ROSS VALLEY FIRE DEPARTMENT STAFF REPORT

For the meeting of: April 10, 2013

To: Board of Directors

From: Roger Meagor, Fire Chief

Subject: Side Letter Agreements with Ross Valley Fire Chief Officers Association

and the Ross Valley Firefighters Association

RECOMMENDATION:

That the Board approve the attached Side Letter Agreements with the Ross Valley Fire Chief Officers Association, IAFF Local 1775 and the Ross Valley Firefighters Association, IAFF Local 1775.

BACKGROUND:

The current Memorandums of Understandings with the Ross Valley Fire Chief Officers Association and the Ross Valley Firefighters Association provides for labor to work with management, during the term of the current agreement, to develop a tiered system for retiree healthcare. The discussions were to include a tiered system, which reduces the guaranteed benefit for new employees at retirement to the PEMHCA (Public Employees' Medical and Hospital Care Act) minimum and for the implementation of a Retirement Health Savings (RHS) plan, with the Department and the employee making agreed upon contributions to the plan.

The current MOU's provide for retirees to receive health benefits equal to current employees, with certain limitations. The current monthly benefits for retirees average \$629.

The Executive Officer and the Fire Chief, under the direction of the Fire Board, have been meeting with the representatives of the Ross Valley Fire Chief Officers Association and the Ross Valley Firefighters Association to reach an agreement for a tiered system for retiree health benefits

DISCUSSION:

The attached Side Letter of Agreements includes the following changes to the current Memorandum of Understandings with Ross Valley Fire Chief Officers Association and the Ross Valley Firefighters Association:

| 1. | New employees, hired on or after April 1, 2013, will receive the PEMHCA (Public |
|----|---|
| | Employees' Medical and Hospital Care Act) minimum for healthcare insurance |
| | upon retirement, which is currently \$115 per month. |

AGENDA ITEM # Date 4/10/13

- 2. The Department will establish a retiree health savings account (RHS).
- 3. The Department and employees hired on or after April 1, 2013 will make equal contributions to the RHS in an amount equal to 2 percent of the base salary for the "Engineer" position. Two percent of base salary is currently \$140.60 monthly or \$1,687 annually. The total combined annual contribution to the RHS, by the employee and the Department, will be \$3,374.
- 4. The Cafeteria Plan, which provides insurance benefits for active employees, will be modified to meet the requirements of PEMHCA. These changes will not change the benefits for active employees, nor will it change in the cost of these benefits.

The changes included in the Side Letter Agreements do not change the retiree health benefits for current employees or current retirees, nor do they change the healthcare benefits for active members.

In order to implement the changes in future benefits for new employees hired on or after April 1, 2013, the Department will need to change how the current retirees receive their health insurance premium benefits. Currently, CalPERS invoices the Department for the Employer Share of the retiree's health benefit. After the change, CalPERS will only invoice the Department for the amount equal to the PEMHCA minimum, and will deduct the additional cost of the retiree's health insurance premium from the retiree's monthly distribution. The Department will need to reimburse the retiree for the difference between the PEMHCA minimum and the benefit amount established by the MOU. This reimbursement with be administered through the Department's payroll system.

FISCAL IMPACT:

Bickmore Risk Services completed a comparison of current and proposed benefits levels; the comparison analyzed the savings to the Department based on entry age of a new employee and the rate of return on the Departments investments in the California Employers Retirement Benefit Trust (CERBT). The anticipated reduction in the Annual Required Contribution, per employee, ranges from \$2,789 to \$5,760. The Department's annual contribution to the Retiree Health Savings plan for new employees will be \$1,678.

Attachments:

| 1. | Side Letter Agreements | Pages 3-8 |
|----|--|-------------|
| 2. | Ross Valley Fire Chief Officers MOU | Pages 9-22 |
| 3. | Ross Valley Firefighters Association MOU | Pages 23-35 |
| 4. | Estimate – Retiree Medical Cost for Future Employees | Page 35 |

Side Letter of Agreement Between the Ross Valley Fire Department and the Ross Valley Fire Chief Officers Association

Representatives of the Ross Valley Fire Department and the Ross Valley Fire Chief Officers Association, IAFF Local 1775 met and conferred in good faith and have reached agreement on this Side Letter of Agreement to the Memorandum of Understanding regarding modifications to Section 13 (Cafeteria Plan) and Section 14 (Retirement).

The parties agree to the following changes to the July 1, 2012 through June 30, 2013 Memorandum of Understanding:

1. Section 13 (Cafeteria Plan) is to be modified as follows:

Paragraph "a." is to be deleted and replaced with the following, effective July 1, 2013.

Plan Health Insurance – Active Employees: The Authority monthly contribution for employee and the employee's eligible dependents shall be One Hundred and Fifteen dollars (\$115) per month effective July 1, 2013 and shall adjust in accordance with the Minimum Employer Contribution (MEC) established by the Public Employees Medical and Hospital Care Act (PEMHCA).

Cafeteria Plan: The Authority will provide a benefit program whereby the Authority will make a fixed donation to each employee's account during each month for benefits, and the employee will be given the maximum amount of flexibility allowed by the various plans to apply the contribution to the benefit(s) he/she prefers. For the term of this contract, the amount of the cafeteria plan shall be an amount equal to the full family cost of Kaiser (PERS Kaiser Bay Area Plan), which at this time is \$1,784, less the Minimum Employer Contribution (MEC) established by the PEMHCA. Cafeteria benefits may be used for health insurance, dental insurance, life insurance, disability insurance, and cash back to the employee. The cash back, however, can not exceed \$320 per month.

2. Section 14 (Retirement) is to be modified as follows:

Paragraph "b." is to be deleted and replaced with the following:

Health Insurance – Retirees: For any employee who retires during the term of this agreement, Authority agrees to maintain health insurance coverage and to pay the amount required by P.E.R.S. toward the premium cost thereof, provided the retiree remits to the Authority any further payment due, secures Medicare coverage when eligible, and subject to the following:

Effective July 1, 2013, for retiree's who meet the eligibility requirements for retiree healthcare insurance, the Authority's monthly contribution for the retiree and the retiree's eligible dependents shall be One Hundred and Fifteen dollars (\$115) per month and shall adjust in accordance with the Minimum Employer Contribution (MEC) established by the Public Employees Medical and Hospital Care Act (PEMHCA), and in addition;

For Employees Hired Before April 1, 2013: For all employees first covered by Ross Valley Firefighters Association or the Ross Valley Fire Chief Officers Association agreements prior to April 1, 2013, upon retirement, who meet the eligibility requirements for retiree healthcare insurance, will be reimbursed for healthcare premium costs by the Authority as follows:

Retiree reimbursement will be based on the current Authority share, as determined by CalPERS, as of January 1, 2013, less the amount already paid, Minimum Employer Contribution (MEC) established by PEMHCA, and will increase by a maximum of \$100 per month, annually until such time the Authority's contributions for retirees is the same as active members (as established in the Cafeteria Plan section). The maximum \$100 per month, annual increase includes increases to the PEMHCA minimum. Retiree health plan options where the Authority's contribution is the same as active members, the \$100 per month annual increase maximum does not apply.

Medicare eligible retirees must apply for and receive Medicare benefit to be eligible for full reimbursement.

For Employees Hired After March 31, 2013: For all employees first covered by Ross Valley Firefighters Association or the Ross Valley Fire Chief Officers Association agreements after March 31, 2013, upon retirement, will be eligible for the Minimum Employer Contribution (MEC) established by PEMHCA, with no additional reimbursement from the Authority.

The Authority will establish a Retirement Health Savings plan (RHS), on or before August 1, 2013. Both the employee and employer will pay fixed amounts per month into the RHS equal to two (2) percent of base salary for top step Engineer as established by the salary chart in Section 2, Salaries of the Firefighter MOU. In the event an employee's salary is not sufficient to contribute two (2) percent, no Authority or employee contribution will be made until such time as the salary is sufficient to make the two (2) percent contribution.

