



CITY OF LONG BEACH

DEPARTMENT OF HUMAN RESOURCES

R-18

333 West Ocean Boulevard 13th Floor • Long Beach, CA 90802

November 1, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Amendment to the 2008-2013 Memorandum of Understanding with the Long Beach Firefighter's Association; and

Adopt the attached Resolution for paying and reporting the lower value of the employer paid member contributions to the California Public Employees Retirement System for employees represented by the Long Beach Firefighter's Association. (Citywide)

DISCUSSION

City management representatives and representatives of the Long Beach Firefighter's Association (LBFFA) have had a number of meet and confer sessions regarding the financial impacts of the Fiscal Year 2012 (FY12) Budget. Meetings have been concluded and an amendment to the Memorandum of Understanding (MOU) has been jointly executed with representatives of the employee organization.

The major provisions of the Amendment (attached) are agreement to an additional seven percent (7%) CalPERS pick-up in FY12, representing one hundred percent (100%) of the employee's share; agreement to full CalPERS pick-up for new City employees; and agreement to a lower retirement formula of two percent (2%) at fifty (50) and three-year average final compensation for new employees represented by the Association.

Pursuant to the Amendment and pending approval of the Resolutions, effective November 5, 2011, employees represented by the LBFFA shall contribute an amount equal to nine percent (9%) of their annual salary towards their individual employee contribution. The Resolutions also provide that new City employees represented by this Association hired on or after November 5, 2011, shall pay one hundred percent (100%) of the normal member contribution.

In order for the City to make changes to the employer paid member contribution (EPMC), it is necessary for the City Council to adopt the attached Resolutions as prepared by the City Attorney.

This matter was reviewed by Senior Deputy City Attorney Christina L. Checel on October 17, 2011 and Budget Management Officer Victoria Bell on October 14, 2011.

TIMING CONSIDERATIONS

City Council action is requested on November 1, 2011 to implement the MOU Amendment provisions and to ensure that CalPERS receives the EPMC Resolution for processing consistent with the effective date of the action.

FISCAL IMPACT


Over the term, this amendment will save the City \$12.1 million, not including the savings related to the changes to the pension plan for new LBFFA members. In the last year of the contract, the savings is expected to be \$3 million and is expected to continue annually at that amount thereafter. These savings do not include the long-term savings due to changes to the pension plan for new employees.

Through FY 22, the agreement is projected to save the City's General Fund at least \$35.9 million including \$6.1 million from pension plan reductions for new LBFFA members. For FY 12, the contract will result in a savings of approximately \$970,000. This savings, combined with the additional \$925,000 from the Uplands Oil Fund approved by City Council on October 4, 2011 on a one-time basis, and an additional \$1.3 million in one-time savings to be generated from operational adjustments, is expected to provide funding to allow the Fire Department to maintain staffing in FY 12.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

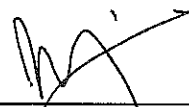


DEBORAH R. MILLS
DIRECTOR OF HUMAN RESOURCES

DRM:tb

Attachments

APPROVED:



PATRICK H. WEST
CITY MANAGER

Second Amendment to the
October 1, 2008 – September 30, 2013
Memorandum of Understanding between the Long Beach Firefighters
Association and the City of Long Beach

The City of Long Beach and the Long Beach Firefighters Association (“FFA”) agree to amend the January 1, 2008 to September 30, 2013 Memorandum of Understanding, which previously was amended by the parties on October 30, 2009 to extend the expiration date to September 30, 2014 as follows:

1. The Memorandum of Understanding will be extended for a period of two (2) years to expire on September 30, 2016. All existing terms and conditions set forth in that Memorandum of Understanding as previously amended shall remain unchanged for the term of the extended Agreement, unless amended by mutual agreement of the parties and except as modified below.
2. Article Five, Section I – Maintenance of Existing Retirement Provisions – shall be amended to read as follows:

Section I – Retirement Provisions

For members of the bargaining unit employed in those classifications (other than Fire Recruit) set forth in Appendix A on the effective date of the Agreement, the City will continue to provide 3% at 50 pension formula to Tier I and Tier II employees in accordance with the Public Employees’ Retirement System contract in effect for each of these Tiers on the effective date of this agreement.

The FFA agrees to a new formula of 2% at age 50 for members hired on or after the date the City’s contract with CalPERS is amended. Employees hired on or after the date the City’s contract with CalPERS is amended will have their final compensation based upon a three-consecutive year average as set forth in Government Code Section 20037.

As soon as the City’s amended agreement with CalPERS is effective, each employee shall pay his/her 9% individual employee contribution to CalPERS.

