MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SANTA BARBARA
AND THE
SANTA BARBARA POLICE MANAGEMENT ASSOCIATION
JANUARY 1, 2026 THROUGH JUNE 30, 2027

THIS AGREEMENT, SIGNED ON_____, IS ENTERED INTO AS OF JANUARY 1, 2026, BETWEEN THE CITY OF SANTA BARBARA, HEREINAFTER REFERRED TO AS THE "CITY," AND THE SANTA BARBARA POLICE MANAGEMENT ASSOCIATION, HEREINAFTER REFERRED TO AS THE "ASSOCIATION."

Pursuant to Section 3.12 of the Municipal Code of the City of Santa Barbara and Section 3500 et. seq. of the Government Code, the duly authorized representatives of the City and the duly authorized representatives of the Association, having met and conferred in good faith concerning wages, hours, and terms and conditions of employment of Unit employees, declare their agreement to the provisions of this Memorandum of Understanding.

FOR THE CITY:

_____
Michael Arnoldus, Human Resources Director

_____
John Doimas, Assistant City Attorney

_____
Keith DeMartini, Finance Director

_____
Rene Eyerly, Assistant City Administrator

FOR THE ASSOCIATION:

_____
Marylinda Arroyo, Assistant Police Chief

_____
Charles Katsapis, Police Commander

_____
Chris Payne, Police Commander

_____
Antonio Montojo, Police Lieutenant

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1. Scope of Representation

The Association represents the following management job classifications:

Police Lieutenant
Police Captain
Assistant Police Chief

2. Salary Adjustments

All sworn positions represented by the Association (Police Lieutenant, Police Commander, and Assistant Police Chief) shall receive the following regular increases to base salary:

Effective January 10, 2026	6.0%
Effective July 11, 2026	2.0%
Effective January 9, 2027	2.0%

Sworn Market Rate Adjustments – Across the board salary increases as follows:

Effective December 27, 2025	5.0%
Effective July 11, 2026	2.5%

A. During the term of the agreement, the existing ability of the Police Chief to recommend merit increases for eligible employees will not be changed. The intent of this section is that the Police Chief not be directed to reduce or eliminate merit increases during the term of the agreement based on economic conditions.

B. The agreements regarding base salary increases were expressly conditioned upon the following: In the successor MOU to this agreement, which expires on June 30, 2027, the Police Managers' Association (PMA) agrees that there will be no salary increases during the first six (6) months of that successor MOU (six months ending on December 31, 2027). This condition is necessary to maintain alignment with the Police Officers' Association (POA) MOU timeline. Implementing salary increases over an 18-month period would result in compounding effects outside of the authority granted to the City.

C. Upon promotion, an employee will be appointed at the following percentage:

Promotion to	Percent Above
Lieutenant	11% above Sergeant regular rate of pay
Commander	5% above Lieutenant regular rate of pay
Assistant Chief	5% above Commander regular rate of pay

D. If an employee is promoted from within the agency to Lieutenant, any Police Lieutenant paid less than that newly promoted Police Lieutenant will be increased to the same base salary rate effective on the same date.

E. The survey agencies to be used for future salary/compensation survey purposes shall be identical to that provided in the 2025-2027 Police Officer's Association (POA) Memorandum of Understanding.

F. Effective July 1, 2024, The City will maintain Police Manager Classifications at least fifteen (15) percent above the highest paid subordinate classification salary. For purposes of this Section, "salary" shall only include base pay at the maximum of the range for the classifications. The City shall review Police Manager Classifications starting in May of 2024, and again in May of each fiscal year and provide the Unit with a summary report of this review. If a compaction situation is identified,

the Unit shall inform the City, and Human Resources shall review the classification in question. It is the responsibility of the association to maintain and update accurate Manager-to-subordinate reporting relationship information in the City payroll system. The City shall provide a determination within 30 calendar days of notification from the Unit. Implementation of the salary adjustments will be effective the first pay period following Council approval of the mid-year or new fiscal year budget.