3. In addition to the above wording changes, the parties have agreed to the following:

In order to facilitate the change in reimbursement now provided to current retirees, letters will be sent to current retirees to explain the proposed changes to the administration of the retiree health benefit. The letters will explain that the proposed changes will not change their current benefit. The letter and the need to follow-up with retirees will be a joint effort by the Authority and Labor.

| nis Side Letter Agreement is executed this day of, 2013 by the duluthorized representatives whose signatures appear below for their respective ganizations. |
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| ROSS VALLEY FIRE CHIEF OFFICERS ASSOCIATION IAFF LOCAL 1775 |
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| RATIFIED: INTERNATIONAL ASSOCIATION OF FIREFIGHTERS LOCAL 1775 |
| ROSS VALLEY FIRE DEPARTMENT |
| Debra Stutsman, Executive Officer |
| RATIFIED: |
| ROSS VALLEY FIRE DEPARTMENT |
| Jeff Kroot, President |
| ATTEST: |
| JoAnne Lewis, Administrative Assistant Clerk |

Side Letter of Agreement Between the

Ross Valley Fire Department and the International Association of Firefighters

Representatives of the Ross Valley Fire Department and the International Association of Firefighters, Local 1775 met and conferred in good faith and have reached agreement on this Side Letter of Agreement to the Memorandum of Understanding regarding modifications to Section 8 (Cafeteria Plan) and Section 11 (Retirement).

The parties agree to the following changes to the July 1, 2012 through June 30, 2013 Memorandum of Understanding:

1. Section 8 (Cafeteria Plan) is to be modified as follows:

Paragraph "a." is to be deleted and replaced with the following, effective July 1, 2013.

Plan Health Insurance – Active Employees: The Authority monthly contribution for employee and the employee's eligible dependents shall be One Hundred and Fifteen dollars (\$115) per month effective July 1, 2013 and shall adjust in accordance with the Minimum Employer Contribution (MEC) established by the Public Employees Medical and Hospital Care Act (PEMHCA).

Cafeteria Plan: The Authority will provide a benefit program whereby the Authority will make a fixed donation to each employee's account during each month for benefits, and the employee will be given the maximum amount of flexibility allowed by the various plans to apply the contribution to the benefit(s) he/she prefers. For the term of this contract, the amount of the cafeteria plan shall be an amount equal to the full family cost of Kaiser (PERS Kaiser Bay Area Plan), which at this time is \$1,784, less the Minimum Employer Contribution (MEC) established by the PEMHCA. Cafeteria benefits may be used for health insurance, dental insurance, life insurance, disability insurance, and cash back to the employee. The cash back, however, can not exceed \$320 per month.

2. Section 11 (Retirement) is to be modified as follows:

Paragraph "a." is to be deleted and replaced with the following.

Health Insurance – Retirees: For any employee who retires during the term of this agreement, Authority agrees to maintain health insurance coverage and to pay the amount required by P.E.R.S. toward the premium cost thereof, provided the retiree remits to the Authority any further payment due, secures Medicare coverage when eligible, and subject to the following:

Effective July 1, 2013, for retiree's who meet the eligibility requirements for retiree healthcare insurance, the Authority's monthly contribution for the retiree and the retiree's eligible dependents shall be One Hundred and Fifteen dollars

(\$115) per month and shall adjust in accordance with the Minimum Employer Contribution (MEC) established by the Public Employees Medical and Hospital Care Act (PEMHCA), and in addition;

For Employees Hired Before April 1, 2013: For all employees first covered by Ross Valley Firefighters Association or the Ross Valley Fire Chief Officers Association agreements prior to April 1, 2013, upon retirement, who meet the eligibility requirements for retiree healthcare insurance, will be reimbursed for healthcare premium costs by the Authority as follows:

Retiree reimbursement will be based on the current Authority share, as determined by CalPERS, as of January 1, 2013, less the amount already paid, Minimum Employer Contribution (MEC) established by PEMHCA, and will increase by a maximum of \$100 per month, annually until such time the Authority's contributions for retirees is the same as active members (as established in the Cafeteria Plan section). The maximum \$100 per month, annual increase includes increases to the PEMHCA minimum. Retiree health plan options where the Authority's contribution is the same as active members, the \$100 per month annual increase maximum does not apply.

Medicare eligible retirees must apply for and receive Medicare benefit to be eligible for full reimbursement.

For Employees Hired After March 31, 2013: For all employees first covered by Ross Valley Firefighters Association or the Ross Valley Fire Chief Officers Association agreements after March 31, 2013, upon retirement, will be eligible for the Minimum Employer Contribution (MEC) established by PEMHCA, with no additional reimbursement from the Authority.

The Authority will establish a Retirement Health Savings plan (RHS), on or before August 1, 2013. Both the employee and employer will pay fixed amounts per month into the RHS equal to two (2) percent of base salary for top step Engineer as established by the salary chart in Section 2, Salaries of the Firefighter MOU. In the event an employee's salary is not sufficient to contribute two (2) percent, no Authority or employee contribution will be made until such time as the salary is sufficient to make the two (2) percent contribution.

3. In addition to the above wording changes, the parties have agreed to the following:

In order to facilitate the change in reimbursement now provided to current retirees, letters will be sent to current retirees to explain the proposed changes to the administration of the retiree health benefit. The letters will explain that the proposed changes will not change their current benefit. The letter and the need to follow-up with retirees will be a joint effort by the Authority and Labor.

| his Side Letter Agreement is executed thisuthorized representatives whose signatures appropriations. | _day of bear below for th | , 2013 by the duly neir respective |
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| INTERNATIONAL ASSOCIATION OF FIREF | IGHTERS LOCA | AL 1775 |
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| RATIFIED: INTERNATIONAL ASSOCIATION | I OF FIREFIGH | TERS LOCAL 1775 |
| | | |
| ROSS VALLEY FIRE DEPARTMENT | | |
| Debra Stutsman, Executive Officer | | |
| RATIFIED: | | |
| ROSS VALLEY FIRE DEPARTMENT | | |
| Jeff Kroot, President | | |
| ATTEST: | | |
| JoAnne Lewis, Administrative Assistant Clerk | and the same and t | |

MEMORANDUM OF UNDERSTANDING

BETWEEN ROSS VALLEY FIRE CHIEF OFFICERS ASSOCIATION

AND ROSS VALLEY FIRE DEPARTMENT

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MEMORANDUM OF UNDERSTANDING

Between

ROSS VALLEY FIRE DEPARTMENT

And

ROSS VALLEY FIRE CHIEF OFFICERS ASSOCIATION, IAFF LOCAL 1775

This Memorandum of Understanding has been arrived at as result of meeting and conferring in good faith under the provisions of Section 3500-3509 of the Government Code of the State of California.

The Ross Valley Fire Chief Officers Association, IAFF Local 1775, (RVFCOA) is the formally recognized employee organization for the Chief Officers representation unit. The following classification is represented by this unit:

Battalion Chief

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of the employees in said representation unit, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding shall be presented to the Ross Valley Fire Department Board as the joint recommendations of the undersigned for salary and fringe benefit adjustments for the period commencing **July 1, 2012 through June 30, 2013**

1. Salaries

The Salary Plan shall outline the salary structure for the classification represented by the Ross Valley Fire Chief Officers Association, Local 1775. The salaries shall be paid semi-monthly.

2. Basic Rate of Pay

The basic rate of pay equals:

- A) Base monthly salary times 12, equals annual salary.
- B) Annual salary, divided by annual hours scheduled, equals base hourly rate.
- C) Annual salary, divided by 52 weeks, divided by weekly hours scheduled, equals basic hourly rates.

