

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF REDLANDS

AND

***Redlands Association
of
Fire Management Employees***

JULY 1, 2015 – JUNE 30, 2017

MEMORANDUM OF UNDERSTANDING
PROUDLY
City of Redlands
AND
Redlands Association of Fire Management Employees

July 1, 2015 - June 30, 2017

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Article 1: TERM OF AGREEMENT

Except where expressly stated otherwise herein, the City and Association agree that the provisions of this Memorandum of Understanding (MOU) shall become effective on July 1, 2015 and shall expire on June 30, 2017.

Article 2: PREAMBLE

It is the intent and purpose of this MOU to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, and terms and conditions of employment between the City of Redlands (hereinafter referred to as "City") and the Redlands Association of Fire Management Employees (hereinafter referred to "Association").

Article 3: RECOGNITION

The Association is the recognized employee organization for the personnel employed in the Fire Department occupying the classifications of Fire Battalion Chief, and Deputy Fire Chief.

Article 4: MANAGEMENT RIGHTS

The authority of the City includes the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work, provided, however, that the exercise and retention of such rights does not preclude employees or their representatives from meeting and conferring on the effects that decisions on these matters may have on wages, hours and working conditions.

Article 5: SALARIES

The salary ranges for unit classifications shall be set to the closest range that ensures a minimum salary differential between unit classifications as follows:

Between Captain and Battalion Chief	15%
Between Battalion Chief and Deputy Chief	21%
Between Deputy Chief and Chief	13%

- A. Effective July 1, 2012, there shall be elimination of the furlough-based hour salary deductions provided for in the EXTENSION AGREEMENT signed 01/12/10.
- B. There shall be a 3% base salary increase effective the first payroll period commencing on or after July 1, 2015. There shall be a 3% base salary increase effective the first payroll period commencing on or after July 1, 2016.

Article 6: RETIREMENT

- A. Concurrent with City Council adoption of the 2012-2015 MOU, unit members hired prior to City Council adoption of the 2012-2015 MOU, shall pay 4.5% of "compensation" as defined in the Government Code, representing 50% of the required 9% member's normal contribution to CalPERS. These contributions shall, at the time of termination, belong to the employee. (See Section E, below.)
- B. Effective July 1, 2013, unit members hired prior to City Council adoption of the 2012-2015 MOU shall pay an additional 4.5% of "compensation" as defined in the Government Code, equaling the full 9% of member employee contributions to CalPERS. These contributions shall, at the time of termination, belong to the employee. (See Section E, below.)
- C. All unit members hired on or after City Council adoption of the 2012-2015 MOU, but prior to January 1,

2013, shall pay the 100% of “compensation” as defined in the Government Code, as and for the required member normal contribution to CalPERS. These contributions shall, at the time of termination, belong to the employee.

D. Only as to unit members hired prior to January 1, 2013, the City shall provide the following provisions in its contract with the PERS retirement system:

1. 3% @ 50 Retirement Formula
2. Survivor Continuance
3. Highest Single Year

E. AB 340:

1. AB 340 (signed by the Governor on 09/07/12,) shall in its entirety be given full force and effect as it may from time to time exist, during and after the term of the 2012-15 MOU, as described below. Any provision in the 2012-15 MOU which contradicts any provision of AB 340, shall be deemed null and void, with the contrary AB 340 provision(s) being given full force and effect. Therefore, no provision of AB 340 shall be deemed to impair any provision of the 2012-15 MOU or any MOU, Agreement, Rule or Regulation predating the 2012-15 MOU.
2. Unit employees newly employed by the City on and after January 1, 2013, shall individually pay an initial Member CALPERS contribution rate of 50% of the normal cost rate for the Defined Benefit Plan in which said newly hired employee is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of similarly situated employees, whichever is greater. (AB 340 – Government Code section 7522.30)
3. Unit members employed by the City prior to both January 1, 2013 and the date of City Council adoption of the 2012-15 MOU, shall individually pay the Government Code section 20678 CALPERS Local Safety Member Contribution as follows:
 - a. Concurrent with City Council adoption of the 2012-15 MOU, 4.5% of “compensation” as defined in the Government Code;
 - b. July 1, 2013, 9% of “compensation” as defined in the Government Code;
 - c. As regards the funding described in (a) and (b) directly above, the City shall report to CALPERS as compensation, only the percent of the Member contribution funded by the City. Thus, the reporting shall be in the amount of 4.5% concurrent with City Council adoption of the 2012-15 MOU and 0% effective July 1, 2013 and after.
 - d. Unit members who are new City employees on and after January 1, 2013, shall be enrolled in the AB 340 provided for SAFETY OPTION PLAN TWO (2.7% at 57) (Government Code section 7522.25(e), with final pensionable compensation (as defined for new members in Government Code § 7522.34) being determined by reference to the highest average annual pensionable compensation earned during a period of 36 consecutive months. (Government Code § 7522.32(a).)