The parties expressly agree that the provisions of this section are subject to modification. Upon completion of the parties' reopener negotiations regarding compensation-related compaction, the parties may execute a side letter that strikes and replaces the language in this section in its entirety. Any such side letter shall have full force and effect as if originally incorporated into this Memorandum of Understanding.

3. Overtime

Overtime will be accrued only when assigned by the Police Chief to emergency duty, disasters, mutual aid, or similar situations. Examples of when overtime will be accrued are; major investigations, tactical situations, fires, floods, natural disasters, private or City-sponsored special events. Overtime will be accrued or paid out at the rate of time and one-half.

4. Payroll

Employees who receive payroll overpayments shall reimburse the City for such overpayments. City shall establish a reasonable schedule of payments based upon the amount of the overpayment

All employees shall participate in the City's payroll direct deposit program.

1. Each employee shall execute a payroll authorization form and submit a voided check or savings deposit slip to the Payroll Office. It shall be the employee's choice as to which bank, he or she designates as the institution receiving payroll funds.

2. When the authorization form is properly executed and filed with the Payroll Office, the city will begin automatically depositing the net amount of pay on or before each designated biweekly payday in the employee's designated bank account.

3. Exceptions: An exception to this policy may be granted by the Finance Director to an employee upon a showing of good cause for such exception (e.g., that he/she is unable to establish and/or maintain a personal banking/financial account for direct deposit, or that other personal circumstances necessitate a temporary or permanent exception). The Finance Director may require the employee to renew this exception periodically. Exceptions will not be unreasonably denied.

4. Employees participating in direct deposit will be provided with a payroll detail report each pay period. Employees will receive and be able to access this information electronically via the City's computer system.

5. *For purposes of this Memorandum of Understanding, the regular rate of pay is the hourly equivalent of all forms of compensation paid to an employee during the employee's normal, non-overtime work period. The regular rate of pay shall include the following:*

A. *Base salary;*
B. *Educational or other incentive pay shall be provided as defined in Government Code section 571(b) for Classic members and section 571.1(a) for PEPRA members.*
C. *Bilingual pay;*
D. *Special assignment pay; and*
E. *Cash-in-lieu of health benefits pay shall be provided as defined in Government Code section 571(b) for Classic members and section 571.1(a) for PEPRA members.*

5. Educational and/or POST Certificate Incentive Pay

A. Once the City is notified by POST of an officer's qualification for an Advance, Supervisor, and Management POST certificate, that officer shall receive the supplemental to their base pay as described in section B below starting the first full pay period after receiving notice.

B. Effective December 27, 2025, the monthly amount of Advance, Supervisor, and/or Management POST certificate pay a full-time employee shall receive is as follows:

POST ADVANCED + POST Supervisors Certificate	$1,100 per month
POST ADVANCED + POST Supervisors + POST Management Certificate	$1,300 per month

C. Supplemental pay shall be included in the employee's regular biweekly paycheck.

D. Certificate pay cannot be combined (stacking).

E. Effective January 10, 2026, the City shall make a mandatory, non-elective, pre-tax contribution of two hundred fifty dollars ($250) per month to a 401(a) retirement plan on behalf of each eligible PEPRA employee in the PMA. Contributions shall be deposited into a 401(a) plan designated by the City. This provision shall not apply to Classic members of the Association. If a 401(a) deferred compensation account has not yet been established for an eligible PEPRA employee, the City's required contribution shall, in the interim, be deposited into the employee's 457 deferred compensation account. Upon establishment of the employee's 401(a) account, future contributions shall be directed to the 401(a) plan.

F. POST Certificate Pay is intended to be reportable to CalPERS in accordance with Government Code section 20636 and California Code of Regulations section 571, and shall be reported as earned.

6. Spanish Language Premium Pay

Employees who establish proficiency in Spanish to the satisfaction of the Police Chief and the Human Resources Manager will be eligible for Spanish language premium pay in the same amount, and under the same conditions, as established for police officers under their labor agreement. The current premium rates are $51.20 per biweekly pay period for employees certified at the conversing and reading proficiency level, and $102.50 per biweekly pay period for employees certified at the complex verbal and written proficiency level. Spanish Premium Pay is intended to be reportable to CalPERS in accordance with Government Code section 20636 and California Code of Regulations section 571 and shall be reported as earned.