3. Salary and Wage Plan for Battalion Chiefs

Step A: The first step of each range is the minimum rate and should normally be the hiring rate for the class. In cases where it is difficult to locate qualified personnel, or if a person of unusual qualifications is employed, the Executive Officer may authorize original appointment, reinstatement or re-employment at any step other than the first step. A department manager or other management or supervisory employee shall not make any salary commitment to an applicant in excess of the first step without first submitting written justification to and receiving written approval from the Executive Officer in advance of any such salary offer.

<u>Step B:</u> Employees are eligible for this adjustment after the completion of six (6) months of continuous satisfactory service. As there is no probationary period for Battalion Chiefs, a Battalion Chief whose work does not justify an advancement to the second step should be returned to the rank of Captain. This justification for advancement will be in the form of a six (6) month performance appraisal.

<u>Step C</u>: An employee should be eligible for adjustment to this step after serving twelve (12) months of continuous satisfactory or better service at the second step.

Advancement from one step to the other shall be only at the recommendation of the Fire Chief and approval by the Executive Officer.

For all permanently employed Battalion Chiefs the salary steps will be:

| | Step A | Step B | Step C |
|-----------------|--------|--------|--------|
| Battalion Chief | 9,250 | 9,763 | 10,278 |

Step A salary shall be top step Battalion Chief less 10% Step B salary shall be top step Battalion Chief less 5%.

Battalion Chiefs will be eligible for educational incentive as per Section 16 of this MOU.

4. Hours of Work:

The firefighting duty schedule shall consist of two twenty four (24) hour shifts followed by ninety-six (96) hours off duty. Shifts shall not exceed forty-eight hours duration, commencing at 7 o'clock am.

The Chief may assign, at his or her discretion, for a period not exceeding thirty (30), Battalion Chiefs to work on a typical 40 hour per week schedule for administrative projects.

If a reduction in the weekly duty schedule, different from that specified above, is mandated by legislative or judicial action, the parties to this Agreement shall meet and confer concerning the effect of the reduction in the weekly duty schedule or such fringe benefits as vacations and sick leave.

5. Dues Deductions:

Upon submission to the district of a proper written authorization by the employees, the district agrees to deduct Union dues from the paycheck of each Union member on a monthly basis and to remit said monies and the names of those employees for whom dues are being deducted to the Union. Such remittance shall be made on a monthly basis.

6. Overtime:

The Fire Chief may authorize overtime compensation in specific instances in which an employee in the Ross Valley Fire Chief Officers Association is required by his or her supervisor to perform overtime work of a non-administrative nature. Examples of duties which would be non-administrative are as follows:

- A) Shift work in which the employee is required to work overtime to meet minimum staffing levels.
- B) Off duty response for emergency incidents.
- C) Duty at emergency incidents which extends beyond the employees normal shift assignment.
- D) All overtime worked, up to a maximum of eight (8) hours shall be computed at a minimum of one hour overtime computed on a 40 hour work week rate. For time worked between 8 and 12 hours the employee shall be paid 8 (eight) hours at the 40 hour work week rate. Any overtime in excess of 12 hours is paid based on a 56 hour work week rate.

Examples of duties which are administrative and therefore not eligible for overtime payment are as follows:

- A) Off-duty time spent at staff or board meetings.
- B) Off-duty time spent performing administrative functions in which the employee is not considered in staffing requirements.
- C) Off-duty time spent attending courses, classes, seminars or workshops, unless mandated by the Department.

Overtime for Fair Labor Standards Act (FLSA) purposes is time worked by a Battalion Chief beyond one hundred eighty-two (182) hours in a twenty-four (24) day work period (as that term is used by the wage and hour division of the Department of Labor) and is the time frame in which hours worked will be counted for the purpose of computing overtime under FLSA regulations. All vacation, compensatory time, sick and disability shall be considered time worked for the calculation of FLSA overtime.

All overtime work authorized by the Chief or his designee shall be paid at time and one-half. Employees shall have the option to accumulate compensatory time off (CTO) in lieu of pay for overtime worked. CTO may be accumulated at a rate of 1.5 to 1.0 up to a total of 240 hours maximum, and may be taken at a time mutually convenient to the employee and employer and subject to the vacation schedule. Total accumulated hours by employee will be calculated on July 1 of each year. Employees who have accumulated more than 240 hours as of July 1 will be notified by the employer of that fact, and allowed to schedule time off to bring the hours accumulation to below 240 hours. CTO in excess of one (1) hour shall be calculated in 1/2 hour increments.

7. Administrative Leave:

Administrative leave is available to Battalion Chiefs in the amount of five (5) shifts per year. Said leave is available beginning July 1 through June 30 annually. It may not be accrued beyond June 30 each year. Actual usage will be taken (if possible) with no financial consequences to the Department and be approved by the Fire Chief.

8. Holidays:

a. Holiday time off shall not apply to Battalion Chiefs covered by this agreement. In lieu thereof, regular full-time employees shall receive one-half shifts pay for each of the following holidays:

New Year's Day; Martin Luther King, Jr. Day; Lincoln's Birthday; Washington's Birthday; Memorial Day; Independence Day; Labor Day; Admission Day; Veterans' Day; Thanksgiving Day; Friday after Thanksgiving Day; December 24, 1/2 day; Christmas Day; December 31, 1/2 day.

In addition to the above, any other single day appointed by the President of the United States or the Governor of California and observed by the Authority as a public fast, Thanksgiving or holiday.

- b. Alternatively, an employee may at his/her option, only if convenient to Authority, receive equivalent time off, no later than coincident with his/her next vacation.
- c. Holiday pay shall be paid in twenty-four (24) semi-monthly pay checks.

9. Vacation:

a. During the term of this agreement, regular full-time employees shall earn entitlement to annual vacation on the basis of continuous service in accordance with the following schedule:

| YEARS OF SERVICE | | | ANNU | AL VACATION | - |
|------------------|----------|----|-------|----------------|---|
| | | | ENTIT | ENTITLEMENT | |
| 1 | Through | 3 | 5 | 24 Hour shifts | |
| 4 | Through | 7 | 7 | 24 Hour shifts | |
| 8 | Through | 12 | 9 | 24 Hour shifts | |
| 13 | Through | 15 | 10 | 24 Hour shifts | |
| 16 | And over | | 12 | 24 Hour shifts | |

- b. Vacation time shall be accumulated monthly from the outset of employment.
- c. An employee on his/her anniversary date may carry forward no more than eighteen (18) months vacation accrual. (Example: If an employee accrues 12 shifts per year, then he/she may carry forward no more than 18 shifts on his/her anniversary date.)
- d. An employee who resigns, retires, is laid off or discharged, and who has earned vacation time to his/her credit, shall be paid for said earned vacation as of the effective date of the termination.
- e. Vacation shall be accumulated in accordance with the schedule set forth in paragraph 9-a of this agreement only for time actually worked. The following shall be treated as time worked for purposes of this subsection: paid vacation or sick leave; periods of leave without pay not exceeding three (3) weeks; periods of non-charged leave for work connected illness or injury if the disability is determined to be temporary.
- f. A maximum of 72 hours of vacation may be taken in advance of accrual, if approved by the Chief, as convenient to Authority.
- g. An employee may, once each fiscal year, at his/her option, receive a cash payment for a maximum of two accrued vacation days (48hours).

10. Sick Leave:

Disability of a Battalion Chief resulting from a work connected illness or injury shall be compensated exclusively in accordance with Labor Code 4850. Time off work of a Battalion Chief resulting from illness or injury not connected with work for Authority shall be charged against accrued sick leave, provided, in case of absence caused by compensable injury sustained while gainfully employed by a commercial employer, the employee shall remit to Authority any temporary disability compensation provided under the Workers' Compensation Law.

