TOWN OF FAIRFAX
STAFF REPORT
July 24, 2013

TO: Mayor and Town Council

FROM: Garrett Toy, Town Manager GT

SUBJECT: Resolution approving a Memorandum of Understanding (MOU) with the Fairfax Police Officer's Association (POA)

RECOMMENDATION
Adopt a resolution approving the MOU with the Fairfax Police Officer's Association (POA)

DISCUSSION

The current Memorandum of Understanding (MOU) with the Fairfax Police Officer's Association (POA) expired in June 30, 2013. In April, the Town Manager and Finance Director began meeting with the POA's representatives to negotiate a new two year MOU.

The negotiation teams are recommending Council approval of the attached MOU. The MOU is effective from July 1, 2013 thru June 30, 2015. Both management staff and the POA find that the MOU is reasonable given public safety employees have not had a COLA since 2008 and in 2011 and 2012 agreed to pay a cumulative total of 5% of the 9% employee share of retirement costs.

FISCAL IMPACT
The net impact of the MOU reflects approximately a 1% and 2% increase in police salary and benefits in FY13-14 and FY14-15, respectively. The net impact is derived by combining the savings achieved from MOU "give backs," future savings anticipated from reduced benefits available to new hires over the next 10 years, and the added costs of the salary and benefit increases. The FY13-14 proposed budget reflects the new MOU. The five year general fund forecast indicates that revenues are sufficient to absorb the costs of the MOU.

ATTACHMENTS
List of revisions between the new MOU and the previous MOU
Resolution

AGENDA ITEM # 8

MOU REVISIONS

Current Public Safety Employees

- 1.0% Cost of living salary adjustment effective 7-1-2013
- 1.5% increase in Educational Incentive beginning 7-1-2014
- Re-establishes "Minimums" for specific overtime work
  - Increases Off-duty Court Appearance from 4 to 5 hours
  - Increases Off-Duty Same Day Court Cancellation from 2 to 3 hours
- Employees pay their full share of retirement costs with a 4% salary increase to offset the remaining 3% or 4% employee contribution (Note: dispatchers will receive an additional 1% COLA under this structure)
- Uniform allowance for Sworn/Police Officer increases by $100 to $800 per year
- Eliminates $100 per month Deferred Compensation match for Non-Sworn personnel
- Eliminates Transfer of Annual Sick Leave to Vacation accrual balances

New Hires after 7-1-2013

- New employees will share in the costs of health/medical benefits (based on Kaiser rate)

Single only	$0
Single + one	$100 per month (employee contribution)
Single + two/more	$200 per month

- Eliminate $200 a month unused employee Health Benefit for those employees not covered by outside plans

- Reduces retiree medical coverage by 50% (based on Kaiser rate)

Previous MOU

10 years of service	25%
15 years of service	50%
20 years of service	75%
25 years of service	100%

New MOU

10 years of service	25%
20 years of service	50%

- Modifies criteria for Sick Leave Buy Back
  Eliminates any credit for other police agency years; employee must have 15 years of Fairfax PD service to qualify for 50% Sick Leave Buy Back when they retire from Fairfax.

RESOLUTION NO 13-40

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX APPROVING THE NEGOTIATED MEMORANDUM OF UNDERSTANDING WITH THE FAIRFAX POLICE OFFICERS' ASSOCIATION FOR THE PERIOD OF July 1, 2013 through June 30, 2015

MEMORANDUM OF UNDERSTANDING

Town of Fairfax

Fairfax Police Officers Association

July 1, 2013 thru June 30, 2015

This MOU is entered into pursuant to the Myers-Milias-Brown Act (Government Code, Sections 3500 to 3511) as of the 24th day of July, 2013, by and between the TOWN OF FAIRFAX, hereinafter designated "Town", and the FAIRFAX POLICE OFFICER'S ASSOCIATION, hereinafter designated "Association", and has been jointly prepared by both parties.

The Town Manager and Finance Director the representatives of the Town of Fairfax in employer-employee relation as authorized by the Town Council.

This MOU covers Employees in the Fairfax Police Officers Association, which has been certified as the recognized employee organization.

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 in relation to the employment conditions and employer-employee relations of such employees.

This MOU has been presented to the Town Council for ratification as the joint recommendations of the undersigned regarding matter within the scope of representation for all employees in said Representation Unit for the period commencing July 1, 2013 and ending June 30, 2015.