7. Uniform Allowance

Employees will receive a uniform allowance in the same amount, and under the same conditions, as established for a Police Officer under their labor agreement in effect at the time. Payment of uniform allowance will be paid bi-weekly upon adoption of the 2025-2027 MOU. The current uniform allowance for sworn personnel is $1,038 per year. The uniform allowance provided under this Agreement is intended to be reportable special compensation to CalPERS in accordance with Government Code section 20636 and California Code of Regulations section 571 and shall be reported as earned.

8. Cafeteria Plan Contribution and Medical

A Employees will receive a monthly contribution to the cafeteria plan for the purchase of health and welfare benefits and/or optional cash-out. The cafeteria plan discretionary allocation contribution will be $1,746.00 per month.

- If medical insurance plan selections exceed the cafeteria plan allocation, the City will pay the difference of medical insurance premium up to the amount in the Medical Article of this MOU; said excess premium is not discretionary.

B. The City shall maintain and pay for the existing level of health insurance benefits for up to six (6) months for the surviving family of a unit member who dies in the line of duty or for the period of time required by State or Federal Law, whichever is greater.

C. Information about the benefits available and their cost will be distributed to all employees at the beginning of each benefit year (i.e. calendar year).

D. The City retains full and complete control over the selection, approval and administration of the City's group insurance program.

E. The benefits will be subject to the following rules:

1) Benefit selections must be made prior to the beginning of each benefit year. Employee changes in benefit plan selections, such as adding or deleting coverage and/or dependents, may only be made in accordance with Section 125 of the Internal Revenue Code and City policy.
2) All benefits selected from the cafeteria plan must be paid for in full from the maximum benefit provided except when the maximum is insufficient to cover all insurance coverage selected. In such cases, the premium amount not funded by the City-provided benefit will be paid through an employee deduction applied against the medical premiums.
3) No unexpended dollar amounts associated with selected benefits may be disbursed to a terminating employee.
4) All benefit selections are subject to State and Federal rules, regulations, and laws regarding employee benefits and tax status. No guarantee is made regarding the tax-exempt status of any and all benefits presented or selected.
5) Employees will be eligible for benefits coverage and the monthly cafeteria plan contribution, on the first day of the month following their hire date.

F. Medical: The parties agree that the City will pay 100% of the premium for medical insurance for the employee only up to a monthly maximum starting the first pay period in January 2026 as follows:

- $1,978.54

G. The City agrees to contribute the minimum monthly amount required by the Public Employees' Medical and Hospital Care Act (PEMHCA) toward the health insurance premiums for each eligible employee or retiree enrolled in a CalPERS-sponsored health plan.

9. Domestic Partnership Benefits

The cafeteria plan allowance can be used toward same sex and opposite sex domestic partner dependent coverage under the medical, dental, and vision plans, and any other plan where such coverage is allowed. In order to receive this benefit, domestic partners must be registered with the Secretary of State of California, and the employee must provide proof of registration. The affected employee(s) will be responsible for all tax consequences of this benefit.

Additionally, Domestic Partners who are registered with the City Clerk’s Office and/or the Secretary of State of California are treated the same as spouses under all City policies related to employees’ families.

10. Life Insurance

Life Insurance will be provided equal to an amount of one times annual salary. An equal amount will be provided for accidental death and dismemberment (ADD) coverage. This amount will not be counted against the cafeteria plan allowance.

11. Long Term Disability

Each employee will receive City-paid coverage under a long-term disability insurance program. This amount will not be counted against the cafeteria plan allowance.

12. Short Term Disability

Employees will be eligible to participate in an optional Short-term Disability plan at their own cost.

13. Accident/Critical Illness Insurance

Employees will be eligible to participate in an optional Supplemental Accident and Critical Illness insurance plan at their own cost.

14. Bereavement

In case of the death of an immediate family member, full-time employees shall be eligible for up to forty (40) hours leave with pay.