- b. During the term of this agreement, all regular full-time employees shall accrue one-half shift of sick leave for each month or major fraction thereof worked. Sick leave shall accrue only for time actually worked. The following shall be treated as time worked for purposes of this subsection; paid vacation or sick leave; periods of leave without pay not exceeding three (3) weeks; periods of non charged leave for work connected illness or injury if the disability is determined to be temporary.
- c. Unused sick leave shall accumulate without limit until 7/1/04. Unused sick leave shall accumulate up to a maximum of 60 shifts (for 24 hour personnel) for the purposes of payoff as per the MOU at time of retirement, but no maximum for the use of such sick leave as per this MOU Separation/Retirement Payoff will be limited to this maximum factor of 60 shifts as per the MOU. Employees with an excess of six months as of 7/1/04 shall maintain that cap limit as the maximum sick leave accumulation allowable for payoff purposes.
- d. In case of necessity, up to seventy-two (72) hours of sick leave may be taken in advance of accrual if approved by the Chief.
- e. In case of the death, illness or injury of a person having a close familial relationship with an employee covered by this agreement, up to seventy-two (72) hours of sick leave per contract year may be taken as bereavement or familial care leave. A familial relationship includes the employee's immediate family members and shall consist of the employee's spouse, children, parents, grandparents, grandchildren, brothers, sisters; spouse's children, parents, grandparents, grandchildren, brothers, sisters or any other person previously identified, in writing, to the Chief, with whom the employee has a familial relationship.
- f. A physician's certificate in a form acceptable to the Executive Officer may be required by the Chief or Executive Officer before any absence is charged against sick leave, or before return to work is permitted after extended illness or serious injury. All illnesses or injuries that result in more than two months off from full duty will require a Department selected physicians release before a return to full duty.
- g. Association recognizes the right of Authority to verify sick leave.
- h. An employee using less sick leave in a contract year than he/she has accrued in that year may elect to transfer twenty-five percent (25%) of the excess to his/her vacation accrual, or may elect to have equivalent cash contributed to the Supplemental Retirement Program (deferred compensation).
- i. Retirees shall receive 100% credit for accumulated sick leave, said credit to be added to his/her length of service at retirement. In the alternative, the employee can take 50% of accumulated sick leave in cash value at retirement at his/her discretion.
- j. If an employee is unable to return to work before his/her sick leave accrual is exhausted, charge shall be made against compensatory time accrual or vacation accrual.

11. Special Leave:

- a. Military leave with pay shall be granted in accordance with and not exceeding the requirements of applicable Federal and State law.
- b. Jury leave with pay shall be granted to an employee called for potential jury duty or serving on a jury, provided he/she endorses over to Authority any compensation received therefore.
- c. Leave of absence without pay may be granted by the Chief for up to seven (7) calendar days, or by the Executive Officer upon recommendation of the Chief for up to ninety (90) calendar days, only in accordance with standards appended hereto as Exhibit "C".

12. Acting Battalion Chiefs

A Captain shall be allowed to function as an acting Battalion Chief on any day when a combination of nine (9) Firefighters and Captains are on duty and no Battalion Chief is on duty. If a valid promotional list is in effect, a Captain working that day shall be selected (on a rotational basis) to act as Battalion Chief for the day. If no valid list is in effect, or if no Captain on the list is available to work, the second choice shall be from a list of Captains who have completed a list of approved classes and/or Department related qualifications. If no Captain is available from either list, a Battalion Chief shall be hired.

This list of approved classes and/or Department related qualifications shall be approved by the Fire Chief and reviewed as part of Battalion Chief MOU negotiations.

13. Cafeteria Plan

- a. The parties agree to establish a benefit program whereby the Authority will make a fixed donation to each employee's account during each month for benefits, and the employee will be given the maximum amount of flexibility allowed by the various plans to apply the contribution to the benefit(s) he/she prefers. For the term of this contract, the amount of the cafeteria plan shall be an amount equal to the full family cost of Kaiser (PERS Kaiser Bay Area Plan) which at this time is \$1587. Any unused amount can be applied toward other benefits including dental, life, disability, and cash back to the employee. The cash back, however, can not exceed \$320 per month.
- b. Employees will be allowed to change their utilization of the benefit plan only once per year, during the PERS Open Enrollment Period of each calendar year. The benefits upon which this amount of money may be distributed are: the premium for the Public Employees Retirement System Health Care Act, the premium for the dental plan, and the premium for disability and life insurance.
- c. Employees will be given an annual statement of the amounts paid to each option. Employees choosing to waive participation in one or more insurance programs may do so only after providing acceptable proof of equivalent coverage through other sources.

- d. Authority agrees to provide per Government Code Section 22850 the benefits of the Public Employees' Medical and Hospital Care Act for all employees and annuitants (retirees).
- e. Authority agrees to continue to pay the health, dental, and life insurance premiums for those employees who have been injured off the job and chose to go on the private insurance plan, and therefore off of salary status. The Authority also agrees that the seniority of that person will not be affected. This is for a maximum of six (6) months unless both parties agree to continue thereafter.

14. Retirement:

- a. Authority agrees to contract with P.E.R.S. for the 3% at 55 Retirement Plan including 1959 Survivor Benefits Section 21382.4 (Third Level), post retirement survivor benefits, and highest one year final compensation for all safety members covered by this agreement.
- b. For any employee who retires during the term of this agreement, Authority agrees to maintain health insurance coverage and to pay the amount required by P.E.R.S. toward the premium cost thereof, provided the retiree remits to Authority any further premium due and secures Medicare coverage when eligible therefore.
- c. Retirees shall be eligible to receive credit for some unused sick leave upon retirement, in accordance with Section 10-i of this agreement.
- d. Authority agrees to implement the provisions of Section 414(h) (2) of the Internal Revenue Code whereby the employee P.E.R.S. contribution is removed from gross salary for tax purposes.
- e. The Authority will continue to provide a deferred compensation plan for all employees. It will be administered by a committee on which both parties to this agreement will be represented.
- f. Authority agrees to pay 6% on behalf of the employee towards his/her share of retirement cost.
- g. The Authority agrees to report the EPMC (Employer Paid Member Contributions) to PERS. This is currently 6%The Authority and the Union agree to a mandatory retirement age of 65 years for all employees covered by this agreement.
- h. Association and Authority agree to work together, during the term of this agreement, to develop a tiered system for retiree healthcare. The discussion will include a tiered system which reduces the guaranteed benefit for new employees to the PEMHCA minimum and a Retirement Health Savings (RHS) plan, with the Authority and the employee making agreed upon contributions to the RHS plan.

15. Uniform Allowance:

Authority agrees to pay during the term of this agreement to each regular full time employee covered by this agreement who is required to maintain a uniform, a uniform allowance at the rate of \$720 per year, payable at a rate of \$30 per pay period.

16. Educational Incentive:

The following educational incentive plan has been adopted:

- a. 2% of the monthly base salary per month pay incentive will be awarded to employees holding an Executive Fire Officer Certificate from the National Fire Academy.
- b. 1% of the monthly base salary per month incentive will be awarded to employees holding a Fire Chief Certificate from the State Board of Fire Services.
- c. A Battalion Chief who qualifies for education cost reimbursement under the standards appended hereto as Exhibit "D" shall for the duration of such qualification receive such reimbursement as established by Exhibit "D".

17. In-District Living Allowance:

An in-district living allowance of \$200 per month will be provided to a Battalion Chief who maintains his/her residence within the jurisdictional boundaries of the Authority or within fifteen (15) minutes driving time from an authority fire station.

A Battalion Chief, who maintains his/her residence within the County of Marin, but not within the jurisdictional boundaries of the Authority or within fifteen (15) minutes driving time from an Authority fire station shall receive a housing allowance of \$100.00 per month.