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UNDERSTANDINGS AND AGREEMENTS

The following understandings and agreements shall not become effective until ratified by the Town Council.

I. GENERAL PROVISIONS

A. Both parties recognize their mutual obligation to cooperate with each other to assure maximum service of the highest quality and efficiency to the Citizens of Fairfax.

B. In receiving the rights afforded by this MOU, no person shall in any way be favored or discriminated against to the extent prohibited by law because of race, creed or national origin, or because of age, sex, marital status, sexual orientation or disability.

C. This MOU is subject to all existing laws of the United States of America, State of California, and the ordinances, resolutions, and regulations of the Town of Fairfax. The Town, 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.

II. SALARY COMPENSATION

A. Effective 7/1/2013 the classifications shown below will receive a salary in the ranges specified below which represents a 5% increase to base salary

CLASS TITLE	A	B	C	D	E	F
Police Sergeant	6126.67	6433.00	6754.65	7092.38	7447.00	7819.35
Police Officer	5089.24	5343.70	5610.88	5891.43	6186.00	6495.30
Police Dispatcher	4096.24	4301.05	4516.10	4741.90	4979.00	5227.95
C.S.O.	4096.24	4301.05	4516.10	4741.90	4979.00	5227.95

B. Department Appointed Positions - Incentive Pay

Appointed positions, as set forth by the Chief of Police, shall consist of the following named positions:

- Administrative Sergeant (No more than one police sergeant)
- Corporal (No more than two police officers)
- Detective/Juvenile Officer (No more than one police officer)
- Lead Dispatcher (No more than one police dispatcher)

Any employee appointed to one of the above-named positions by the Chief of Police shall receive a 5% salary incentive step increase to their base rate of pay for the duration of their appointment to that position.

In order to retain this appointment and the 5% salary incentive, employees shall be required to continue to meet departmental performance standards. Failure of an

employee to maintain this standard shall have the appointment rescinded and the 5% incentive removed from their salary.

Employees appointed to these positions are not eligible for additional specialty pay (e.g.: Detective or FTO pay) above the 5% salary incentive already received. While these appointments have no time limit the Chief of Police reserves the right to abolish any of these positions, as specified in § XXI paragraph A, 1 of the Memorandum of Understanding.

C. Regular Rate of Pay

1. An employee's regular rate of pay is the hourly rate of pay which is calculated by dividing the employee's monthly salary by 173.33.

2. Items included in determining an employee's regular rate of pay for purposes of calculating overtime, retirement and other regular pay calculations shall include the pay rate as established in the pay range of the employee's classification, education incentive pay, longevity pay, graveyard shift differential, and other payments regarded as part of the regular compensation.

D. Employees covered by this agreement shall be paid 15th and last day of each month. Employees will be paid twice each month for a total of 24 pay periods each year.

E. An employee covered by the MOU who works a minimum of 10 hours within a pay period in a higher pay classification shall receive an additional 7.5% of base pay for the time worked in the higher classification.

F. Solo Pay: Any officer required to work alone shall receive an additional 5% of base pay for the hours worked alone, to be paid semi-annually. (See Section IX-Minimum staffing.)

G. Field Training Officer/Communications Trainer: Any employee assigned as a Field Training Officer or as a Communications Trainer shall receive additional compensation of five percent (5%) of his/her base salary for those hours spent training an assigned trainee.

H. A 5% graveyard shift differential shall be added to base pay, paid monthly for officers and dispatchers assigned to work the hours of 7pm to 7am. This will only be payable to officers and dispatchers regularly assigned to the graveyard shift during a rotation. (This will not be applicable to officers or dispatchers filling in, or assigned to hold over.) Solo pay pursuant to Section F above will still apply to officers working alone, however any graveyard officer who gets differential pay is not eligible for solo pay.

III. HOURS OF WORK

A. Regular Work Day

1. The regular workday shall consist of eight (8), ten (10) or twelve (12) hours. The regular workday includes a 30-minute meal break. If circumstances prevent an employee from taking this break, the employee shall be paid ½ hour overtime above the hours worked. When possible, the shift supervisor will arrange for the dispatcher to take the meal break away from the dispatch office.