F. To the extent permitted by law, retirement contributions herein made by the employees shall be made on a pre-tax basis.

Article 7: MEDICAL INSURANCE

As to employees hired prior to City Council adoption of the 2012-2015 MOU, the provisions of A, B, and C shall be effective commencing January 1, 2013:

- A. The City shall contribute up to the 2013 family rate of the PERS Choice plan for “Other Southern California Region” for medical insurance premiums for employees in the unit and their eligible dependents under the Public Employees Retirement System (PERS) according to their dependent election.
- B. The City and the employee shall each fund future premium increases at the employee and each dependent level in a 50/50 proportion.
- C. Unit employees opting out of City medical coverage shall receive \$350 per month upon written proof of additional coverage.
- D. Only as to employees hired on and after City Council adoption of the 2012-2015 MOU, the City shall contribute to employee and eligible dependents the following:
- E. The City will contribute a maximum monthly health insurance contribution of three hundred and ninety-seven dollars (\$397.00) per month pursuant to Resolution No. 4572, adopted by the City Council on

September 5, 1989. Additionally, the City will contribute on a monthly basis an additional amount for active employees to purchase/contribute toward medical insurance premiums according to their dependent election as follows:

COVERAGE LEVEL	BASE CONTRIBUTION	ADDITIONAL AMOUNT	TOTAL CITY CONTRIBUTION
EE Only	\$397	\$3	\$400
EE + 1 Dependent	\$397	\$203	\$600
EE + Family	\$397	\$403	\$800

- F. Any amount of the health allotment not utilized by the employee to purchase medical insurance will be placed in an individual Health Retirement Account ("HRA").
- G. **RETIREE HEALTH** - Applicable only to unit members hired prior to City Council adoption of the 2012-2015 MOU, upon service or disability retirement under the PERS retirement plan, or in the event of the death of an employee prior to retirement, employees who have served a minimum of fifteen (15) years of services with the City of Redlands, shall be provided with lifetime health insurance. This health insurance shall be at no cost to the retired employee and shall cover the employee and eligible dependents. The plan shall be equal to that provided from time to time to fulltime employees. Lifetime health insurance includes medical, dental, vision care as provided in the unit MOU. Unit members hired on and/or after City Council adoption of the 2012-2015 MOU, shall be ineligible to receive this post-retirement benefit.

Article 8: VISION CARE

The City shall reimburse Association members up to \$225.00 every fiscal year for the purchase of prescription frames and lenses and/or contact lenses.

Article 9: DENTAL INSURANCE

The City shall pay the full monthly premium for dental insurance under the Principal Financial dental plan, or its equivalent, for Association members and all eligible dependents.

Article 10: LIFE INSURANCE

The City provides Association members with \$25,000 of life insurance. Employees may also purchase additional increments of life insurance at the City's group rate.

Article 11: DEFERRED COMPENSATION

Each April, the City of Redlands shall make an annual contribution to deferred compensation on behalf of each Association member in the amount of \$800 per year + 1% of gross annual salary.

Article 12: EDUCATIONAL INCENTIVE

Association members are eligible for an educational incentive in the following amount: 7.5% of base salary for an Associate's degree; 10% of base salary for a Bachelors degree.

Article 13: UNIFORM ALLOWANCE

Association members shall receive a uniform allowance in the amount of \$500 per year.

Article 14: LONGEVITY PAY

Employees in the unit with twenty (20) years of continuous service with the City of Redlands shall be compensated with an additional five-percent (5%) increase in base salary following the completion of their 20th year.

Article 15: SHIFT DIFFERENTIAL PAY FOR FIRE MEMBERS

The Fire Chief, Deputy Fire Chief and the Fire Battalion Chiefs who are assigned to a forty (40) hour workweek (or 9/80 schedule) shall be compensated at seven and one half percent (7.5%) times the base hourly rate for Shift Differential Pay. This benefit does not apply to Battalion Chiefs who are assigned to the twenty-four (24) hour shift work schedule.