18. Deferred Compensation:

A deferred compensation plan is established under IRC, Section 457 and offered to all eligible employees. The plan will be administered by the ICMA Retirement Corporation. The District does not at this time require a minimum amount to be deferred.

19. Working Conditions

- a. An employee required to use his/her private vehicle for Authority business shall be reimbursed at the current rate approved by the IRS.
- b. Association members shall not engage in a business or calling while off-duty on sick leave with pay or disability leave with pay that would aggravate the injury, prolong the time required to be off duty, or exceed the number of hours being worked before the injury.
- c. There is a restricted duty policy in accordance with the policy statement appended hereto as Exhibit "B".
- d. Fire Department agrees to provide for all employees subject to this agreement the IRS Section 125 benefit, effective as soon as the benefit can be established during the term of this agreement.

- e. For the purposes of this agreement, in any case where seniority is an issue among Battalion Chiefs (for example in the selection of vacations or shift assignments) seniority shall be determined by date of promotion to the rank of Battalion Chief.
- f. The Drug and Alcohol testing policy and procedure is appended hereto as Exhibit "G".

20. Performance Guarantees

- a. Association will take whatever lawful steps are necessary to prevent any interruption of work in violation of this agreement, recognizing with Authority that all matters of controversy within the scope of this agreement shall be settled by the grievance procedure as per the existing Civil Service Rules of the Department.
- b. Each party consents to, and waives any defenses against, an injunctive action by the other party to restrain any violation of this section.

21. Existing laws and ordinances; Existing Benefits

- a. This agreement is subject to all existing laws of the State of California, and to Authority's Resolution 01-02 (Revising of Existing Civil Service System) appended hereto as Exhibit "A". Authority, Association and the employees affected thereby, unless otherwise specified herein, shall be entitled to all benefits conferred thereby and shall observe all obligations engendered thereby. In case of conflict between this agreement and provisions of an Authority Resolution other than Resolution 01-02, this agreement shall govern.
- b. Changes in existing benefits or purported existing benefits not encompassed by the provisions of Section 21-a of this agreement shall be made only following notice to and negotiation with Association. Such changes shall be subject to the grievance procedure. No change in such existing benefits or practices shall be made unless required by operational necessity or unless it will improve the efficiency of the department without affecting or diminishing the health or safety of any employee.

22. Waiver Clause

The parties acknowledge that, for the life of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter pertaining to or covered by this agreement, except as specifically provided the Sections 1, 21b, and 22 of this agreement, notwithstanding any provision of law to the contrary.

23. Severability

Should any provision of the Memorandum of Understanding be declared illegal by a final judgment of the Court of competent jurisdiction, such invalidation of such provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of the Memorandum of Understanding. Notwithstanding the foregoing, the parties hereto agree that if possible they shall enter into collective bargaining negotiations for the sole purpose of arriving at a mutually satisfactory replacement for any article or section of this agreement which has been held invalid. Such negotiation shall be governed by the provisions of Government Code Section 3500 et. Seq. And all other relative provisions of California law as it relates to collective bargaining.

24. No Discrimination:

There shall be no discrimination of any kind because of race, creed, color, national origin, sex, political or religious opinion or activities, Association activities as described in the Meyers-Milias-Brown Act, and, to the extent prohibited by State and Federal law, age; provided, however, that nothing herein shall be deemed to authorize the conduct of political, religious or Association activities on District time or with District equipment or District supplies, except as otherwise provided in this Memorandum of Understanding.

25. Duration of Agreement:

This agreement shall be effective as of the first day of July 2012, and shall remain in full force and effort until the 30th day of June 2013. It shall be automatically renewed from year to year thereafter unless either party shall have notified the other in writing, at least one hundred and twenty (120) days prior to the annual anniversary date that it desires to modify the agreement.

IN WITNESS WHEREOF THE parties have caused their duly authorized representatives to execute the within agreement on this 13th day of June, 2012.

ROSS VALLEY FIRE CHIEF OFFICERS ASSOCIATION IAFF LOCAL 1775

RATIFIED: INTERNATIONAL ASSOCIATION OF FIREFIGHTERS LOCAL 1775

ROS\$ VALLEY FIRE DEPARTMENT

Debra Stutsman, Executive Officer

RATIFIED:

ROSS VALLEY FIRE DEPARTMENT

Frank Berto, President

ATTEST:

%Anne Lewis, Administrative Assistant

Clerk

MEMORANDUM OF UNDERSTANDING

BETWEEN INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

LOCAL 1775 AND ROSS VALLEY FIRE DEPARTMENT

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MEMORANDUM OF UNDERSTANDING

BETWEEN INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

LOCAL 1775 AND ROSS VALLEY FIRE DEPARTMENT

The salaries, hours, fringe benefits and working conditions set forth herein have been mutually agreed by the designated bargaining representatives of Ross Valley Fire Department (hereinafter "Authority") and International Association of firefighters Local 1775 (hereinafter "Association").

1. RECOGNITION AND COOPERATION

- a. Authority, by Section 17e of the Joint Powers Agreement of February 21, 1982, has recognized Association as the exclusive bargaining representative for all full-time employees of Authority other than the Chief, Administrative Assistant, Fire Inspector, and Firefighter Apprentices.
- b. Both parties recognize their mutual obligation to cooperate with each other to assure service of the highest quality and efficiency to the residents of Authority's territory.
- c. Authority semi-annually shall furnish to Association a list of the names, classifications, and addresses of all employees in the Unit, and to each employee a statement of net accrual of vacation and sick leave.

2. SALARIES

The monthly salaries payable to full-time employees covered by this agreement shall be as follows:

| | | Step B | Step C | Step D | Step E |
|----------------------|-------|--------|--------|--------|--------|
| Captain | 6,635 | 6,967 | 7,315 | 7,681 | 8,065 |
| Firefighter/Engineer | 5,783 | 6,073 | 6,376 | 6,695 | 7,030 |

- b. Step placement and advancement shall be in accordance with the provisions of Section 11 of Authority's Civil Service Rules and Regulations, appended hereto as Exhibit "A'.
- c. Any Firefighter/Engineer assigned and working as Acting Captain shall be paid at a step in the salary range for Captain corresponding to the employee's step in the Firefighter/Engineer range.
- d. Any Captain assigned and working as an Acting Battalion Chief shall be paid at Step A in the salary range for Battalion Chief, as per Battalion Chief contract.

- e. Hourly rates for 56-hour employees shall be calculated by dividing an employee's monthly salary by 242.
- f. The difference between each step (A through E) will be set at 5%.
- g. Employees are eligible for the first step increase after 12 months of employment and every 12 months thereafter until Step "E" is reached.

