

**AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN
REPRESENTATIVES OF THE CITY OF CHINO, CALIFORNIA, AND THE CHINO
POLICE MANAGERS ASSOCIATION
JULY 1, 2025 – JUNE 30, 2027**

This Amendment No. 1 to the Memorandum of Understanding between representatives of the City of Chino, California, and the Chino Police Managers Association covering the period of July 1, 2025 through June 30, 2027 (“CPMA MOU 2025-27”), is entered into by and between the City of Chino (“City”) and the Chino Police Managers Association (“CPMA”).

RECITALS:

WHEREAS, CPMA is the recognized employee organization for all regular full-time, sworn management Police Department employees in the City of Chino as identified in the CPMA MOU 2025-27; and

WHEREAS, to fulfill its obligation under the CPMA MOU 2025-27, the City is committed to maintaining sworn classifications at no lower than the number three (3) ranking in total compensation among the survey cities, excluding the Benefit Bank, used in the 2022 Total Compensation Survey and a total compensation survey has been completed to determine the cost of living wage adjustments needed to maintain sworn personnel at the number three (3) ranking; and

WHEREAS, the labor representatives of the City and CPMA have determined that revising the language of Article 10 on cost of living wage adjustments in the CPMA MOU 2025-27 would be in the best interests of the City and the parties for maintaining sworn personnel at number three (3) among the Council-approved comparison agencies and have met and conferred on this proposed modification and reached a tentative agreement which requires a formal amendment to the CPMA MOU 2025-27, signed by the parties and ratified by the union, and approved and adopted by resolution of the City Council before becoming effective; and

WHEREAS, the labor representatives of the City and CPMA have also determined that revising the language of Article 14 on deferred compensation in the CPMA MOU 2025-27 would be in the best interests of the City and the parties to increase the City’s deferred compensation contribution and have met and conferred on this proposed modification and reached a tentative agreement which requires a formal amendment to the CPMA MOU 2025-27, signed by the parties and ratified by the union, and approved and adopted by resolution of the City Council before becoming effective; and

WHEREAS, the labor representatives of the City and CPMA have also determined that updating the language of Article 36 on the Fair Labor Standard Act and Overtime Compensation in the CPMA MOU 2025-27 would be in the best interests of the City and the parties to provide clarification on the calculation of overtime and have met and conferred on this proposed modification and reached a tentative agreement which requires a formal amendment to the CPMA MOU 2025-27, signed by the parties and ratified by the union, and approved and adopted by resolution of the City Council before becoming effective; and

WHEREAS, the labor representatives of the City and CPMA have also determined that updating the language of Article 41 on the retention of documents in the CPMA MOU 2025-27 would be in the best interests of the City and the parties so that applicable documents in an employee's personnel file and other City files will be purged in accordance with the City's Retention Policy and the minimum requirements of the California Penal Code and any other applicable state or federal law, and have met and conferred on this proposed modification and reached a tentative agreement which requires a formal amendment to the CPMA MOU 2025-27, signed by the parties and ratified by the union, and approved and adopted by resolution of the City Council before becoming effective; and

WHEREAS, the labor representatives of the City and CPMA have further determined that revising the language of Article 54 on uniform cleaning/clothing allowance in the CPMA MOU 2025-27 would be in the best interests of the City and the parties to update the payment method for uniform cleaning/clothing allowance and address reporting requirements to CalPERS and have met and conferred on this proposed modification and reached a tentative agreement which requires a formal amendment to the CPMA MOU 2025-27, signed by the parties and ratified by the union, and approved and adopted by resolution of the City Council before becoming effective; and

THEREFORE, in consideration of the mutual covenants contained herein, and subject to City Council approval and adoption of this Amendment No. 1 to the CPMA MOU 2025-27, the parties hereto agree to the following updates and/or amendments made to the current/existing language in the CPMA MOU 2025-27 and where there is duplicative language or provisions this Amendment No. 1 language supersedes and governs.

ARTICLE 10. COST OF LIVING ADJUSTMENT

Currently reads as follows:

A Total Compensation Survey will be conducted in August 2025 using the same criteria and survey cities used in the 2022 Total Compensation Survey. The City agrees to maintain sworn classifications at no lower than the number three (3) ranking in total compensation among the survey cities, excluding the Benefit Bank. Any adjustments necessary to meet that benchmark will be retroactive to the pay period that includes July 1, 2025.

The same process will apply every August, with any necessary adjustments to retain sworn classifications in the top 3 ranking being retroactive to the pay period that includes July 1. Benefit Bank updates for the next year will be implemented in December of the year they are released.