Article 16: HOLIDAYS

A. The City of Redlands currently observes the following holidays, established by Resolution:

New Year's Day	January 1
Martin Luther King, Jr. Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veteran's Day	November 11 th
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving Day	Fourth Friday in November
Christmas Day	December 25 th

- B. Christmas Eve shall be observed as a holiday when Christmas falls on Tuesday, Wednesday, Thursday, or Friday.
- C. In lieu of the above, Shift Battalion Chiefs shall be compensated with fourteen 12-hour holidays per year. This compensation shall be based on 5.54 hours per 14-day pay period.
- D. In addition, Association members shall receive two (2) floating holidays annually. Fire Battalion Chiefs assigned to a twenty-four (24) hour schedule shall receive two (2) twelve (12) hour floating holidays. Floating holidays accrued but not used shall be paid in January of the following year.

Article 17: SICK LEAVE

Section 17.01: ACCRUAL

Association members who work a forty (40) hour week shall accrue sick leave at a rate of 3.7 hours per pay period. Shift employees shall accrue sick leave at a rate of 5.6 hours per pay period; sick leave shall be taken in twenty-four (24) hour shifts.

Section 17.02: SICK LEAVE BUY-BACK PROGRAM

Association members may accumulate sick leave from calendar year to calendar year to an unlimited amount, or participate in the City's Sick Leave Buy Back program. In order to participate in the buy-back, the employee must have a minimum of 96 hours of sick leave on the books. In November of each year, Association members may elect to be paid cash at their current hourly rate in accordance with the schedule below, less any sick leave hours used during that period.

YEARS OF SERVICE	MAXIMUM BUY-BACK HOURS PER YEAR
2-6	48
7	56
8	64
9	72
10	80
11	88
12	96

SHIFT PERSONNEL:

YEARS OF SERVICE	MAXIMUM BUY-BACK HOURS PER YEAR
2-7	24
8	48
9	72
10	96
11	120
12 +	144

Section 17.03: *ACCRUAL PAYMENT UPON RETIREMENT*

- A. Upon service or medical retirement under the PERS retirement plan, or in the event of the death of an Association member prior to retirement, members with less than fifteen (15) years service with the City may elect one of the following options for payment of unused sick leave:
1. Convert all remaining sick leave accrued at the time of retirement to cash value at the final rate of pay and apply said cash value to applicable premiums payable under the City's medical insurance program for the Association member and eligible dependents until the cash value is exhausted. In the event that the member dies prior to exhaustion of the cash value of said benefits, the remaining cash value may be applied towards the premiums of covered dependents until exhausted, subject to the conditions and limitations of the applicable insurance policy.
 2. At the time of service retirement, disability retirement, or at the death of an active member, one hundred percent (100%) of accrued sick leave may be cashed out at the prevailing hourly rate.
 3. At the time of retirement or disability retirement extend service credit equal to one hundred percent (100%) of accrued sick leave on the books.
- B. In addition, effected members also have the option of being compensated for unused sick leave on the books at the time of retirement by either option A2 or A3 above.

Section 17.04: *PAYMENT UPON SEPARATION*

Upon separation from the City, members may elect to be paid all accumulated leave in one lump sum or over a period not to exceed 60 months. These funds may be banked in value until exhausted.

Article 18: *DEFINED CONTRIBUTION & CONTRIBUTION PLANS*

- A. The City shall make available to Association members a qualified 401a, 401 Defined Contribution, Defined Distribution plan(s) and a Retirement Health Savings Plan, as allowed by law. All programs shall be structured in accordance with the latest IRS rulings.
- B. For Association members electing to have the accrued buy back amounts placed into a qualified plan, the City shall make the deposit into the appropriate account on a pre-tax basis.

Article 19: *VACATION*

- A. Vacation shall accrue for Fire Administration members based on the following schedule:

YEARS OF SERVICE	HOURS
1 - 5	80
6 - 7	120
8 - 9	128
10 - 11	136

12 - 13	144
14 - 15	152
16 - 20	160
21	168
22	176
23	184
24	192
25	200

B. Vacation shall accrue for Association members on the 24-hour shift based on the following schedule:

YEARS OF SERVICE	SHIFTS
1 - 5	5
6 - 7	6
8 - 9	7
10 - 13	8
14 - 15	9
16 - 19	10
20 +	11

Article 20: BEREAVEMENT LEAVE

In the event of the death in the immediate family, Association members shall be compensated with two (2) days paid leave. In addition, eligible employees may be allowed to use accrued sick leave with full pay not to exceed three (3) days.

Article 21: PERSONAL LEAVE

Association members may use up to a maximum of eight (8) hours of accrued sick leave per year for personal leave, subject to advance approval by his/her supervisor.

