



**TENTATIVE AGREEMENT
FOR A SUCCESSOR MEMORANDUM OF UNDERSTANDING**
Per California Government Code Section 3505.1
Between
The City of South Gate and
The South Gate Municipal Employees Association (SGMEA)

The previous Memorandum of Understanding ("MOU") between the City of South Gate ("City") and the South Gate Municipal Employees Association ("SGMEA") expired at midnight on June 30, 2017. On June 26, 2017, the SGMEA representatives and the City's labor representative commenced labor negotiations, including exchanging proposals and meeting and conferring towards reaching agreement on a successor MOU. On November 30, 2017, the parties reached a complete tentative agreement on a successor MOU, the deal points of which are set forth below and affirmed by the execution of this Tentative Agreement by the parties' labor representatives. This Tentative Agreement was ratified by the members of the SGMEA on December 4, 2017. This Tentative Agreement shall not become effective until accepted, approved, and adopted by the South Gate City Council per California Government Code Section 3505.1.

Successor MOU: All terms and conditions of the prior SGMEA MOU 2014-2015, including Amendment No. 1 thereto, shall be maintained unless expressly modified or changed herein until the successor SGMEA 2017-2020 MOU is accepted, approved and adopted by City Council.

Term: Effective July 1, 2017 through June 30, 2020 (3 years).

Wages:

- A one-time, lump sum payment of \$500.00. (So that there is no misunderstanding regarding this one-time, lump sum payment, CalPERS considers this type of payment to be Off-Salary-Schedule Pay, and per CalPERS Circular Letter 200-048-16, dated November 10, 2016, it would be reportable only for classic members and only when a pay increase has not been granted in the same fiscal year. Accordingly, the City believes that this payment will not be reportable to CalPERS because SGMEA members are also receiving a salary increase in the same fiscal year.)
- Effective December 10, 2017, the base salary for the positions represented by the SGMEA will be increased by 3.5%.
- Effective June 24, 2018, the base salary for the positions represented by the SGMEA will be increased by 3.5%.
- Effective June 23, 2019, the base salary for the positions represented by the SGMEA will be increased by 3.5%.

Deferred Compensation Match: Effective December 10, 2017, the deferred compensation match for all eligible SGMEA represented employees will be increased from \$65.00 per month to \$100.00 per month. However, actual implementation will occur on a case by case basis when each employee wishing to participate completes and signs the proper paperwork with Human Resources and/or Payroll.


FLSA Implementation: The City and the SGMEA agree to a reopener to discuss the implementation of the change from exempt status to non-exempt status, or vice-versa, for affected SGMEA members, including but not limited to related issues of overtime calculations and right to administrative leave for the affected employees.

Dental/Vision/Life Insurance/Voluntary Insurances/Section 125 Program: The City and SGMEA agree to a reopener to discuss the City's desire to change providers for these particular employee benefits and to meet and confer over the effects of any change in providers or related plans.

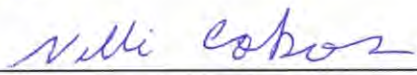
Long-Term Disability Insurance: The City and SGMEA agree to a reopener to discuss the possibility of the City providing Long-Term Disability Insurance for the members represented by the SGMEA and the related employee costs for such insurance, if any.

Comprehensive MOU: The City and the SGMEA agree to work together to jointly prepare and complete the successor SGMEA MOU for City Council approval on or before March 1, 2018. The successor MOU shall contain a provision that complies with AB 119 and sets forth the procedures to be followed by the parties relative to new employee orientations and the SGMEA's right to information.

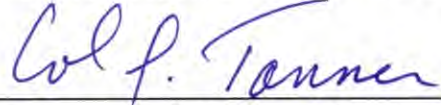
City of South Gate



Jackie Acosta, Director of Administrative Services



Nellie Cobos, Deputy Dir. of Admin. Svcs./HR&RM



Colin Tanner, City's Outside Labor Counsel

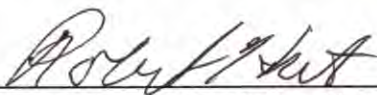
South Gate Municipal Employees Association



Francisco Robles, President



Anna Rodriguez, Vice-President



Robert Hunt, SGMEA's Outside Labor Counsel