

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF SOUTH GATE AND
THE SOUTH GATE POLICE MANAGEMENT ASSOCIATION**

INTRODUCTION AND INTENT

This Memorandum of Understanding ("MOU") has been reached through the process of "Meet and Confer" with the objective of fostering effective cooperation between the City of South Gate ("City") and the Police Management Association ("PMA").

1. TERM

The term of this MOU shall be three years, beginning July 1, 2005 and ending June 30, 2008.

2. COMPREHENSIVE MOU

A draft comprehensive MOU shall be prepared by the City within 90 days of ratification of this MOU by the PMA membership and the City Council of the City of South Gate.

3. SALARY

Salary increases and Cost of Living Allowances ("COLA") will be implemented according to the following schedule and terms:

September 1, 2005: 6%, plus a COLA of 3%;
July 1, 2006: 6%, plus a COLA between 3% and 4%; and
July 1, 2007: 6%, plus a COLA between 3% and 4%.

The COLA is determined by the Consumer Price Index ("CPI") defined as CPI-W for the Los Angeles-Orange-Riverside area for the month of May each year. If the CPI is not available to the public by July 1st of each year, the COLA will be implemented at 3% until the CPI becomes available, at which time salaries will be adjusted retroactively if necessary. If the CPI in year one or two of the MOU exceeds the three percent 3% or 4% respectively, then the excess over the cap shall be credited in any subsequent year where the CPI is less than the maximum cap. For example, if CPI in year one is 4% and in year 2 it is 2.5%, then employees will receive the maximum of 3% in year 1 and $2.5\% + 1\% = 3.5\%$ in year 2.

4. DEFERRED COMPENSATION

Effective upon ratification, the City shall permit employees who reach 47 years of age or older and have 20 or more years with the City to convert sick leave prior to retirement for the purpose of maximizing their deferred compensation "catch up". Employees hired prior to July 1, 1993 shall be permitted to cash out an unlimited number of hours. Employees hired on or after July 1, 1993 shall be permitted to cash out a lifetime maximum of 800 hours.

5. VACATION LEAVE ACCRUAL

Effective July 1, 2005, the City will count prior full-time law enforcement service with another agency towards vacation leave accrual once the employee has been employed by the City for five (5) years.

Effective June 30, 2006, an employee's carryover of vacation leave from one fiscal year to the next shall be limited to 400 hours. Any employee who exceeds the cap as of that date shall receive a one-time payment of all accrued unused hours in excess of 400 at the employee's regular rate of pay.

6. MANAGEMENT SALARY COMPUTATION:

Police Sergeant's salaries shall be sixteen percent (16%) above the sum of: (1) the top step base salary for the Police Officer classification, (2) the maximum specialty assignment pay (currently 5%), (3) the maximum education incentive (currently 11%), and (4) the maximum longevity pay (currently 7%).

Police Lieutenants' salaries shall be sixteen percent (16%) above that of Police Sergeants'.

Police Captains' salaries shall be twelve percent (12%) above that of Police Lieutenants'.

Detectives shall receive 2 hours of on-call pay at time and one half their regular rate of pay for each non-work day that they are on call.

7. DENTAL INSURANCE

Effective as soon as practical, but no later than February 1, 2006, the City will pay 75% of the cost of Delta Dental Insurance for officers and dependants. Officers shall pay the remaining 25% of premium costs.

8. BILINGUAL PAY

Effective retroactive to July 1, 2005 represented employees who are proficient in sign language, verbally proficient in Spanish, Korean, or any other language designated by the City, shall receive bilingual skill pay of one hundred dollars (\$100) per month in addition to their base salary.

9. PERS EMPLOYER PAID MEMBER CONTRIBUTION ("EPMC")

Effective as soon as possible following ratification, the City shall take all action necessary to pass a resolution in a manner required by law to report the value of the nine percent (9%) Employer Paid Member Contribution as compensation and compensation earnable to CalPERS. This benefit can only be modified in writing and by agreement of both the City and the PMA.

10. RETIREE MEDICAL CONTRIBUTION

Any unit employee who retires prior to July 1, 2005 shall receive a monthly contribution from the City of \$306 for employee only coverage or \$518 for 2-party or family coverage.

Effective beginning January 1, 2006, the monthly retiree medical cap for all employees who retire on or after July 1, 2005 shall be \$306.54 (equal to Kaiser 1 party) for employee only coverage and \$613 (equal to Kaiser two party rate) for 2-party or family coverage. Each January 1 thereafter, the City shall increase that rate by the actual increase in the Kaiser 1 or 2-party rate, respectively, with a maximum yearly increase of 5%.

11. LONGEVITY PAY

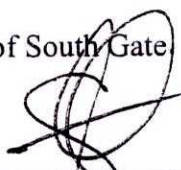
The City and SGPMA agree to continue discussions regarding creating a longevity step of 10% at 27 years of service and modifying vacation leave accruals to end at 27 years. The parties' intention is to implement this benefit provided it is cost neutral to the City and is permissible under PERL.

12. MAINTENANCE OF EXISTING BENEFITS

All salaries, benefits and terms and conditions of employment shall remain in full force and effect for the term of this agreement, unless modified herein or by subsequent written agreement of the parties.

Date January 12, 2006

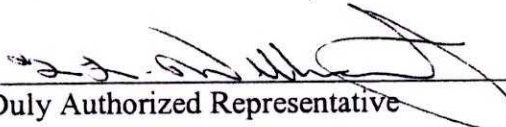
City of South Gate



Gregory Martinez, Mayor


The South Gate Police Management Association

Date 1-12-06

By: 

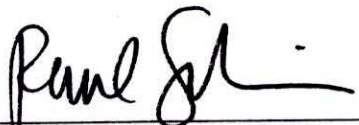
Its Duly Authorized Representative

ATTEST:



Carmen Avales, City Clerk

APPROVED AS TO FORM:



Raul Salinas, City Attorney