Immediate family member is defined as: mother, father, brother, sister, spouse, registered domestic partner, child, grandparents by blood or marriage, grandchildren by blood or marriage, mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, person standing in loco parentis, and step family members. “In-law” and “step” relationships shall include the immediate family of a registered domestic partner on the same basis as that of a spouse.

Co-worker funeral attendance is acceptable upon the approval of the Chief of Police, consistent with the operational needs of the Department.

15. Tax-Qualified Expense Accounts

The City will continue to offer several tax-qualified arrangements to allow employees to set aside money to pay for eligible expenses on a pre-tax basis. These include:

- Medical Flexible Spending Account
- Dependent Care Account

16. Vacation

A. Employees will accrue vacation as follows:

0-2	15 Days	(120 hours)
3-5	20 Days	(160 hours)
6-7	25 Days	(200 hours)
8+	28 Days	(224 hours)

B. The maximum vacation accrual will be 500 hours. An employee whose vacation balance reaches the maximum accrual hours will not be eligible to accrue further vacation until such time as the employee has reduced his or her accrued leave balances through time off or catastrophic leave donation, to below the maximum accrual. There is no retroactive grant of vacation compensation for the period of time the vacation compensation was at the cap.

C. The maximum vacation accrual may be waived if scheduled vacations are cancelled by the City for emergencies or cancelled by the employee due to illness, injury, or personal emergency. The employee will submit to the City Administrator, via the Department Head, a memo requesting approval for the accrual beyond the maximum. The City Administrator may establish a deadline by which the employee must reduce the vacation accrual to or below the maximum, or be subject to

the accrual discontinuance as outlined in Section B, above.

D. In order to qualify for vacation cash-out, an employee must use, as outlined in(B) of this article, a minimum of forty (40) hours of accrued leave time (personal leave, management leave, vacation leave) or any combination of time during a fiscal year to be eligible to receive cash out of up to hundred (100) hours of vacation time for the same fiscal year. Vacation can only be "cashed out" in 10-hour increments (i.e., 10, 20, 30), and the amount to be cashed out will not exceed the employee's vacation balance at the end of the vacation year. Employees eligible for vacation cash-out shall follow the procedures established by the City.

E. Vacation leave cash out shall be at the regular rate of pay.

17. Recruitment and Retention Incentives

A. An employee who is appointed from outside City of Santa Barbara government service within one (1) year of leaving employment with either the City of Santa Barbara or another city, county, state agency, federal agency or special district and who, in the opinion of the Human Resources Manager, possesses government experience directly related to the position to which he or she has been appointed, may be offered credit for years of prior service with the City of Santa Barbara and/or his or her immediate previous government employer in the following ways:

i. Vacation Accrual: At the discretion of the Human Resources Manager, the employee may be offered credit for up to the total number of prior full years of service at the City of Santa Barbara and/or his or her immediate previous government employer toward the initial vacation accrual rate. The employee will not be eligible to progress to a higher accrual rate until employee has the normal required minimum amount of City of Santa Barbara service for that accrual rate.

ii. Sick bank: At the discretion of the Human Resources Manager, the employee may be credited with up to 96 hours of sick leave. Thereafter, employee will accrue sick leave at the normal rate.

B. Longevity Pay: Effective January 10, 2026, in recognition of continuous full-time employment with the City of Santa Barbara, the eligible employee shall be paid in addition to his/her salary range an increase in pay equal to the below schedule. Such increases are in total and not stackable. For example, an employee at the 15 and more year level would receive only 6.0% in total and not a 12% salary increase. Longevity pay shall be calculated as a percentage of the employee's current base salary and is not based on the employee's regular rate of pay. Longevity pay is intended to be reportable special compensation to CalPERS in accordance with Government Code section 20636 and California Code of Regulations section 571 and shall be reported as earned.

- 5 Years; 2%
- 10 Years; 2% (Max 4%)
- 15 and More Years 2% (Max 6%)

C. A former City of Santa Barbara employee reemployed within one year under Santa Barbara Municipal Code Section 3.16.320 will automatically qualify for the full vacation accrual credit under (i), above, for his or her prior City of Santa Barbara service. However, under no circumstance will prior accrued vacation balances cashed out to the employee upon termination be reinstated.