Article 22: EXECUTIVE LEAVE

Association members (with the exception of the shift B.C.'s, who are ineligible) shall receive one hundred (100) hours of executive leave annually. This leave must be used within the calendar year, or it will be removed from the books as of December 31st of each year.

Article 23: COMPENSATORY TIME OFF AND OVERTIME

- A. Forty (40) hour Chiefs are exempt from the requirements of the FLSA and therefore ineligible to accrue compensatory time off or earn overtime pay at 1 ½ times their hourly rate. Fire Battalion Chiefs shall earn overtime at time and one half for those hours worked in excess of fifty-three (53) hours in one week, only when assigned to and actually working as suppression shift personnel. Fire classifications eligible to receive Compensatory Time shall have a maximum accrual of two hundred-forty (240) hours.
- B. Association members ineligible to receive overtime compensation may receive overtime pay at time and one half of salary in certain situations ONLY if the hours are reimbursed by a third party, such as reimbursable mutual aid calls or billable contracts.
- C. Computation of overtime for eligible employees shall exclude time paid for holidays, vacation, sick leave, military leave, administrative leave, workers' compensation, and compensatory time off.
- D. Compensation for overtime for eligible employees shall be paid the payday following the seven (7) day work period in which the overtime is earned.

Article 24: WORKWEEK

Association members may be eligible to work a 4/10 schedule. This schedule shall be approved by the Fire Chief.

Article 25: FIRE BATTALION CHIEF STAFFING

The City agrees that a minimum of one (1) Battalion Chief shall be on staff per twenty-four (24) shift.

Article 26: NO STRIKE PROVISIONS

The Association agrees that it shall not authorize, instigate, aid, condone, or engage in any strike which will interrupt or interfere with the operation of the City. The City places the Association on notice of its intention and right to terminate any employee who instigates or engages in any strike or work stoppage which interrupts or interferes with the operation of the City.

Article 27: PREVAILING BENEFITS

All terms and conditions of employment set forth in the MOU, including past practices defined as such by prevailing law and which clarify the meaning of a contract provision, will remain in full force and effect for the term of the agreement unless modified by mutual agreement of the parties. All other matters affecting terms and conditions of employment and which constitute actual past practices defined as such by prevailing law, shall be subject to change during the term of this MOU either by mutual agreement or by virtue of the meet and confer process and any applicable impasse resolution procedures being completed.

Article 28: SAVINGS CLAUSE

Should any provision of this agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the City and Association shall meet and confer immediately upon what constitutes an equivalent benefit to that which was determined to be unlawful. Such equivalent benefit will be implemented retroactive to the date the old benefit ceased. The remaining parts or portions of the Agreement shall remain in full force and effect.

Article 29: EQUIVALENT BENEFITS

If during the term of this agreement, another Redlands safety unit negotiates an increase to compensation in the following areas: base salary, tuition reimbursement, education incentive or leave accrual, such terms shall become applicable to Association members who shall receive an equivalent increase in compensation, *only if the change in compensation results in a net increase in total compensation (i.e. the value of City provided benefits) to any unit member in the other safety unit.*

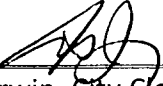
Article 30: DEATH OF EMPLOYEE

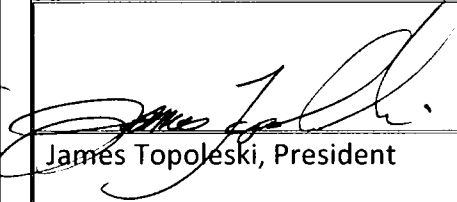
- A. If an employee dies while on duty, the City shall calculate compensation for the entire shift. The eligible dependents of deceased employees shall be entitled to benefits as follows:
 - 1. Sick leave accruals, lifetime medical insurance and other applicable benefits shall be calculated and/or compensated according to the eligibility requirements stated in the current MOU.
 - 2. In the event the deceased employee qualified for a service retirement (i.e. age 50 and with a minimum of five (5) years of service with the City), the City shall calculate and/or compensate benefits in the same manner as an employee service retirement.

Article 31: DROP PROGRAM

Should the Deferred Retirement Optional Program (DROP) become available, upon the request of RAFME, the City agrees to meet regarding the possible implementation of the program.

Article 32: SIGNATURES

CITY OF REDLANDS	
	
Paul Foster, Mayor	Date 4/21/15
Attest:	
	
Sam Irwin, City Clerk	Date 4/21/15

REDLANDS ASSOCIATION OF FIRE MANAGEMENT EMPLOYEES	
	
James Topoleski, President	Date 28 APR 2015
No Signature	
Richard A. Thomas, Union Representative	Date