Definition of Total Compensation

For the purposes of this Article, total compensation shall consist of the following elements:

- ❖ Base salary
- ❖ Uniform allowance
- ❖ Shift differential (graveyard shift)
- ❖ Advanced POST pay
- ❖ City-paid Deferred Compensation contribution

- ❖ City-paid Retiree Health Savings (RHS) contribution
- ❖ Employer-paid healthcare contribution
- ❖ Longevity pay (\$500 at 5 years = \$8.33 monthly value)

Minus the employee-paid PERS PEPRRA contribution rate

Effective upon approval of the City Council, this Article shall be modified as follows:

Increase to employee's base wages/salary ranges will be as follows:

- ❖ Effective the beginning of the pay period including July 1, 2025: Three percent (3%)

Definition of Total Compensation

For the purposes of this Article, total compensation shall consist of the following elements:

- ❖ Base salary
- ❖ Uniform allowance
- ❖ Shift differential (graveyard shift)
- ❖ Advanced POST pay
- ❖ City-paid Deferred Compensation contribution
- ❖ City-paid Retiree Health Savings (RHS) contribution
- ❖ Employer-paid healthcare contribution
- ❖ Longevity pay (\$1,500 at 15 years = \$8.33 monthly value)

Minus the employee-paid PERS PEPRRA contribution rate

ARTICLE 14. DEFERRED COMPENSATION

Currently reads as follows:

A deferred compensation plan is available to all employees, providing tax-deferred savings to serve as a retirement supplement. An employee may contribute to the City's designated deferred compensation plan up to the maximum annual amount allowed by federal and state law through a payroll deduction program.

City Contribution

Employees will receive a four hundred and ten dollar (\$410) per month City contribution to their City Deferred Compensation account, 401(a).

"Catch-up" Provision

Pursuant to federal and state law, employees attaining the minimum age of 47, who are within 3 years of their planned retirement date, may take advantage of the 457 Deferred Compensation Plan "catch-up" provisions and allowances as defined in federal and state law. To the extent allowed by federal and state law and the City's deferred compensation plan administrator, the City will allow, during the three (3) years prior to an employee's planned retirement date, the conversion of accrued sick/vacation leave hours to cash contribution at the employee's base rate of pay in effect at the time of conversion. Sick/vacation leave conversion contributions for the "457 catch-up" shall normally be distributed over an employee's last three (3) years prior to his/her planned retirement date. However, based on the total amount of "457 catch-up"

contributions available to the employee, accumulated sick leave hours, and the employee's designated retirement date, "457 catch-up" contributions may occur over a shorter period prior to retirement. To be eligible to participate, the employee must be within three (3) years of his/her planned retirement date, have "457 catch-up" privileges available to him/her, and be enrolled in the City-sponsored 457 Deferred Compensation Plan.

“Catch-up” – Sick Leave

Employees are not entitled to 100% cash-out of Sick Leave until completion of five (5) years of service with the City as the final employer and either a qualified service or disability retirement. The City will advance employees 47 years of age or older a cash-out of their accrued Sick Leave up to the indexed amount if they choose to utilize the “Catch Up” provision provided through the City’s 457 plan.

In the event an employee separates for any reason other than service or disability retirement from the City prior to being eligible to receive 100% Sick Leave pay, said employee will be required to reimburse the excess amount of Sick Leave previously paid out. The reimbursement will be deducted by the City from any or all earned funds available to the employee on separation, without it being necessary for the City to seek a civil judgment for the monies.

To participate, the employee will select the amount of sick leave they want to transfer into deferred compensation at the beginning of each of the three (3) years. The amount can be a selected number of hours or a percentage of Sick Leave remaining at the end of the year. The employee’s Sick Leave balance would then decrease commensurately with the amount of funds withdrawn.

The employee will continue to accrue Sick Leave hours at the normal rate while participating in this program.

“Catch-up” hours advanced will be added back to the employee’s Sick Leave bank for the sick leave program calculation.

“Catch-up”– Vacation Leave

To participate, the employee will select the amount of Vacation Leave they want to transfer into deferred compensation at the beginning of each of the three (3) years. The amount can be a selected number of hours or a percentage of Vacation Leave remaining at the end of the year. The employee’s Vacation Leave balance would then decrease commensurately with the amount of funds withdrawn.

The employee maintaining their Vacation Leave maximum would still be eligible for Vacation Leave incentives, such as Vacation Leave Conversion. The employee will continue to accrue Vacation Leave hours at the normal rate while participating in this program.

“Age 50+ Catch-up”

In the calendar year the employee attains age 50 (or older), the employee may contribute an additional amount over the normal maximum contribution limit per IRS guidelines. The “Age

50 Catch-up” and “Pre-Retirement Catch-up” provisions may not both be used in the same calendar year. Employees may use accrued Sick Leave hours and/or accrued Vacation Leave hours to contribute this additional amount. This provision may be used regardless of the amount of deferrals the employee currently contributes.

