

**SIDE LETTER TO THE MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF SAN BERNARDINO (“CITY”) AND THE SAN  
BERNARDINO POLICE MANAGEMENT ASSOCIATION (“ASSOCIATION”)**

The City and the Association hereby agree to a modification of the terms and conditions set forth in the Memorandum of Understanding (2020-2025) between the City and the Association (hereinafter referred to as “MOU”) as follows:

**Leave Cash-out/Sell-back/Holiday**

**1. Cash-out**

**Article V: Subsections (B), (D), and (F) Section 5** of the MOU shall be revised in their entirety to read as follows:

**Subsection (B)** – Employees, after the completion of five (5) years of continuous full-time employment with the City, upon retirement, death, or termination of employment, except through dismissal or resignation with prejudice, or the estate of a deceased employee who has met the aforementioned service requirement but dies during employment, shall receive compensation of 50 percent of accumulated and unused post-petition sick leave. After 20 years of continuous full-time employment with the City, compensation will be seventy-five percent (75%) of all accumulated and unused post-petition sick leave. Compensation shall be deposited for the benefit of the employee into the City’s 401(a) plan. Any compensation exceeding the 401 (a) annual contribution limit shall be paid to the employee as taxable wages, subject to customary withholdings.

**Subsection (D)** – Sick Leave accrued as a result of an industrial disability will not be subject to the accrual maximums and will be paid out in full if the disability results in an industrial retirement with the payout being deposited for the benefit of the employee into the City’s 401(a) plan. Any payout exceeding the 401 (a) annual contribution limit shall be paid to the employee as taxable wages, subject to customary withholdings.

**Subsection (F)** – At the time of separation from service, any employee having at least fifteen (15) years of continuous full-time employment with the City, shall cash out 50% of unused post-petition sick leave. At the time of separation from service, any employee having at least 20 years of continuous full-time service with the City, shall cash out 75% of unused post-petition sick leave. Cash outs shall be deposited into the member’s 401 (a) plan. Any cash outs exceeding the 401 (a) annual contribution limit shall be paid to the employee as taxable wages, subject to customary withholdings.

**Article V: Subsection B of Section 2** of the MOU shall be revised in its entirety to read as follows:

**Subsection (B)** – When an employee resigns or otherwise leaves the service of the City and has not used their earned post-petition vacation, payment shall be made for the benefit of the employee into the City's 401 (a) plan for the earned portion of their vacation. Any payment exceeding the 401 (a) annual contribution limit for defined contribution plans shall be paid to the employee as taxable wages, subject to customary withholdings.

Calculation of the payment for earned vacation or deduction for unearned vacation upon separation to determine the amount to be contributed to the 401(a) plan shall be made in accordance with the wage rate in effect on the final day of employment.

2. **Sell-back**

**Article V: Subsection (E) of Section 5** of the MOU shall be revised in its entirety to read as follows:

**Subsection (E)** – Each fiscal year an employee will receive a contribution in lieu of pay for accrued post-petition sick leave to the City's 401(a) plan pursuant to the terms set forth below.

1. The City shall make the contribution on the first payday in September. Any contribution exceeding the 401 (a) annual contribution limit shall be paid to the employee as taxable wages, subject to customary withholding.
2. The contribution shall be equal to the value of one-fourth (1/4) of the number of hours of post-petition sick leave accrued as of the date of the contribution. The value shall be calculated using the then current wage rate. The employee's accrued post-petition sick leave shall be reduced by the number of post-petition sick leave hours converted to a contribution on behalf of the employee to the City's 401(a) plan.

**Article V: Subsection (H) of Section 2** of the MOU shall be revised in its entirety to read as follows:

**Subsection (H)** – Once per year, members of the bargaining unit will convert one-quarter (1/4) of their unused post-petition vacation leave into a contribution to the City's 401(a) plan. The value shall be calculated using the then current wage rate. The City shall make the contribution on the first payday in September. Any contribution exceeding the 401 (a) annual contribution limit shall be paid to the employee as wages, subject to customary withholding.

In addition, once per year, members of the bargaining unit will be granted the option of selling up to one-quarter (1/4) of their post-petition holiday leave to the City. An eligible employee shall notify the City by August 1 of their request for sellback for the prior fiscal year ending June 30. The City shall compensate eligible employees on the first payday in September.

3. **Holidays**

**Article V: Subsection A of Section 3** of the MOU shall be revised in its entirety to read as follows:

**Subsection (A).** Employees shall be entitled to thirteen (13) City-designated holidays and two (2) floating holidays, the equivalent of 150 holiday hours each year, as listed below.

New Year's Day  
Martin Luther King Day  
President's Day  
Memorial Day  
Juneteenth  
Independence Day  
Labor Day  
Veteran's Day (November 11)  
Thanksgiving Day  
Day After Thanksgiving  
Christmas Eve  
Christmas Day  
New Year's Eve

Employees shall accrue 20 hours from floating holidays effective January 1 of each year. Only unit employees who have satisfactorily served in the employ of the City continuously for at least six (6) months in a full-time position shall be eligible to take floating holidays. Employees shall not be allowed to use unearned holiday time.

Demands of work permitting, employees of this unit may utilize holiday leave on the holidays designated above. The demands of work are such that the employees cannot take off on a designated holiday, the employees shall bank the time for cash-out at the end of the calendar year. When a holiday falls on an employee's regularly scheduled day off, the employee shall bank 10 hours of holiday leave for cash-out at the end of the calendar year.

SBPMA members shall be paid for their unused holiday account balance, at the end of each calendar year at the employee's regular rate of pay in effect at the time of the payoff. The regular rate of pay, for purposes of holiday pay, includes base pay plus the hourly equivalent of the following eligible special compensation for the employee, Education Incentive, Longevity Pay, POST, Technology Allowance, Professional Development, and Uniform Allowance. Employees who separate from employment with a holiday leave balance shall be paid at the wage rate on the final day of their employment.

4. This Side Letter Agreement shall become effective immediately following City Council approval.
5. All other terms and conditions of the MOU shall remain the same.

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Adam Affrunti, President

San Bernardino Police Management Association

Date: \_\_\_\_\_

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Charles A. Montoya, City Manager

City of San Bernardino

Date: \_\_\_\_\_