellaneous employees shall pay their 8% employee contribution towards PERS and an additional 1% towards the employer PERS contribution for a total of 9% contribution towards PERS pension costs.
 - Effective the first payroll period after adoption of this Side Letter by the City Council, New Miscellaneous Employees, as defined by PERS, shall pay a minimum of 9% towards PERS pension costs.
 - Effective the first full pay period in July 2015, both classic safety and miscellaneous employees shall make a 1.5% contribution towards the employer PERS contribution, for a total of 10.5% contribution towards PERS pension costs.
 - Effective the first full pay period in July 2015, New Miscellaneous Employees shall pay a minimum of 10.5% contribution towards PERS pension costs.
 - Effective the first full pay period in July 2016, both classic safety and miscellaneous employees shall make an additional 1.5% contribution towards the employer PERS contribution, for a total of 12.0% contribution towards PERS pension costs.
 - Effective the first full pay period in July 2016, New Miscellaneous Employees shall pay a minimum of 12.0% contribution towards PERS *pension costs*.
 - Effective the first full payroll period after adoption of this Side Letter by the City Council, both miscellaneous and safety employees hired after December 31, 2012, who are not “Classic Employees” as defined by CalPERS and are receiving retirement benefits as per the Public Employees’ Pension Reform Act (PEPRA) shall pay 50% of the normal costs of their retirements as determined by PERS in accordance with PEPRA requirements.
 - Effective the first payroll period after the adoption of this Side Letter by the City Council, an employee’s pension contributions shall be tax deferred and made in accordance with IRS Section 414 H(2).

- Section 13.6 Longevity

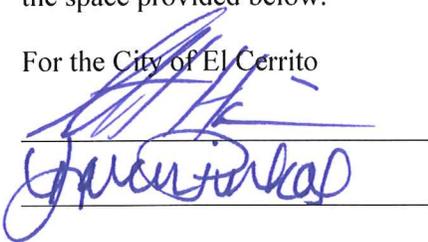
- Effective December 1, 2014 and each December 1 thereafter, the City shall make longevity payments to those employed with the City as of the day of payment as follows:
 - For employees with 5 years of service with the City but less than 10 years, the annual longevity payment shall be three percent (3.0%) of their annual base rate of pay.
 - For employees with 10 years of service with the City but less than 20 years, the annual longevity payment shall be six percent (6.0%) of their annual base rate of pay.
 - For employees with 20 years or more years of service with the City, the annual longevity payment shall be nine percent (9.0%) of their annual base rate of pay.

- Section 13.7 A. Shift Differential

- Effective with the first full pay period in July 2010, this language replaces 13.7 A. of the MOU which expires on June 30, 2017.
 - Effective with the first full pay period in July 2010, sworn personnel assigned to night shift shall receive 2.0% of their base rate of pay as shift differential pay for all hours worked.
 - Effective with the first full pay period in January 2011, shift differential shall be eliminated.

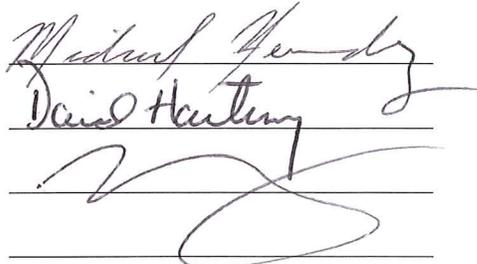
If the forgoing is in accordance with your understanding, please indicate your acceptance and approval in the space provided below.

For the City of El Cerrito



Date: 7/17/14

For the ECPEA



Date: 7/17/14