3. WORKING HOURS AND OVERTIME

- a. During the term of this agreement, the normal Fire Duty Cycle for Firefighter/Engineer and Captain shall consist of two twenty four (24) hour shifts followed by ninety-six (96) hours off duty. Shifts shall not exceed forty-eight (48) hours duration, commencing at 7 o'clock a.m. Regular overtime is time worked by a Firefighter/Engineer or Captain, beyond forty-eight (48) hours in the standard fire duty cycle. For purposes of computing regular overtime, vacation, sick and compensatory time shall be considered time worked.
- b. Overtime for Fair Labor Standards Act (FLSA) purposes is time worked by a Firefighter/Engineer or Captain beyond one hundred eighty-two (182) hours in a twenty-four (24) day work period (as that term is used by the wage and hour division of the Department of Labor) and is the time frame in which hours worked will be counted for the purpose of computing overtime under FLSA regulations.
- c. All overtime work authorized by the Chief or his/her designee shall be paid at time and one-half. Employees shall have the option to accumulate Compensatory Time Off (CTO) in lieu of pay for overtime worked. CTO may be accumulated at a rate of 1.5 to 1.0 up to a total of 240 hours maximum, and may be taken at a time mutually convenient to the employee and employer and subject to the vacation schedule. Total accumulated hours by employee will be calculated on July 1 of each year. Employees who have accumulated more than 240 hours as of July 1 will be notified by the employer of that fact, and allowed to schedule time off to bring the hours accumulation to below 240 hours. CTO in excess of one (1) hour shall be calculated in 1/2 hour increments. No employee shall be allowed to carry more than 240 comp time hours on the books.
- d. All overtime worked, up to a maximum of eight (8) hours, shall be computed at a minimum of one-hour overtime computed on a 40 hour work week rate. For time worked between 8 and 12 hours, the employee shall be paid eight (8) hours at the 40 hour work week rate. Any overtime in excess of 12 hours is paid based on a 56 hour work week rate.
- e. Employees may exchange shifts in accordance with the shift trade policy appended hereto as Exhibit "B".
- f. The Chief may assign, at his or her discretion, for a period not exceeding thirty (30) days, any employee to work on a typical 40-hour per week schedule for administrative projects. If the assignment is to exceed thirty days, there must be the mutual consent of the Fire Chief and the employee.

4. HOLIDAYS

a. Holiday time off shall not apply to Captains, or Firefighter/Engineers covered by this agreement. In lieu thereof, regular full-time employees shall receive one-half shift's pay for each of the following holidays:

New Year's Day; Martin Luther King, Jr. Day; Lincoln's Birthday; Washington's Birthday; Memorial Day; Independence Day; Labor Day; Admission Day; Veterans' Day; Thanksgiving Day; Friday after Thanksgiving Day; December 24, 1/2 day; Christmas Day; December 31, 1/2 day. In addition to the above, any other single day appointed by the President of the United States or the Governor of California and observed by the Authority as a public fast, Thanksgiving or holiday.

- b. Alternatively, an employee may at his/her option, only if convenient to Authority, receive equivalent time off, no later than coincident with his/her next vacation.
- c. Holiday pay shall be paid in twenty-four (24) semi-monthly pay checks.

5. VACATION

a. During the term of this agreement, regular full-time employees shall earn entitlement to annual vacation on the basis of continuous service in accordance with the following schedule:

| YEA | RS OF SERV | ICE | ANNUAL VACATION ENTITLEMENT |
|-----|------------|-----|-----------------------------|
| 1 | through | 3 | 5 24-hour shifts |
| 4 | through | 7 | 7 24-hour shifts |
| 8 | through | 12 | 9 24-hour shifts |
| 13 | through | 15 | 10 24-hour shifts |
| 16 | and over | | 12 24-hour shifts |

- b. Vacation time shall be accumulated monthly from the outset of employment.
- c. An employee on his/her anniversary date may carry forward no more than eighteen (18) months vacation accrual. (Example: If an employee accrues 12 shifts per year, then he/she may carry forward no more than 18 shifts on his/her anniversary date.)
- d. An employee who resigns, retires, is laid off or discharged, and who has earned vacation time to his/her credit, shall be paid for said earned vacation as of the effective date of the termination.
- e. Vacation shall be accumulated in accordance with the schedule set forth in paragraph 5-a of this agreement only for time actually worked. The following shall be treated as time worked for purposes of this subsection: paid vacation or sick leave; periods of leave without pay not exceeding three (3) weeks; periods of non-charged leave for work-connected illness or injury if the disability is determined to be temporary.
- f. A maximum of 72 hours of vacation may be taken in advance of accrual, if approved by the Chief as convenient to Authority.

6. SICK LEAVE

- a. Disability of a Firefighter/Engineer or Captain resulting from a work-connected illness or injury shall be compensated exclusively in accordance with Labor Code 4850. Time off work of a Firefighter/Engineer or Captain resulting from illness or injury not connected with work for Authority shall be charged against accrued sick leave, provided in case of absence caused by compensable injury sustained while gainfully employed by a commercial employer, the employee shall remit to Authority any temporary disability compensation provided under the Workers' Compensation law.
- b. During the term of this agreement, all regular full-time employees shall accrue one-half shift of sick leave for each month or major fraction thereof worked. Sick leave shall accrue only for time actually worked. The following shall be treated as time worked for purposes of this subsection; paid vacation or sick leave; periods of leave without pay not exceeding three (3) weeks; periods of non-charged leave for work-connected illness or injury if the disability is determined to be temporary.
- c. Unused sick leave shall accumulate up to a maximum of 60 shifts (for 24 hour personnel) for the purposes of payoff as per the MOU at time of retirement, but no maximum for the use of such sick leave as per this M.O.U. Separation/retirement payoff will be limited to this maximum factor of 60 shifts as per the MOU. Employees with an excess of six months as of 7/1/02 shall maintain that cap limit as the maximum sick leave accumulation allowable for payoff purposes. See Exhibit "J" for this cap limit.

Members, with an excess of 60 shifts as of 7/1/02, using sick leave will have such leave deducted from this maximum total for payoff purposes.

- d. In case of necessity, up to seventy-two (72) hours of sick leave may be taken in advance of accrual if approved by the Chief.
- e. In case of the death, illness or injury of a person having a close familial relationship with an employee covered by this agreement, up to seventy-two (72) hours of sick leave per contract year may be taken as bereavement or familial care leave. A familial relationship includes the employee's immediate family members and shall consist of the employee's spouse, children, parents, grandparents, grandchildren, brothers, sisters; spouse's children, parents, grandparents, grandchildren, brothers, sisters or any other person previously identified, in writing, to the Chief, with whom the employee has a familial relationship.
- f. A physician's certificate in a form acceptable to the Executive Officer may be required by the Chief or Executive Officer before any absence is charged against sick leave, or before return to work is permitted after extended illness or serious injury. All illnesses or injuries that result in more than two months off from full duty will require a Department selected physicians release before a return to full duty.
- g. Association recognizes the right of Authority to verify sick leave.
- h. An employee using less sick leave in a contract year than he/she has accrued in that year may elect to transfer twenty five percent (25%) of the excess to his/her vacation accrual, or may elect to have equivalent cash contributed to the Supplemental Retirement Program (deferred compensation).

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- i. Retirees shall receive 100% credit for accumulated sick leave, said credit to be added to his/her length of service at retirement. In the alternative, the employee can take 50% of accumulated sick leave in cash value at retirement at his/her discretion.
- j. If an employee is unable to return to work before his/her sick leave accrual is exhausted, charge shall be made against compensatory time accrual or vacation accrual.

7. SPECIAL LEAVE

- a. Military leave with pay shall be granted in accordance with and not exceeding the requirements of applicable federal and state laws.
- b. Jury leave with pay shall be granted to an employee called for potential jury duty or serving on a jury, provided he/she endorses over to Authority any compensation received therefore.
- c. Leave of absence without pay may be granted by the Chief for up to seven (7) calendar days, or by the Executive Officer upon recommendation of the Chief for up to ninety (90) calendar days, only in accordance with standards appended hereto as Exhibit "C".