3. Article Eight, Section I – Call Backs - shall be amended to read as follows:

Section I – Call Backs

For the purpose of maintaining a minimum staffing program, paid call backs shall be utilized to maintain a minimum on-duty manpower status as determined by the Fire Chief utilizing available volunteer call-back personnel, hiring additional employees, or by ordering employees to work extra shifts. Adequate funds will be provided in the Fire Department budget for such a constant staffing program, subject to annual budget approval by the City Council; up to and including the

rank of Battalion Chief on a rank for rank basis.

Each Fire Engine and each Fire Truck shall be staffed by a minimum of four sworn fire suppression personnel. In case of emergency circumstance, including but not limited to a regional disaster, catastrophe, or declaration of fiscal emergency, the Fire Chief shall have the discretion to alter the deployment model during the duration of the crisis.

As set forth in Section 4.11 of the Personnel Ordinance, employees (Firefighters) shall be called back to work over their assigned platoon schedule as a result of volunteering to work extra time due to the absence of an employee from regularly scheduled platoon duty or to volunteer for special training programs. It shall be the responsibility of the Firefighters Association and the Fire Chief to make every attempt to ensure there are sufficient volunteers to cover all shifts so that the designated POST positions can be staffed.

During the term of this Agreement, employees on platoon duty shall continue to work a twenty-four (24) hour work shift that averages a fifty-six (56) hour work week.

4. Article Nine, Section V – Term and Renegotiation -- , second paragraph, shall be amended to read as follows:

Article Nine, Section V – Term and Renegotiation

Any party wishing to negotiate a successor to this Agreement shall send written notice to the other party of its intentions to do so no sooner than April 15, 2016, and no later than May 15, 2016.

5. Appendix A, Section III shall be amended to read as follows:

Section III- General Salary Increases

October 1, 2011
6.00% All Ranks

October 1, 2014
1.00% All Ranks

The parties agree to meet and confer in good faith on or after October 1 of each fiscal year during the term of the extension (FY15 - 10/01/2014-09/30/2015 and FY16 -10/01/2015-09-30/2016) upon provision of thirty (30) days notice by either party solely for the purpose of discussing wages and state law changes. Changes will only be made by mutual agreement of both parties.

In witness thereof, the parties hereto have caused this Amendment to the Memorandum of Understanding to be executed this _____ day of October, 2011.

FOR THE LONG BEACH FIREFIGHTERS ASSOCIATION:

Rich Brandt, President
Firefighters Association

Kory Knapp
Firefighters Association

Rex Pritchard
Firefighters Association

John Wright
Firefighters Association

Timothy Rassmussen
Firefighters Association

Firefighters Association

FOR THE CITY OF LONG BEACH:

Patrick H. West
City Manager

Deborah R. Mills
Director of Human Resources

Alan Patalano
Fire Chief

Ken Walker
Manager – Personnel Operations

Tara Brewer
Personnel Analyst

Nani Blyleven
Administrative Analyst

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING AN AMENDMENT TO
THE 2008-2013 MEMORANDUM OF UNDERSTANDING
WITH THE LONG BEACH FIREFIGHTER'S ASSOCIATION;
AND AUTHORIZING AND DIRECTING THE CITY
MANAGER TO EXECUTE SUCH AMENDMENT; AND
DIRECTING CERTAIN IMPLEMENTING AND RELATED
ACTIONS

WHEREAS, on the date of this resolution, the City Council has considered
an Amendment to the 2008-2013 Memorandum of Understanding with the Long Beach
City Police Officers' Association; and

WHEREAS, it is the desire of the City Council to approve such Amendment
and to provide for its implementation;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as
follows:

Section 1. That the Amendment to 2008-2013 Memorandum of
Understanding between the City of Long Beach and the Long Beach Firefighter's
Association, which is hereby incorporated by reference in this resolution as Exhibit "A", is
hereby approved, and the City Manager is hereby authorized to execute said Amendment
to Memorandum on behalf of the City and to implement, pursuant to Section 503 of the
Long Beach City Charter, all matters affecting compensation contained in and prescribed
by the Amendment to Memorandum as of the operative date of this resolution.

Section 2. The City Manager is also authorized and directed to cause the
preparation of amendments to the Long Beach Salary Resolution, if necessary, and to
such other documents as may be necessary, to conform such resolution and documents

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 to the provisions of the Memorandum and this resolution, and to further cause such
2 conforming amendments to be brought before the City Council and such Boards and
3 Commissions as may be required by law to act upon them, and the City Attorney is
4 requested to cooperate fully with the City Manager in order to cause the required
5 documents to be prepared as required by law and brought before the appropriate bodies.

6 Section 3. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City
9 Council of the City of Long Beach at its meeting of _____, 2011, by the
10 following vote:

11 Ayes: Councilmembers: _____

12 _____

13 _____

14 _____

15 Noes: Councilmembers: _____

16 _____

17 Absent: Councilmembers: _____

18 _____

19 _____

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21 _____

City Clerk

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(Name?)
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