SIDE LETTER AGREEMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF WEST COVINA AND

WEST COVINA POLICE OFFICERS' ASSOCIATION JANUARY 1, 2017 UNTIL JUNE 30, 2021

The City of West Covina and the West Covina Police Officers' Association, ("WCPOA") have met and conferred and reached an agreement on a four-and-a-half-year contract extension, for the period of January 1, 2017 until June 30, 2021, on the WCPOA Memorandum of Understanding ("MOU"). To address a current problem of recruitment and retention, the City shall adjust pay ranges effective January of 2020. On the condition that the City obtains new on-going General Fund ¹ revenue exceeding four million dollars annually the agreement between the parties is as follows: 1) The City shall conduct a total compensation survey of comparable employers and provide a pay and benefit program that is fair relative to what other employers are paying; 2) The City shall increase WCPOA's compensation so that WCPOA's total compensation, wages and benefits, will be between the second and third ranked agencies on the survey; and 3) The City shall provide a one-time Consumer Price Index adjustment to each employee who is a member of the WCPOA in the amount of 3% of the employees' salaries for the period of fiscal years 2017-2018, 2018-2019, and 2019-2020.

This Side Letter Agreement includes the following:

A. Total Compensation Survey

Recognizing that if competitive wages and benefits are not offered, recruitment and retention problems quickly arise, and to ensure that employees are offered competitive salaries and benefits, the parties agree that a total compensation survey including both direct pay and employee benefits shall be conducted. The parties agree that the following Police Departments shall be surveyed: Cities of Azusa, Burbank, Downey, El Monte, Monterey Park, Ontario, Pasadena, Pomona, West Covina and Whittier.

B. Establishment of Pay and Benefit Levels

The parties agree that total compensation, including both direct pay and employee benefits, plays a strong role in the success of the City in attracting and retaining high-performing employees. The City shall:

- 1) Effective the pay period beginning on or after January 12, 2020, all classifications in the unit shall receive a twelve percent (12%) salary increase above their assigned salary range that was in effect on December 31, 2019, and
- 2) If the City obtains new on-going General Fund revenue exceeding four million dollars annually establish competitive pay and benefits by setting compensation levels based on the police departments that are ranked two and three within the survey referenced in subsection A of this Side Letter. WCPOA's compensation will

¹ All references to "new on-going General Fund revenue exceeding four million dollars annually" shall be calculated using the difference between actual revenues received in fiscal year 2019-2020 to any new increased General Fund revenue.

be half of the difference between 2nd and 3rd ranked police departments in subsection A of this Side Letter. WCPOA's compensation will make WCPOA the new third-ranked police department on the labor market survey

C. Consumer Price Index Adjustment

If the City obtains new on-going General Fund revenue exceeding four million dollars annually, the parties agree that on the first full pay period of July, 2020, the City will pay all current employees who are WCPOA members a one-time Consumer Price Index adjustment. The Consumer Price Index adjustment shall be calculated based on the equivalent of 3% increase to the employee's base pay for the period of fiscal years 2017-2018, 2018-2019, and 2019-2020. The Consumer Price Index adjustment shall be paid in a single lump sum payment to each active member of the WCPOA.

PARTIES TO THE AGREEMENT

WEST COVINA POLICE OFFICERS' ASSOCIATION: Richard Forman, Board Member Pete Gallardo, Board Member Brenden Keim, Board Member Matthew Sevilla, Board Member

CITY OF WEST COVINA:

David N. Carmany, City Manager

APPROVED AS TO FORM:

Thomas P. Duarte, City Attorney