

**SIDE LETTER of AGREEMENT  
BETWEEN  
CITY OF SANTA CRUZ AND  
SANTA CRUZ POLICE OFFICERS ASSOCIATION**

The City of Santa Cruz (hereinafter referred to as “City”) and the City of Santa Cruz Police Officers Association (hereinafter referred to as “Union”) (collectively the “Parties) entered into a Memorandum of Understanding (“MOU”) with a term beginning on November 1, 2015 and terminating on March 6, 2020.

Pursuant to the provisions of the Meyers-Milias-Brown Act, this Side Letter Agreement (“Agreement”) is entered into on this 12<sup>th</sup> day of July 2018 between the City and the Union to amend the MOU on Section 19.04, Retiree Medical Incentive.

The Parties further agree that the specific provisions in this Agreement shall supersede any previous agreements, whether oral or written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by the affected employees and contained in the MOU shall remain in full force and effect.

The Parties have met and conferred in good faith concerning the terms and conditions of this Agreement and its implementation and now therefore agree the MOU shall be amended to provide the following:

**SECTION 19.04 – Retiree Medical Incentive**

Employees currently on the City’s retiree medical plan and future covered employees who receive a regular service retirement from PERS and have at least five (5) years of continued service with the City and are at least fifty (50) years of age will receive a retiree medical incentive in the amount of \$139 per month in addition to the City’s contribution listed in Section 19.03 (Retiree Medical Plan). This incentive will continue as long as the employee continues PERS medical coverage through the City of Santa Cruz and until such time the retiree is eligible for Medicare (currently age 65) or other federal or state health programs, solely on account of age.


Employees eligible for the PERS retiree incentive listed above, that did not have a break in City service after July 1, 2018, with more than twenty (20) years of cumulative City service, will have their medical incentive increased to 75% the cost of the employee-only coverage of the second highest PERS HMO plan from only among those plans available in Santa Cruz County at the time of ratification of this agreement (less the contribution listed in 19.03 (Retiree Medical Plan). For employees hired or re-hired on or after July 1, 2018, the calculation for the twenty (20) years of City service shall only consider continuous, regular City service at the time of retirement. This incentive will continue as long as the employee continues PERS medical coverage through the City of Santa Cruz and until such time the retiree is

eligible for Medicare (currently age 65) or other federal or state health programs, solely on account of age.

Police Officers Association of the  
City of Santa Cruz



Mark Eveleth, President



Scott Garner, Vice President

8/1/18  
Date

City of Santa Cruz



Lisa Murphy, Human Resources Director



Tim, Davis

7/12/18  
Date