2. In the event the staffing levels fall to a point where a ten (10) or twelve (12) hour workday is no longer feasible, the Town reserves the right to return to an eight (8) hour workday, after consultation with the Association, until staffing returns to the appropriate level.

B. Times, Regular Work Period

1. A regular work period shall be one hundred-sixty hours to be worked within a twenty-eight (28) day period beginning at 12:01 a.m., Sunday and ending at 12:00 midnight on Saturday.

C. Regular Work Week

1. For sworn classifications, a regular workweek shall be forty (40) hours to be worked within a seven (7) day period beginning at 12:01 a.m. Sunday and ending at 12:00 midnight on Saturday.

2. For the Dispatch classification, a regular workweek shall be eighty (80) hours to be worked within a fourteen (14) day period beginning at 12:01 a.m. Sunday and ending at 12:00 midnight on Saturday.

3. For CSO Classification, a regular workweek shall be (40) hours to be worked within a 7-day period beginning 12:01 am Sunday and ending at 12:00 midnight on Saturday.

D. Hours Worked

1. Vacation, sick leave and compensatory time off shall be counted as hours worked for overtime calculation purposes.

IV. HOLIDAYS

A. The Town agrees to provide employees covered by this agreement eleven (11) paid holidays at 10 hours per holiday for a total of 110 hours per year.

January 1, New Year's Day
3rd Monday in January, Martin Luther King, Jr. birthday
3rd Monday in February, Presidents Day
Last Monday in May, Memorial Day
July 4, Independence Day
1st Monday in September, Labor Day
September 9th, Admission Day
November 11th, Veteran's Day
Thanksgiving Day

Friday after Thanksgiving
December 25th, Christmas Day

In addition to the above, any other single day appointed by the President of the United States or the Governor of the State of California and observed by the Town for a public fast, thanksgiving or holiday.

B. Employees covered by this agreement will be paid by separate check for all authorized holidays along with uniform allowance pay, in the last pay periods of May and November of each contract year. Payment will be made at the employee's regular rate of pay at the time payment is made.

V. VACATION

A. Vacation Entitlement

1. Employees covered by this agreement shall be eligible for vacation as follows:

Service	Hours	
1 through 48 months	88 hours per year	(4 years)
49 through 120 months	120 hours per year	(10 years)
121 through 179 months	160 hours per year	(14.9 years)
180 months and over	200 hours per year	(15 years)

B. General Provisions

1. On the employee's appointment date and annually thereafter, (Jan 1st of each year) he/she shall be credited with the amount of vacation entitlement for that year, provided that no employee shall be entitled to take any vacation until he/she has at least six (6) months of continuous service. When an employee is on a leave without pay status, he/she shall not be entitled to earn vacation. Although vacation shall be credited to the employee upon appointment and annually thereafter, for purposes of calculating vacation earned upon termination, the entitlement is earned on a monthly basis calculated by multiplying the annual entitlement times hours and dividing by 12. Odd fractions will be rounded to the nearest tenth. Upon termination of an employee's service with the Town, he/she shall: (1) be paid a lump sum for all earned vacation not taken, (2) reimburse the Town for credited vacation taken but not earned.

2. The times during which an employee may take vacation shall be as approved by the Chief of Police with due regard for the wishes of the employee and particular regard for the needs of the service and with the approval of the Town Manager, provided that if the requirements of the Town service are such that part or all of an employee's vacation must be deferred beyond a calendar year, the employee may take vacation during the following calendar year or be paid for the time at the discretion of the Town Manager.

3. It is the policy of the Town that employees take their normal vacation each

year; provided, however, with the approval of the Chief of Police, an employee may take less than a normal vacation in one year and carry the balance of his/her earned time over to the next year. Earned vacation leave shall not be accumulated in excess of 300 hours for any employee in any classification without authorization of the Town Manager.

VI. SICK LEAVE

A. General

1. Each employee covered by this agreement shall earn ten (10) hours of sick leave for each month or major fraction thereof served. Unused sick leave shall accumulate without limit (See section VI, E for exception.)

2. Sick leave with pay shall be granted to all full-time employees holding probationary or permanent status. Sick leave shall not be considered as a right, which an employee may use at his or her discretion, but shall be allowed in cases of necessity or actual personal sickness or disability, including illness in the immediate family where the employee's attendance is required.