18. Holidays

Employees shall accrue 5 hours of holiday leave each biweekly pay period (26 pay periods per year). Said hours shall be credited to the employee's Holiday Bank and calculated at 8 hours per holiday day for a total of 88 hours.

1. The following 11 days are included in the Holiday Bank:
    - January 1st (New Year's Day)
    - 3rd Monday in January (Martin Luther King Jr.'s Birthday)
    - 3rd Monday in February (President's Day)
    - March 31st (Cesar Chavez Day)
    - Last Monday in May (Memorial Day)
    - June 19th (Juneteenth)
    - July 4th (Independence Day)
    - 1st Monday in September (Labor Day)
    - 4th Thursday in November (Thanksgiving)
    - The Friday immediately following Thanksgiving Day
    - December 25th (Christmas Day)

2. Four additional 8 hour days (32 hours) each fiscal year are included in the holiday bank and may be designated by the employee as holidays. The total hours of holiday accrued in one fiscal year is 120 hours.

For employees hired or promoted into the bargaining unit on or after July 1, 2013 only: If an employee's holiday bank exceeds 120 hours, the City shall have the option to either require the employee to take the holiday time off or to pay the employee for the hours at regular rate of pay straight time. The option of time off or pay in lieu of holiday hours shall be at the sole discretion of the City.

19. Management Leave

A. Full-time regular employees designated as being exempt from the overtime provisions of the Fair Labor Standards Act will be eligible for management leave, subject to the Police Chief's approval.

B. Each eligible management employee is awarded management leave for the fiscal year as follows:
    - Employees on the payroll July 1 (inclusive) 40 hours
    - Employees hired between July 2 and October 1 (inclusive) 30 hours
    - Employees hired between October 2 and January 1 (inclusive) 20 hours
    - Employees hired between January 2 and April 1 (inclusive) 10 hours

C. An employee on a Leave of Absence without Pay on July 1st will receive the Management Leave hours (prorated) when s/he returns to work

D. The Police Chief may grant additional paid Management Leave to each eligible management employee during the year. The amount of additional paid leave, if any, will be subject to discretion of the Police Chief.

E. Management Leave is scheduled like vacation.

F. Management Leave is not related to hours worked nor subject to accrual and may not be carried over beyond the end of the fiscal year. Upon resignation or termination, an employee will not be entitled to any payout of management leave.

G. Administration of Management Leave is subject to the discretion and approval of the Police Chief. Final resolution of any disputes arising with regard to Management Leave will rest with the City Administrator.

20. Sick Leave

Sick leave allowance will accrue at the rate of 8 hours per month. Effective May 31, 2014 there will be a 2080 hours maximum sick leave accrual, not including non-replenishable sick leave, for all employees

except as provided herein.

21. Non-Replenishable Sick Leave

A. After five (5) years of continuous service, an employee may accumulate additional "non-replenishable" sick leave at the rate of sixteen (16) hours at full salary for each additional year of continuous service.

B. The maximum accumulation is two hundred and forty (240) hours and is not replenishable.

C. Non-replenishable sick leave hours may only be used after the employee's entire regular sick leave bank is exhausted.

22. Catastrophic Leave

Employees will be eligible to donate vacation time to the applicable leave banks of full-time and part-time employees who are incapacitated due to a catastrophic illness or injury or who must care for a spouse or child who has a catastrophic illness or injury under the Citywide Catastrophic Leave Policy.

23. Leaves of Absence

A. Employees may request a medical leave of absence of up to one year under the City's FMLA/CFRA Family Medical Leave Policy, the Leave without Pay (Medical Reasons) Policy, the Maternity Leave Policy, and/or the Parental Leave Policy.

B. The City Administrator may grant an extra leave of absence, in addition to that provided under the various sick leave policies to an employee who has been continuously employed by the City for five (5) years or more. When all sick leave has been exhausted, the employee can make a request, in writing, for extra leave and attach a report from his/her medical doctor stating the extent of the illness and the approximate time required for recovery. If approved the request shall be based on the following schedule:

Service in Years (active & continuous):	Maximum # of Months of Extra Leave Allowable:	
5- 10	3	
10-15	6	(including the 3 above)
15-20	9	(including the 6 above)
20 +	12	(including the 9 above)

During such period of extra leave, the employee shall receive an amount equal to 50% of his/her regular salary (MC 3.08.210).