8. CAFETERIA PLAN

- a. The parties agree to establish a benefit program whereby the Authority will make a fixed donation to each employee's account during each month for benefits, and the employee will be given the maximum amount of flexibility allowed by the various plans to apply the contribution to the benefit(s) he/she prefers. For the term of this contract, the amount of the cafeteria plan shall be an amount equal to the full family cost of Kaiser (PERS Kaiser Bay Area Plan) which at this time is \$1,587. Any unused amount can be applied toward other benefits including dental, life, disability, and cash back to the employee. The cash back, however, can not exceed \$320 per month.
- b. Employees will be allowed to change their utilization of the benefit plan only once per year, during the PERS Open Enrollment Period of each calendar year. The benefits upon which this amount of money may be distributed are: the premium for the Public Employees Retirement System Health Care Act, the premium for the dental plan, and the premium for disability and life insurance.
- c. Employees will be given an annual statement of the amounts paid to each option. Employees choosing to waive participation in one or more insurance programs may do so only after providing acceptable proof of equivalent coverage through other sources.
- d. Authority agrees to provide per Government Code Section 22850 the benefits of the Public Employees' Medical and Hospital Care Act for all employees and annuitants (retirees).

e. Authority agrees to continue to pay the health, dental, and life insurance premiums for those employees who have been injured off the job and chose to go on the private insurance plan, and therefore off of salary status. The Authority also agrees that the seniority of that person will not be affected. This is for a maximum of six (6) months unless both parties agree to continue thereafter.

9. UNIFORM, EDUCATION COST AND HOUSING ALLOWANCES

- a. Authority agrees to pay during the term of this agreement to each regular full-time employee covered by this agreement who is required to maintain a uniform, a uniform allowance at the rate of \$720 per year, payable at a rate of \$30 per pay period.
- An employee who qualifies for education cost reimbursement under the standards appended hereto as Exhibit "D" shall for the duration of such qualification receive such reimbursement as established by Exhibit "D".
- c. A Firefighter/Engineer or Captain, who maintains his/her residence within the jurisdictional boundaries of the Authority or within fifteen (15) minutes driving time from an Authority fire station shall receive a housing allowance of \$200.00 per month, provided he/she responds regularly to off-duty general alarms. In the event of consistent failure to so respond, the Executive Officer may suspend said allowance for a maximum of six (6) months at any one time.
- d. A Firefighter/Engineer or Captain, who maintains his/her residence within the County of Marin, but not within the jurisdictional boundaries of the Authority or within fifteen (15) minutes driving time from an Authority fire station shall receive a housing allowance of \$100.00 per month.

10. PARAMEDIC PROGRAM

- a. For the term of this agreement, in recognition that Ross Valley Paramedic Authority reimburses Ross Valley Fire Department for the cost of the engine company paramedic program, State licensed, Marin County accredited Firefighter/ Paramedics who are designated and serving as a Paramedic on an engine company shall receive a professional pay differential equal to 11 percent of base salary. This differential shall be based on and added to the current step of the firefighter/paramedic.
- b. Personnel designated and serving as Firefighter/Paramedic shall be expected to continuously maintain their Marin County Paramedic Accreditation unless released from the requirement by the Department. A firefighter/paramedic, upon promotion to a higher rank, will have the option, during his/her probation period, to drop the County certification and stop functioning as a firefighter/paramedic who wishes to drop the County certification and stop functioning as a firefighter/paramedic will only be allowed to do so at the time of designation of a new firefighter/paramedic or, with the approval of the Chief, for valid reasons.
- c. The Department will set as a minimum standard for Paramedics the possession of current certificates for PALS or equivalent, PHTLS or equivalent and ACLS. It will be the individual responsibility of each Paramedic to maintain these certifications and any others mandated by the State of California and/or the

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County of Marin. All such recertifications will be completed by each paramedic in a timely manner so that no portion of a certification or minimum standard lapses during the course of employment as a Firefighter/Paramedic by the Ross Valley Fire Department.

- d. It is recognized that the maintenance of professional competency is the joint responsibility of the RVFD and each paramedic. The Department will allow each paramedic thirty two (32) hours per calendar year to maintain these skills. If the paramedic chooses to attend such skills maintenance on duty, then a replacement will be hired if needed. If the paramedic wishes to attend off duty, that person will be compensated at no more than eight hours of overtime per quarter.
- e. Firefighter/Paramedics attending training during the duration of this contract utilizing funding either from the Department or an outside entity will be expected to remain with the Department, utilizing these skills, for a period of no less than three years from date of accreditation by the County. In order to facilitate this, both management and labor, at accreditation, will agree upon the dollar amount for such training items as tuition, books, etc. invested in each student. If the Firefighter/Paramedic leaves the Department to work for another Department within the first year after accreditation, then the entire amount will become due and payable to the funding entity. If the Firefighter/Paramedic leaves the Department to work for another Department within the second year after accreditation, then two-thirds of the amount will become due and payable to the funding entity. If the Firefighter/Paramedic leaves the Department to work for another Department within the third year after accreditation, then one third of the amount will become due and payable to the funding entity. All such payments shall be on a prorated basis and be deducted from any final separation check. All personnel affected by this section will be required to sign a statement to the above stipulation prior to the entry into any such Paramedic program.

11. RETIREMENT

- a. For any employee who retires during the term of this agreement, Authority agrees to maintain health insurance coverage and to pay the amount required by P.E.R.S. toward the premium cost thereof, provided the retiree remits to Authority any further premium due and secures Medicare coverage when eligible therefore.
- b. Retirees shall be eligible to receive credit for some unused sick leave upon retirement, in accordance with Section 6-i of this agreement.
- c. Authority agrees to implement the provisions of Section 414(h) (2) of the Internal Revenue Code whereby the employee P.E.R.S. contribution is removed from gross salary for tax purposes.
- d. The Authority will continue to provide a deferred compensation plan for all employees. It will be administered by a committee on which both parties to this agreement will be represented.
- Authority agrees to pay 6% on behalf of the employee towards his/her share of retirement cost.

- f. Authority agrees to report the EPMC (Employer Paid Member Contributions) to PERS. This is currently 6%.
- g. Authority and the Association agree to a mandatory retirement age of 65 years for all employees covered by this agreement.
- h. Association and Authority agree to work together, during the term of this agreement, to develop a tiered system for retiree healthcare. The discussion will include a tiered system which reduces the guaranteed benefit for new employees to the PEMHCA minimum and a Retirement Health Savings (RHS) plan, with the Authority and the employee making agreed upon contributions to the RHS plan.

12. WORKING CONDITIONS

- a. An employee required to use his/her private vehicle for Authority business shall be reimbursed at the current rate recognized by the I.R.S.
- b. Authority agrees that during the term of this agreement, a minimum emergency response force of nine (9) Firefighter/Engineers, Captains, and/or Battalion Chiefs of which two (2) must be Captains will be maintained, subject to the following conditions and limitations:
 - Twenty-four (24) hour shift employees assigned to inspection, training, maintenance or other duty to be counted as within emergency response force.
 - 2) Regular shift assignments to be supplemented by overtime, trained volunteers or management employees, as needed, in that order of availability.
 - 3) No engine company to consist of fewer than, and no station to operate with less than two (2) Captains, Battalion Chiefs and/or Firefighters.
 - 4) The minimum standard may be waived by the Chief in the event of multiple work-connected injuries, prolonged mutual aid response to another jurisdiction, similar major emergency, or combination of such factors.
 - 5) At all times there must be a Chief Officer or acting Battalion Chief on duty or available.
- c. There shall be a required mess in accordance with the policy statement appended hereto as Exhibit "E".
- d. Association members shall not engage in a business or calling while off-duty on sick leave with pay or disability leave with pay that would aggravate the injury, prolong the time required to be off duty, or exceed the number of hours being worked before the injury.
- e. There is a restricted duty policy in accordance with the policy statement appended hereto as Exhibit "F".

- f. The Ross Valley Fire Department and the Association agree that Sections 815.2 and 825 of the Government Code of the State of California are applicable to legal actions arising out of the use of defibrillation equipment, so long as the employee was acting within the course and scope of his/her employment, further, the parties understand and agree that the voice tapes associated with the Cardiac Defibrillators are used for quality control purposes only.
- g. The Authority agrees to provide for all employees subject to this agreement the IRS Section 125 benefit.
- h. The Drug and Alcohol testing policy and procedure is appended hereto as Exhibit "G".
- The Association agrees that EMT 1 Certification is a condition of employment for Captain and Firefighter/Engineer.