Defined Contribution Plan 401(a):

This plan, offered in addition to the existing 457 Deferred Compensation Plan, allows employees to defer additional income (beyond what is allowed in the 457 Plan) as a means of accumulating greater savings for retirement. The plan is open to management employees only and although participation is voluntary, election must be done at time of appointment or within thirty (30) days of promotion into management. Employees who elect to enroll in the 401(a) Plan contribute pre-tax contributions in one of the established amounts: 1% - 20% inclusive, 25% or 100%. If enrolled, the City contributes one dollar (\$1) per pay period. An employee’s election to enroll in the 401(a) Plan is irrevocable.

Source: Resolution Nos. 2003-001, 2004-074

Contributions to deferred compensation will be discontinued while an employee is receiving Workers’ Compensation payments.

Effective upon approval of the City Council, this Article shall be modified as follows:

City Contribution

Employees will receive a five hundred and ten dollar (\$510) per month contribution to their City Deferred Compensation account, 401(a).

ARTICLE 36. FAIR LABOR STANDARDS ACT & OVERTIME COMPENSATION

Currently reads as follows:

Employees are eligible for overtime compensation in conformance with the overtime compensation extended to the Chino Police Officer’s Association, except as otherwise stated in the MOU, overtime will be compensated in either pay or compensation time off. Overtime worked at events where an outside vendor is contracting with the City for Police services will be compensated in pay.

Overtime earned shall be calculated based on the following:

- ❖ 1.5 times the employee’s base hourly rate,
- ❖ Plus any applicable specialty pay (e.g., FTO, bilingual, SWAT, K9, Motors, Detective, or other assignment-specific pays),
- ❖ Plus P.O.S.T. Certificate Pay.

Effective upon approval of the City Council, the above shall be wholly replaced with the following:

A. FLSA/Overtime Acknowledgement and Implementation

The City of Chino and the Chino Police Managers Association (CPMA) acknowledge that the Fair Labor Standards Act (FLSA) requires overtime pay (time-and-a-half) for public safety employees after 40 hours a week, but a special Section 7(k) exemption allows for extended work periods, such

as 7 to 28 days, for law enforcement personnel. Under the 7(k) exemption, overtime is calculated based on a set number of hours worked within the specified work period, not just a 40-hour work week. Public agencies can also use compensatory time off (comp time) in lieu of cash overtime at a rate of 1.5 hours of comp time for every overtime hour worked, with specific accrual limits.

The City has established a specific work period under §207(k) for CPMA represented public safety employees of 28 days, with overtime triggered only after 171 hours worked in that work period. In connection therewith, the City will designate thirteen (13), twenty eight (28) day periods for each calendar year.

The parties also recognize that this MOU provides a separate and more generous benefit referred to as “contractual overtime” which does not require employees to meet the FLSA twenty eight (28) day/171-hour threshold to be entitled to contractual overtime pay as further defined and explained below.

Pursuant to this MOU, hours of paid leave (vacation, compensatory time, holiday time) shall count as hours worked when determining contractual overtime eligibility under this section. Such leave hours shall not count as hours worked for purposes of meeting the FLSA §207(k) threshold.

B. Time Accrual

Employees may elect to accrue compensatory time off in lieu of cash overtime, at 1.5 hours for each hour worked, subject to supervisory approval and accrual limits under Article 8. Certain duties, meetings, trainings, or tasks may be offered as “comp time only” and must be clearly identified as such before the employee accepts the assignment. Acceptance of such assignment is voluntary.

C. Contractual Overtime Defined

Employees will receive paid overtime for hours worked beyond their scheduled daily hours or beyond forty (40) hours in a Monday-Sunday workweek. Voluntary schedule adjustments for trainings or travel do not qualify for overtime unless they result in more than forty (40) hours worked in the Monday-Sunday workweek. Contract overtime will be paid at one and one half time (1.5x) the employee’s contractual overtime rate.

Example: A Sergeant scheduled for 11.5 hours who works 15 hours will receive 3.5 hours of contractual overtime.

D. Two-Hour Minimum for Call-In Overtime

Except as otherwise noted in this MOU, if an employee is contacted and ordered to report to work immediately outside of their regularly scheduled shift, they will receive a minimum of two (2) hours of contract overtime pay starting from the time of contact.

E. Double Time Compensation

Employees who work in excess of sixteen (16) consecutive hours within a twenty-four (24) hour period will be compensated at two (2) times the employee's contractual overtime rate, beginning with the seventeenth (17th) consecutive hour of work.

For purposes of this section, the "contractual overtime rate" shall have the same definition as provided in Section F of this Article and shall include base hourly pay, P.O.S.T. certificate pay, specialty/assignment/hazard pay, and bilingual pay, calculated on a forty (40) hour work week.