C. Non-Medical Leave: Employees may also request a personal leave of absence of up to one year for non-medical reasons under the City's Leave of Absence without Pay (Non-medical reasons) Policy. A sabbatical may constitute a reason for a leave of absence. An approved leave of absence without pay will not constitute a break in continuous service.

24. PERS Retirement

A. Retirement Formula:

Classic Employee

Employees designated as "classic" employees will be covered under the Police Safety contract under the Public Employees' Retirement System (PERS) with a 3% at age 50 benefit formula and with a final compensation measurement period of the highest single (1) year.

PEPRA Employee

Effective January 1, 2013, new employees and/or members as defined by California Public

Employees' Pension Reform Act of 2013 (hereinafter "PEPRA Employees") shall be covered under the 2.7% at 57 retirement formula, with a final compensation measurement period of the average of the highest three (3) consecutive years, as well as all other statutory requirements of .

B. Member Contributions:

Classic Employee

Bargaining unit members designated as "classic" employees will pay the full 9% member contribution and the City will no longer pay any portion of these employees' member contributions. Classic employees will pay an additional cost share amount as follows:

1. Effective January 6, 2018, "Classic" employees under CalPERS will pay an additional **4%** to CalPERS as cost-sharing under section 20516 (f), the "MOU Method," of cost-sharing.
2. To the extent allowable by CalPERS, and consistent with the results of any required member election, these contributions will be tax-deferred and credited to the member account through the "Amendment Method" of cost-sharing. The City agrees to use reasonable haste to determine the eligibility of the cost-share under the amendment method, and to conduct any administrative processes necessary to achieve such amendment.

PEPRA Employee

PEPRA Employees shall contribute the greater of what other employees contribute, or half the normal cost as defined by statute; the City will not pay any portion of these employees' contributions.

C. Employees will also have the option, at their own expense, to receive PERS service credit for any military service time or other service time eligible for service credit purchase under the PERS Police Safety plan.

D. The parties agree that any provisions of this Agreement that are contrary to or inconsistent with state law, shall be modified so as to cause them to be consistent with the law through letter of understanding to amend the Agreement.

25. Deferred Compensation and 401(a) Plan

A. In addition to the City's retirement plans, employees may elect to participate in a tax-qualified Section 457 government defined contribution retirement program.

B. The parties agree to a reopener during the term of this Memorandum of Understanding for the sole purpose of discussing the establishment of a 401(a) deferred compensation account. Any changes resulting from this reopener shall be subject to mutual agreement and documented in a side letter executed by both parties.

26. Service Credit For Sick Leave Upon Retirement

A. At the time of retirement, either service or disability, the City purchases an annuity for the retiring employee that pays a monthly benefit similar to the PERS amendment that provides service credit for sick leave.

B. The following conditions apply to this benefit:

1. In order to qualify for service credit for sick leave upon retirement, the retiring employee must have at least 500 sick leave hours;
2. The conversion rate of 0.004 years of service credit for each day of sick leave is utilized;
3. The calculation includes the benefit factor, which is the percentage of pay a retiree is entitled to for each year of service credit based on their age at retirement.
4. The retiring employee may take the cash purchase value of the annuity in lieu of the monthly annuity;

5. Employees who are eligible to receive an annuity under this program shall not be subject to reduction of that annuity based on the 90% PERS retirement limit.
6. If the City amends its PERS Police contract evaluation to include service credit for sick leave upon retirement, employees will be included in that PERS contract amendment and the annuity program will be discontinued.

The Retiree Medical Insurance Contribution will be discontinued effective January 10, 2026.

The City and the PMA agree to reopen this article and sections by July 1, 2026, to negotiate the establishment of a Retiree Medical Trust. The negotiations will include modifications to this article as well as sick leave accrual caps, and unused sick leave conversions at regular rate of pay into the trust per tentative agreements outlined during this MOU negotiations.