13. REDUCTION IN FORCE

Per Civil Service Rules and Regulations, appended hereto as Exhibit "A", supplemented by agreed seniority list appended hereto as Exhibit H.

14. GRIEVENANCE PROCEDURE AND DISCIPLINARY ACTION:

Per Civil Service Rules and Regulations, appended hereto as Exhibit "A".

15. PERFORMANCE GUARANTEES

- a. Association will take whatever lawful steps are necessary to prevent any interruption of work in violation of this agreement, recognizing with Authority that all matters of controversy within the scope of this agreement shall be settled by the grievance procedure referred to by Section 14 of this agreement.
- b. Each party consents to, and waives any defenses against, an injunctive action by the other party to restrain any violation of this section.

16. EXISTING LAWS MID ORDINANCES; EXISTING BENEFITS

a. This agreement is subject to all existing laws of the State of California, and to Authority's Resolution 82-1 (Resolution establishing policy and procedure for administration of employer-employee relations) appended hereto as Exhibit "I". Authority, Association and the employees affected thereby, unless otherwise specified herein, shall be entitled to all benefits conferred thereby and shall observe all obligations engendered thereby. In case of conflict between this agreement and provisions of an Authority Resolution other than Resolution 82-1, this agreement shall govern.

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b. Changes in existing benefits or purported existing benefits not encompassed by the provisions of Section 16-a of this agreement shall be made only following notice to and negotiation with Association. Such changes shall be subject to the grievance procedure. No change in such existing benefits or practices shall be made unless required by operational necessity or unless it will improve the efficiency of the department without affecting or diminishing the health or safety of any employee.

17. AGENCY SHOP

The parties hereto agree that all public safety employees of the Department who are members of the bargaining unit represented by the Association shall, as a condition of continued employment, either join Local 1775, IAFF, the recognized employee organization, or in the alternative shall pay to Local 1775, IAFF, a service fee in an amount equal to Local 1775's initiation fee, periodic dues, and general assessments for the duration of this agreement. Provided, however, that any employee who is a member of a bonafide religion, body or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support a public employee organization as a condition of employment. Such employee may be required, in lieu of periodic dues, initiation fees, or agency shop fees to pay sums equal to such dues, initiation fees, or agency shop fees to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, chosen by such employee from a list of at least three (3) such funds, designated in a Memorandum of Understanding between the public agency and the public employee organization, or if the Memorandum of Understanding fails to designate such funds, then to any such fund chosen by the employee. Proof of such payment shall be made to the public agency as a condition of exemption from the requirement of financial support to the public employee organization. Employees citing moral or religious grounds for not joining IAFF will be allowed to make a contribution to the "House Fund" in an amount equal to what they would pay IAFF were they a member. Such option shall be allowed only once per year, in July, to take effect until the succeeding July except that new employees shall be given two (2) weeks to declare such option after their date of employment.

18. WAIVER CLAUSE

The parties acknowledge that, for the life of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter pertaining to or covered by this agreement, except as specifically provided in Section 2-a, 16-b, and 18 of this agreement, notwithstanding any provision of law to the contrary.

19. SEVERABILITY

If any article or section of this agreement shall be held to be invalid by operation of law, or by any tribunal or competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal, the remainder of this agreement shall not be affected thereby, and the parties shall, if possible, enter into collective bargaining negotiations for the sole purpose of arriving at a mutually satisfactory replacement for such article or section.

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20. TERM

- a. This agreement shall be in effect from *July 1, 2012 through June 30, 2013*. It shall continue in effect thereafter from year to year unless either party gives at least one hundred twenty (120) days notice prior to *June 30, 2012*, or any yearly anniversary date thereafter, to terminate or modify this agreement.
- b. Notwithstanding Section 14-a; continuation of this agreement after *June 30*, 2012, may be voided by operation of Section II-A-I of Authority's Resolution 82-1.
- c. Upon the giving of notice provided herein, the parties shall meet, collectively negotiate and attempt to resolve differences concerning proposed amendments and changes submitted by either of them. Every effort shall be made to complete such negotiations prior to the end of the contract term.
- d. Upon ratification of this agreement by the Ross Valley Fire Board, the recommendations set forth above are final. No changes or modifications shall be offered, urged, or otherwise presented by Association or the Executive Officer for the period of this agreement. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this agreement.

21. MANAGEMENT RIGHTS

The Ross Valley Fire Department retains, solely and exclusively, all the rights, powers and authority held prior to the execution of this agreement, except as expressly limited by a specific provision of this agreement.

If a matter in the exercise of these management rights occurs, such as a management decision which impacts an area within the scope of labor representation, as defined by the Myers-Milias-Brown Act, the Ross Valley Fire Department management staff and labor unit agree to give notice and to meet and confer until the issue is resolved.

22. REVENUE ENHANCEMENT

During the term of this agreement, both labor and management agree to explore options for revenue enhancement that could be used to meet the increasing needs of the fire authority and its employees.

IN WITNESS WHEREOF THE parties have caused their duly authorized representatives to execute the within agreement on this 13th day of June, 2012.

| INTERNATIONAL | . ASSOCIATION | OF FIREFIGHTERS |
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| RATIFIED: INTERNATIONAL ASSOCIATION OF FIREFIGHTERS |
| John John |
| ROSS VALLEY FIRE DEPARTMENT |
| Debra Stutsman |
| Debra Stutsman , Executive Officer |
| Ratified: |
| ROSS VALLEY FIRE DEPARTMENT |
| trak Besta |
| Frank Berto, President |
| Attest: |
| goline @ Leuro |
| JoAnne Lewis, Administrative Assistant |

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Clerk



Estimated Retiree Medical Cost for Future Employees Under GASB 45 For the Ross Valley Fire Department Comparison of Current and Proposed Benefit Levels

The following is intended to be a simple illustration summarizing the difference in future retiree medical costs for new Department employees. The cost for new employees depends on their age when hired and the number of years they are expected to work for the Department, in addition to factors such as life expectancy, future benefit levels, discount rate on invested assets, etc.

Current benefits refers to those provided by the Department on behalf of retirees covered by the 1989 PEMHCA resolution and as described in the most recent (2010) actuarial valuation report.

Minimum Employer Contribution (MEC) benefits refers to the proposed benefits for new employees equal to the minimum monthly subsidy toward employee health coverage in CalPERS, currently \$112 per month in calendar year 2012.

- The "current benefit" numbers below were calculated using the same assumptions as those for the July 1, 2011 OPEB valuation.
- The Minimum Employer Contribution (MEC) numbers were calculated with the same assumptions as the "current benefit" numbers, except for the assumed participation rate.
 - o For the "high" numbers, the participation rate was assumed to be 100%.
 - o For the "moderate" numbers, it was assumed that 65% of eligible retirees retained coverage.

The OPEB costs projected below are as applicable to the fiscal year ending June 30, 2012. Adjustments (increases) would be likely for future years, on the order of 3.25% increase per year.

On average, for safety employees, the annual (normal) cost for new employees would be as follows:

| Discount Rate: | Prefunding: 6.39% | | | Prefunding: 7.61% | | |
|----------------|-------------------|---------------|---------------|--|---------------|---------------|
| | | - | MEC - | A STATE OF THE PROPERTY OF THE | | MEC - |
| 0.00 | Current | MEC -High | Moderate | Current | MEC -High | Moderate |
| Age at Hire | Benefit | participation | participation | Benefit | participation | participation |
| 25 | \$4,563 | \$734 | \$477 | \$3,295 | \$506 | \$329 |
| 30 | 5,629 | 884 | 574 | 4,219 | 633 | 411 |
| 35 | 6,828 | 1,068 | 694 | 5,289 | 791 | 514 |