3. The use and disposition of accumulated sick leave may be authorized as follows:

a. Absence of an employee due to illness shall be charged to accumulated sick leave provided that, (1) the employee, or someone on the employee's behalf has notified the duty shift commander of the illness at least one hour prior to the time set for beginning his/her daily duties, and (2) the employee, upon returning to work, can substantiate the claim of personal illness during the period of absence.

b. A certificate of illness, prepared by a licensed medical doctor, may be required for any absence of three (3) or more consecutive days on account of illness and may be required by the Chief of Police for absence of shorter duration. Any absence for which a required certification of illness has not been submitted shall not be charged to accumulated sick leave. If any employee is terminated or resigns in lieu of termination from Town services for any reason whatsoever, all accumulated sick leave shall be canceled.

B. Exceptions

1. Should an employee use sick leave for illness or injury resulting from an employment other than with the Town of Fairfax, and, therefore, be eligible for Worker's Compensation benefits, the Association hereby agrees that said employee shall forward to the Town all funds received from Worker's Compensation benefits while said employee is receiving full salary from the Town as a result of his/her use of sick leave.

C. Exhaustion of Sick Leave

1. When an employee is on sick leave status and such sick leave time due the

employee has been exhausted, subsequent leave of absence shall first be charged to compensatory time accruals and then to vacation accruals that an employee has "banked", not vacation time accredited at the beginning of a calendar year as outlined in Section VB1 that has not yet been earned.

D. Catastrophic Illness - Donation of Vacation and/or Compensatory Time

1. The Town recognizes that an employee may suffer a catastrophic illness, which could exhaust that employee's sick leave, compensatory time accruals and vacation accruals. Once these accruals are exhausted other Town employees may donate hours from their vacation or compensatory time accruals towards the ill employee. For the purposes of this MOU, catastrophic illness is defined as a serious long term injury, disease, or sickness that by its nature necessitates a long-term absence.

E. Sick Leave Buy Back

Accumulated sick leave up to 50% of accumulated time can be requested to be paid in cash upon retirement from Fairfax (including medical disability retirement) but not for voluntary separation from the Town. (This does not apply to employees who are terminated or resign in lieu of termination.) This benefit applies to any Police Employee with a combined fifteen (15) years of service with the Town or any other police agency. For any employees hired after 7/1/13, lateral time with other police agencies does not count toward the 15 year service retirement. In order to qualify for Sick Leave Buy Back, new employees must work full time for the Town of Fairfax for a minimum of 15 years and retire with the Town.

For purposes of Sick Leave Buy Back, the sick leave cap will be One Thousand-Two Hundred-Eighty (1280) hours. (Maximum pay back is Six Hundred-Forty (640) hours

VII. INDUSTRIAL ACCIDENT LEAVE

A. Sworn employees who incur an injury or disability in the performance of their duties shall be entitled to compensation leave in accordance with the provisions of Labor Code Section 4850. Non-sworn employees incurring an injury or disability in the performance of their duties shall be entitled to compensation leave to the extent provided by the State Worker's Compensation and Insurance Act. Any employee on injury leave shall receive full salary to the extent vacation leave and sick leave time is available to be charged for the difference between the full salary paid and the compensation insurance payments received by the Town. The first five days of injury leave shall not be offset against sick leave or vacation accruals provided:

1. The injury or disability is in fact work related

2. Time off work is necessary as determined by a physician

3. The duration of the time off work is necessary as determined by a physician

B. Full salary payments are subject to the following conditions:

1. Compensation insurance payments received by the employee, except payments received for permanent total or partial disability, shall be deposited in the Town Treasury for the period the subject employee continues to receive full salary from the Town, and;

2. Upon the expiration of available earned vacation leave and sick leave, payment of salary by the Town shall be discontinued and compensation insurance payments applicable to continued compensation leave shall be endorsed to the subject employee.

VIII. SPECIAL LEAVES

A. Miscellaneous Leaves with Pay

1. Military Leave. Military leave shall be granted by the Town in accordance with the provisions of applicable State and Federal laws.

2. Jury Leave. An employee on provisional, probationary or permanent status, when called to serve on a jury, shall be given leave to do so with pay, subject to these conditions:

a. The employee shall notify the Chief of Police immediately upon receipt of the notice to serve; and

b. Any payment except travel pay, received by the employee for serving on the jury shall be remitted to the Town.