27. Educational Reimbursement Programs

Employees will be eligible to apply for reimbursement under the citywide Educational Reimbursement Policy under the same terms and conditions as other Group II (Non-executive) Managers. If the citywide Management Master's Degree Program is reinstated, employees will be eligible to apply for reimbursement under the same terms and conditions as other Group II (Non-executive) Managers.

28. Layoff and Rehire

A. In cases of the abolition of a position which results in the layoff of personnel or reduction in force, the individual with the least time in classification will be the first laid off.

B. Where individuals possess equal time in classification, total time with the Santa Barbara City Police Department will be used to determine seniority.

C. The individual affected will have the right to "bump" downward to the next lower sworn classification such that the last hired employee in the lowest sworn rank will be the first employee laid off.

D. Rehiring will be accomplished pursuant to Municipal Code Section 3.16.350.

29. Retroactivity

A. An employee will be eligible for retroactive increases to salaries and benefits provided under this Agreement on the dates specified for each increase if the employee is an active City employee and bargaining unit member on the date that the City Council ratifies this Agreement.

B. For payment on January 9, 2026 (for pay period beginning December 13, 2025), In recognition for anti-compaction due to market rate adjustments of subordinate classifications , each member of the PMA will receive a one-time lump sum payment as outlined below that they can elect to either receive the cash or elect to place into a existing deferred compensation account set up by the City. (The voluntary contribution by the employee would be post-tax dollars per IRS rules) The lump sum is a one-time non PERSable contribution. Employee is eligible to receive this contribution if they are an active City employee and bargaining unit member on the date that the City Council ratifies this Agreement.

Police Lieutenant:	$2350
Police Commander:	$2700
Assistant Chief of Police:	$3100

30. City Rights

A. The City shall retain, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law, except to the extent such authority is explicitly waived by the express terms of this agreement.

B. The City's rights shall include the right to determine the level of, and the manner in which, the City's activities are conducted, managed, and administered. The Association recognizes the exclusive right of the City to establish and maintain rules and procedures for the administration of its departments. Such rights include, but are not limited to, the exclusive right to: determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of economic reasons or for cause as provided in Section 1007 of the City Charter; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

C. The Association recognizes that the City Administrator retains, whether exercised or not, exclusive management decision-making authority over matters within the rights of the City.

D. The Association recognizes that all bargaining unit members are "unclassified" employees as that term is defined in Article X of the City Charter.

31. Term, Waiver, and Severability

A. The term of this agreement shall be eighteen (18) months commencing January 1, 2026 and ending at midnight on June 30, 2027. The term of this agreement may be extended by mutual agreement.

B. The Association acknowledges that it had the unlimited right to bargain with regard to issues within the scope of representation. For the term of this Agreement, unless otherwise provided in this Agreement, the City shall not be further obligated to meet and confer. All terms and conditions of employment not covered by this agreement shall continue to be subject to the City's direction and control.

C. If any provision of this Agreement is declared by judicial authority to be unlawful, unenforceable, or not in accordance with applicable provisions of state, federal or local laws or regulations, such part of the provision will be suspended and superseded by the applicable law or regulation and the remainder of this Agreement shall remain in full force and effect for the duration of this Agreement.

32. Emergency Vehicle Use Applicable to Commanders/Assistant Police Chief

Assistant Police Chiefs will continue to be assigned take home emergency vehicles. The Police Chief may assign take home emergency vehicles to those Police Commanders who live within sixty (60) miles of the police department. Employees assigned a take home emergency vehicle agree to be available for immediate call back and respond to work related situations.

33. Reopener Summary

Notwithstanding the references to these matters elsewhere in this Memorandum of Understanding, The parties agree that there shall be reopeners during the term of this Agreement on the following subjects: (1) establishment of a Retiree Medical Health Care Trust; (2) establishment of a 401(a) retiree plan; (3) adoption of a mutually agreed-upon definition of compaction; and (4) revisions to the formatting of this and future MOUs, with no substantive changes to negotiated terms. Any agreements resulting from these reopeners shall be documented in a mutually executed side letter.