

CITY COUNCIL

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APPROVED

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DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 6

Date: March 10, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Sheryl Bennett, Human Resources Director

SUBJECT: Memorandum of Understanding between the City of Escondido and the Firefighters' Association – Safety Personnel.

RECOMMENDATION:

City Council adopt Resolution No. 2010-42, approving a Memorandum of Understanding between the City of Escondido and the Firefighters' Association for a two-year term commencing January 1, 2010 through December 31, 2011.

As a result of approving a new Memorandum of Understanding, adopt Resolution No. 2010-32 and Resolution No. 2010-33 pertaining to paying and reporting the value of the nine percent (9%) Employer Paid Member Contribution.

Approve a budget adjustment with a cost savings of \$53,000 for Fiscal Year 2009-10, and a cost savings of \$315,874 for Fiscal Year 2010-11. For the two-year contract the annual savings is 5.0%.

FISCAL ANALYSIS:

Cost savings to the City's budget is \$53,000 for Fiscal Year 2009-10, and \$315,874 for Fiscal Year 2010-11. Authorization should be given to the City Manager for appropriate budget adjustments.

PREVIOUS ACTION:

On February 25, 2009, the City Council voted to adopt the Terms and Conditions of Employment between the Escondido Firefighters' Association – Safety Personnel, and the City of Escondido, for a one-year term that expired on December 31, 2009.

BACKGROUND:

City staff has met with the Escondido Firefighters' Association – Safety Unit, regarding cost-saving measures to the Terms and Conditions of Employment that expired on December 31, 2009. Attached Resolution No. 2010-42 outlines changes to working conditions and compensation that have been agreed to during this negotiation process and will result in cost reductions to the City's overall budget.

FFA MOU Adoption
March 10, 2010
Page 2

Tentative agreement on issues before the negotiating group was reached on February 25, 2010. Members of the Bargaining Unit have voted in support of the agreement.

Respectfully submitted,


Sheryl Bennett
Director of Human Resources

RESOLUTION NO. 2010-42

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ESCONDIDO,
CALIFORNIA, APPROVING THE
MEMORANDUM OF UNDERSTANDING
WITH THE ESCONDIDO FIREFIGHTERS'
ASSOCIATION-SAFETY PERSONNEL

JANUARY 1, 2010-DECEMBER 31, 2011

WHEREAS, negotiating teams from the City of Escondido and the Escondido Firefighters' Association have been duly appointed and have been conducting meet-and-confer sessions with respect to matters affecting both parties; and

WHEREAS, the Memorandum of Understanding ("MOU") by the City of Escondido ("City") and the Escondido Firefighters' Association ("Association") is necessary as a result of meeting and conferring in good faith concerning wages, hours, and other terms and conditions of employment; and

WHEREAS, it is the intent of the MOU to provide for continuation of the harmonious relationship between the City and the Association; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to approve to the MOU and certain other modifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. The City's negotiating team is authorized to execute, on behalf of the City, the MOU with a term from January 1, 2010 through December 31, 2011, and also including terms as set forth in Exhibit "A", attached to this resolution and incorporated by this reference.

City of Escondido
Escondido Firefighters' Association – Safety Personnel
Memorandum of Understanding
January 1, 2010 – December 31, 2011

1. Term: January 1, 2010 – December 31, 2011.
2. Existing MOU Modifications: Changes to the Terms and Conditions of Employment that were adopted on February 25, 2009, shall remain in effect. Such changes will be incorporated into the MOU, as appropriate.
3. Article IX, Wages and Classifications, Section 2: The salary range for all represented classifications shall be increased by six percent (6%), effective the pay period beginning March 7, 2010, which is concurrent with the employee payment of the entire nine percent (9%) normal member contribution required to be paid by a PERS member on a pre-tax basis.

During the term of this MOU, the City Manager may, in his/her sole discretion, activate all or part of Article IX, Section 2, step increases that have been suspended. The discretionary exercise of any such decision shall be prospective only from and after the date that such discretionary determination is rendered. Any such discretionary decision, whether or not resulting in activation of all or part of Article IX step increases that have been suspended, shall not be subject to administrative or civil challenge. Date of eligibility for any step increase provided for by discretionary City Manager determination, shall be based upon the affected officer(s) anniversary date(s).

4. Article IX, Wages and Classifications, Section 10: Should changes occur to the Tactical Operations Unit by determination of the Police Chief or Fire Chief such that Fire Department personnel are no longer assigned to Tactical Operations duty, TOU Pay, Uniform Allowance and Training Pay will be eliminated.
5. Article X, Hours and Overtime, Section 3: Staffing and decisions regarding hiring and promotions remain the sole responsibility of the City. Opportunities for overtime assignment through the Constant Staffing Plan will remain for employees.
6. Article XI, Employee Benefit Programs, Section 1: Effective the pay period beginning March 7, 2010, the employee's payment of the normal member contribution required to be paid by a PERS member, shall be in the amount of nine percent (9%) of gross pay, which is one hundred percent (100%) of the normal member contribution, to be paid on a pre-tax basis. The City will no longer pay or report the value of the Employer Paid Member Contributions (deletion of Section 1B).

The parties shall jointly participate in the City's Pension Review Ad Hoc Task Force, one purpose of which, among others, shall be to address a second tier retirement formula and possible modifications to the method of calculating retirement benefits for those future employees subject to a second tier retirement formula. The Task Force shall

consist of representatives from each bargaining unit and from the City, and shall be constituted and commence meetings in March 2010.

7. Article XI Employee Benefit Programs, Section 2D:

Update employee contribution amounts in the MOU to reflect 2010 rates. All other language in the MOU related to Health Insurance will remain the same.