F. Contractual Overtime Rate Defined

For purposes of contract overtime calculations, the "contractual overtime rate" shall include only the following:

1. Base hourly pay;
2. All POST certificate pay(s) calculated as an hourly rate based on a 40-hour work week;
3. Specialty/assignment/hazard pay calculated as an hourly rate based on a 40-hour work week; and
4. Bilingual pay calculated as an hourly rate based on a 40-hour work week.

The total of these pays will be multiplied by 1.5 to determine the employee's "contractual overtime rate".

G. FLSA Compliance

- At the end of each 28-day work period, the City will confirm that all hours over the §207(k) 171-hour threshold have been compensated at not less than one and one half times (1.5x) the contractual overtime rate as defined above.
- Contract overtime payments made during the work period shall be credited toward satisfying the City's FLSA overtime obligations for that period, provided they equal to or exceed the amount owed under the FLSA calculation.
- If the contract overtime calculation results in an amount lower than the FLSA requirement for that period, the City will issue a supplemental payment covering the difference.
- No offsets will be made between work periods.

H. Controlling Provisions

If any provision of this section conflicts with the FLSA's minimum requirements, the City will apply the standard that results in the greater overtime benefit to the employee. This MOU will take precedence over any conflict with any prior enacted MOU or City Resolution covering the same subject matter. This section shall not be unilaterally modified or interpreted in a manner that reduces overtime benefits provided by this MOU.

ARTICLE 41. RETENTION OF DOCUMENTS

Currently reads as follows:

All written disciplinary records, internal affairs investigations, and citizen complaints will be removed from an employee's personnel and other City files after five (5) years from the date complaint was received/discovered. Job Performance Evaluations will be removed from the same files five (5) years after the evaluation period ends.

This policy applies only to active employees; records for separated or inactive employees will not be tracked or purged.

Effective upon approval of the City Council, this Article shall be modified by wholly replacing the above with the following:

All written disciplinary records, internal affairs investigations, and citizen complaints will be purged from an employee's Personnel File and other City files in accordance with the City's Retention Policy and the minimum requirements of the California Penal Code and any other applicable state or federal law. All Job Performance Evaluations will be purged from the employee's Personnel File and other City files five (5) years after the date of the end of the Job Performance evaluation period unless a longer retention period is required by the City's Retention Policy and/or state or federal law. This stipulation affects all active employees only; records will not be tracked or purged for inactive/former employees.

ARTICLE 54. UNIFORM AND NON-UNIFORMED - CLOTHING ALLOWANCE

Currently reads as follows:

Effective January 1, 2005, employees will receive payment for their Clothing Allowance one (1) time per year. This payment will be in a payroll check deposit separate from the employee's regular paycheck and will be provided at the time of distribution of the second payroll check in August of each year. Clothing Allowance amounts are as follows:

- Sergeants in uniformed assignments receive seven hundred and seventy dollars (\$770) per fiscal year
- Sergeants in non-uniformed assignments receive nine hundred and sixty dollars (\$960) per fiscal year
- Lieutenants required to maintain both uniformed and non-uniformed clothing receive one thousand, two hundred dollars (\$1,200) per fiscal year

The amount of reportable compensation for uniforms shall not exceed seven hundred and seventy dollars (\$770) per fiscal year. Non-uniformed clothing will not be included with reportable compensation in accordance with PERS guidelines. At the employee's option, the annual allowance may be used toward the purchase of new Police Department uniforms in an amount to be determined individually by each employee.

Effective upon approval of the City Council, this Article shall be modified with the additional language as follows:

Effective August 1, 2026, employees will receive Clothing Allowance amounts as follows:

- Sergeants in uniformed assignments received \$770 per fiscal year, paid at thirty-two dollars and eight cents (\$32.08) for twenty-four (24) pay periods.

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- Sergeants in non-uniformed assignments receive \$960 per fiscal year, paid at forty dollars (\$40) for twenty-four (24) pay periods.
- Lieutenants required to maintain both uniformed and non-uniformed clothing receive \$1,200 per fiscal year, paid at fifty dollars (\$50) for twenty-four (24) pay periods.

The City agrees to pay the uniform allowance per twenty-four (24) pay periods. For CalPERS Classic employees, the City shall report to CalPERS the monetary value of uniforms in the amount listed above.

Except as expressly provided for in this Amendment No. 1 to the CPMA MOU 2025-27, all other provisions of the CPMA MOU 2025-27 shall remain in full force and effect. The parties also acknowledge that this Amendment No. 1 to the CPMA MOU 2025-27 shall not be in full force and effect until adopted by resolution by the City Council of the City of Chino.

Theodore Sutton, President
Chino Police Managers Association

Linda Reich, City Manager
City of Chino

Date

Date

Terry Doyle, Director of Human Resources/
Risk Management
City of Chino

Date