MEMORANDUM

DATE:

July 24, 2012

TO:

George Bierwirth, President

Woodland Police Mid Management Employees

FROM:

Paul Navazio, City Manager

SUBJECT:

MOU Side Letter of Agreement

This Side Letter of Agreement serves to memorialize our agreement during the 2012 labor negotiations discussion between the City of Woodland and the Woodland Police Mid Management Employees. The following modifications shall be made to the Memorandum of Understanding between the City and the Police Mid Management Employees covering the period from July 1, 2009 to June 30, 2014.

- 1. The term of the MOU shall be extended until June 30, 2017; and
- 2. The 4% wage adjustment deferred in July 1, 2011 until July 1, 2012 shall be modified to a 2% COLA on July1, 2012 and a 2% COLA on July 1, 2013; and
- 3. Effective July1, 2013 all employees shall pay 3% towards the employer PERS contribution, contributions shall be made on a pretax basis as allowable by the IRS; and
- 4. Effective January 1, 2016 all classifications shall receive a 1% salary increase; and
- 5. Effective July 1, 2016 all classifications shall receive a 1% salary increase; however, if the City's General Fund Tax Revenues increase more than 2% year over year as determined by the CAFR then all classifications shall have their base salaries increased by 3%; and
- 6. Amend Healthcare provision:

Effective January 1, 2013 the City shall pay an amount equal to 90%...

Effective January 1, 2014 the City shall pay an amount equal to 85%...

Effective January 1, 2017 the City shall pay an amount equal to 80%...

- of the third highest CalPERS health plan available in the region Woodland is located in, currently the Bay Area region (Excluding PERSCare); additionally, the City's total contribution toward health plan premiums shall be capped at the agreed-upon percentage applied to a 12% increase in the base premium from year-to-year (Example Kaiser 2013 Family rate = \$1738.44 City to pay \$1,564.60; January 1, 2014 City contribution capped at \$1,654.99 (\$1738.44 x 1.12 x 85%); and
- 7. The Safety employees agree to amend the PERS Contract to increase the PERS Cost Share from 4.00% to 4.887%; and
- 8. The City agrees to allow the bargaining group to contribute towards a Health Savings/Retirement Account (HSA-HRA). The bargaining group shall determine the contribution towards the HSA-HRA annually and notify the city of the contribution rate prior to January 1; and

- 9. The City and the bargaining group agree to meet and discuss after July 1, 2014 for the purposes of discussing options for reducing the City's costs associated with full-funding of the current Retiree Medical Benefit(s), with the shared goal of ensuring that full-funding of retiree medical benefits are sustainable within the City's long-term financial plan. Any change shall be by mutual agreement.
- 10. The City shall prepare a successor MOU to incorporate these agreements and the agreements in the side letters dated May 21, 2010 (Long Term Disability Clarification) and November 29, 2011 (Second Tier Pension and Employee pays PERS member share).

AGREED TO THIS DATE: July 24, 2012

FOR THE CITY OF WOODLAND

Paul Navazio, City Manager

FOR THE WOODJAND POLICE MID

MANAGEMENT EMPLOYEES ASSOCIATION

George Bierwirth, Woodland Police Mid Management Employees President