For the contract year 2010, effective January 1, 2010, employee participation in medical coverage shall be:

Employee Only	\$13.38 per month
Employee + One	\$26.74 per month
Family Coverage	\$40.12 per month

8. Article XI, Employee Benefit Program, Section 4: Employees may opt to purchase at employee's expense, supplemental group term life insurance benefits through payroll deduction in accordance with the group voluntary insurance carrier guidelines.

9. Article XIV, Military Leave, Section 2: Upon verification of military orders, employees who are members of the military reserve or National Guard who have been called to active duty during national security, after the standard Military Leave Policy, shall receive the difference between the amount the employee would have received from their regular City gross biweekly wage (not including overtime) and the amount the employee receives from the military. Health benefits will be continued for the employee and family. An employee would continue to pay their respective portion of the benefit programs (including any premiums for family coverage,) unless benefits are waived.

10. Article XVI, Leaves of Absence, Section 3: Modification of Sections D and F and new Section G:

D. A pregnant employee shall be allowed to be absent for the period which in the opinion of her attending physician and, where necessary, the City physician, she is temporarily disabled because of pregnancy, miscarriage, abortion, childbirth and recovery there from, in accordance with federal and/or state leave laws.

F. A pregnant employee shall be entitled to use all accumulated paid leave time (sick leave – up to the annual accrual, holiday, vacation) for maternity leave

and such additional leave of absence without pay, seniority and accrual of benefits in accordance with federal and/or state leave laws.

G. In the case of adoption and paternity/FMLA/CFRA leave, leave shall be in accordance with federal and/or state leave laws.

11. Article XIX Holidays, Section 1A: Holiday pay distributions made during the 2010 and 2011 calendar years shall be reduced by 46 hours each year per employee. The amounts withheld shall not be reimbursed on or after the 2012 calendar year. The total

Holiday pay distributions of 11.5 hours each month shall recommence effective with the last payday in October 2012.

12. Article XXXII MOU Reopeners: The following reopeners shall be effective concurrent with City Council adoption of the 2010 -11 MOU:

General Fund-Based Reopener

This Memorandum of Understanding shall be subject to a reopener only on issues of pay and/or benefits at direction of the City Council, upon adoption by the City Council of a Resolution evidencing a finding by the Council that any or all of the following events have occurred during the term of this MOU:

- a. 16.65% or greater reduction in General Fund revenues during each fiscal year for the period July 1 through December compared to the immediately preceding same period of time; and/or the period January 1 through June 30 and the same preceding period of time. The decline, if any, shall be measured by receipts during the applicable period of time, (Revenue reductions attributed to state withholding of local funds, shall be included in measuring the 16.65% reduction.)
- b. A determination by the City Council to implement this Section a. or b. shall not be subject to administrative or judicial challenge.

Restoration Reopener

Should the City restore concessions to any group of employees, the Firefighters' Association may request a reopening of negotiations to discuss a similar restoration.

RESOLUTION NO. 2010-32

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
FOR EMPLOYER PAYING AND REPORTING
THE VALUE OF MEMBER CONTRIBUTIONS
FOR FIREFIGHTERS OF THE ESCONDIDO
FIREFIGHTERS' ASSOCIATION

WHEREAS, the Escondido City Council has the authority to implement or change Government Code Section 20636(c)(4) pursuant to Section 20691; and

WHEREAS, the Escondido City Council has a written labor agreement which specifically eliminates the current nine percent (9%) employer member contributions paid by the employer, and reported as additional compensation; and

WHEREAS, one of the steps in the procedures to change Government Section 20691 is the adoption by the governing body of the Escondido City Council of a Resolution to cease paying and reporting the value of said nine percent (9%) Employer Paid Member Contributions (EPMC); pursuant to CCR Title, 2 Section 571(a)(1); and

WHEREAS, the Escondido City Council has identified the following conditions for the purpose of its election to no longer pay EPMC:

- A. This shall apply to all sworn firefighters of the Escondido Firefighters' Association.
- B. The employer shall cease paying and reporting nine percent (9%) employer member contributions paid by the employer and reported as additional compensation.
- C. The effective date of this Resolution shall be March 10, 2010.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California:

1. That the above recitations are true.
2. That the City Council hereby elects to cease paying and reporting nine percent (9%) employer member contributions paid by the employer and reported as additional compensation, as set forth above.

RESOLUTION NO. 2010-33

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
FOR EMPLOYER PAYING AND REPORTING
THE VALUE OF MEMBER CONTRIBUTIONS
FOR FIRE MANAGEMENT

WHEREAS, the Escondido City Council has the authority to implement or change Government Code Section 20636(c)(4) pursuant to Section 20691; and

WHEREAS, the Escondido City Council has a written agreement which specifically provides for the normal member contributions of nine percent (9%) to be paid by the employer, and reported as additional compensation; and

WHEREAS, one of the steps in the procedures to implement Government Section 20691 is the adoption by the governing body of the Escondido City Council of a Resolution to continue paying and reporting the value of said nine percent (9%) Employer Paid Member Contributions (EPMC); pursuant to CCR Title 2, Section 571(a)(1); and

WHEREAS, the Escondido City Council has identified the following conditions for the purpose of its election to pay nine (9%) EPMC:

- A. This shall apply to all fire management employees.
- B. The employer shall consist of continuing to pay nine percent (9%) of the normal contributions as EPMC, and reporting the same percent (value) of compensation earnable (excluding Government Code Section 20636 (c)(4)) as additional compensation.
- C. The effective date of this Resolution shall be March 10, 2010.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California:

1. That the above recitations are true.
2. That the City Council hereby elects to continue paying and reporting nine percent (9%) employer member contributions paid by the employer and reporting the same percent (value) of compensation earnable as additional compensation, as set forth above.