3. Representation Time. Two (2) hours per month maximum will be granted to the designated representatives of the FPOA for necessary Association activities during work hours. In addition, representatives of the bargaining unit will be granted reasonable time for scheduled meet and confer bargaining sessions during work hours.

4. Bereavement. Up to four (4) working days not to exceed forty (40) hours not chargeable to sick leave may be used for the death of a member of the immediate family. A member of the immediate family means mother, father, daughter, son or spouse or such other person as the Chief of Police may consider to be of a comparable relationship whether that relationship has legal status or not.

5. Family leave. The Town agrees to comply with Federal and/or State language pertaining to family leave. In addition, to any and all language in the Federal/State laws, employees will also receive four (4) working days not to exceed forty (40) hours uncharged leave on the birth of an employee's child.

B. Leave of Absence Without Pay

1. The Chief of Police may grant a permanent or probationary employee

leave without pay for a period not to exceed one calendar week. The Town Manager may grant a permanent or probationary employee leave of absence without pay or seniority, for a period not to exceed three months. Extension of such leave shall be granted only by the Town Council, but in no case shall the total leave of absence exceed one year.

2. No such leave shall be granted except upon written request of the employee setting forth the reason for the request, and approved in writing. Upon expiration of a regularly approved leave, or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty, shall be cause for discharge.

IX. MINIMUM STAFFING

A. Minimum staffing will be established as an administrative goal for 90% of the time.

B. Minimum staffing is defined as:

Sunday thru Thursday
7am – 3am Two Sworn officers and one Dispatcher
3am – 7am One Sworn officer and one Dispatcher

Friday and Saturday
7am – 3am Two Sworn officers and one Dispatcher
9pm – 3am One additional officer (for a total of 3) and one Dispatcher
3am – 7am One Sworn officer and one Dispatcher

Except for the hours of 3am – 7am each day one of the sworn officers should consist of a Sergeant or Corporal. Only with the Police Chief's approval will no supervisor be present during these hours.

X. OVERTIME

A. Overtime is time worked beyond forty (40) hours during the regular workweek or eighty (80) hours in a two-week period for the Dispatch classification.

B. Overtime eligibility

1. Employees covered by this Memorandum of Understanding are eligible for overtime pay at the rate of time and one-half (1.5) pay at the regular rate of pay. Overtime shall be compensated to the nearest half hour. This shall apply to accumulation of all overtime during a workweek.

C. Types of overtime

1. For off-duty court appearances, eligible employees will be paid a

minimum of five (5) hours at their overtime rate of pay.

2. Court Cancellation. For off-duty court appearances canceled on the day scheduled, eligible employees will be paid three (3) hours at their overtime rate of pay. If the employee has reported to the location named in the subpoena prior to being notified of the cancellation, item 1 of this section shall apply.

3. Employees will be paid a minimum of three (3) hours of overtime for mandatory attendance at any departmental meeting.

4. Employees will be paid a minimum of two (2) hours overtime for mandatory attendance at the firing range, and a minimum of three (3) hours of overtime for mandatory attendance at any other training.

5. Employees will be paid a minimum of three (3) hours overtime for a call out in addition to a maximum of two hours of travel time.

D. Limitation of Overtime

1. It is the policy of the Town to keep all overtime usage to a minimum. Overtime payment will be controlled by funds authorized in the approved budget. This policy extends to all varieties of overtime usage including holdover and call back. No overtime may be worked without prior authorization of the Chief of Police or a designated alternate.

XI. COMPENSATORY TIME

A. Employees may take compensatory time in lieu of overtime hours worked at their request with the approval of the Chief of Police.

B. An employee may accumulate up to one hundred-twenty (120) hours of compensatory time to be carried beyond the work period. If an employee has accumulated one hundred-twenty (120) hours then additional time worked must be taken off during the pay period or overtime pay must be received. Accumulated overtime for eligible employees for compensatory time purposes shall be accumulated at the rate of 1.5 times the actual time worked.

C. An employee may elect to convert all or some of their accumulated compensatory time to cash provided that the employee gives the Town written notice. The payment shall be made at the next pay period that occurs after the written notice is received.

XIII. SCHEDULING

A. The employees' rotation schedule shall be posted a minimum of four (4) months in advance with the understanding that unforeseen absences or emergencies may require changes to the schedule.

XIII. BENEFITS

A. Health and Welfare

The Town shall contribute to the Health/Dental benefits for each active employee an amount of dollars equal to the current family premium for the Kaiser Health plan and Delta Dental Health plan. Part-time employees shall be eligible for, and can elect to enroll in, medical benefits, providing the employee works at least 60% of full time for a minimum of 120 continuous days. Eligible employees will be paid, pro rated to the number of hours worked, toward medical benefits, with the employee paying the balance to the Town. If the employee falls below the 60% requirement, the employee will pay the full amount to the Town to continue medical benefits.

Employees hired after 7/1/2013 will pay a portion of their medical coverage as follows: Single only, fully covered. Single plus 1 $100 per month; Family coverage $200 per month. The Town shall provide coverage based on Kaiser Health Plan preminiums.

Employees can individually choose any combination of benefit options no later than July 1 of each year, except the employee life insurance coverage of $75,000, paid for by the Town, must be taken. Any balance remaining from the Town's contribution amount outlined in section A above, will be added to gross salary, but not to exceed $200 a month.. For employees hired after 7/1/2013 the medical cash back benefit does not apply unless said employee has their own outside medical coverage and can show proof of coverage as outlined in section 3 below.. Such choice will remain in effect for a full year. Provided that the employee may add or delete dependent health coverage only during the year if one of the following conditions apply:

- Birth/adoption (add dependent coverage)

  Death (delete dependent coverage)

  Marriage (add dependent coverage)

  Divorce (delete dependent coverage)

  Change in employment status of dependent (dependent becomes employed, may delete dependent coverage; dependent ceases employment, may add dependent coverage).

Before an employee can receive cash back for not using the Town contribution for health care coverage, evidence must be shown that the employee and family members have health care coverage from another group insurance plan.

When an employee commences work for the Town, his/her benefit distribution selection shall become effective the first of the month following the date of employment. Deduction for benefits shall be made within the month for which coverage is provided.

Effective June 1, 2001 the Town agrees to participate in the CalPERS Health Program.

The Town agrees to purchase the Marin County, Delta Dental "Option 1", dental insurance as revised March 13, 1998.

B. Retirement

All employees covered by this MOU shall receive retirement benefits under the California Public Employees' Retirement System (PERS) retirement program.

Sworn Safety Employees hired prior to July 1st, 2009 will be covered under the "3%@50" plan providing full retirement benefits as defined by the Town's contract with CalPERS. (Including 1959 survivor benefits, Post-Retirement survivor Benefits (Level III), average of three highest years final compensation, and application of unused sick leave towards length of service at retirement)

Sworn Safety Employees hired between July 1, 2009 and prior to January 1, 2013 will be covered under the "3%@55" plan providing full retirement benefits as defined by the Town's contract with CalPERS. (Including 1959 survivor benefits, Post-Retirement survivor Benefits (Level III), average of three highest years final compensation, and application of unused sick leave towards length of service at retirement)

Non-Sworn (dispatcher and CSO classifications) employees hired prior to July 1st, 2009 will be covered under the "2.5% at 55" plan providing full retirement benefits as defined by the Town's contract with CalPERS. (Including 1959 survivor benefits, Post-Retirement survivor Benefits (Level III), average of three highest years final compensation, and application of unused sick leave towards length of service at retirement)

Non-Sworn (dispatcher and CSO classifications) employees hired between July 1, 2009 and prior to January 1, 2013 will be covered under the "2% at 55" plan providing full retirement benefits as defined by the Town's contract with CalPERS. (Including 1959 survivor benefits, Post-Retirement survivor Benefits (Level III), average of three highest years final compensation, and application of unused sick leave towards length of service at retirement)

All employees hired on or after January 1, 2013, will be provided PERS retirement benefits in compliance with the 2012 Public Employees Pension Reform Act (PEPRA) as follows:

- Sworn Safety employees classified as "New" under PEPRA will be covered by the PERS 2.7% @ 57 plan.
- Sworn Safety employees classified as "Classic" under PEPRA will be covered by the CalPERS 3.0% @ 55 Plan.
- Non-Sworn employees classified as "new" under PEPRA will be covered by the PERS 2.0% @ 62 plan.
- Non-Sworn employees classified as "Classic" under PEPRA will be covered by the CalPERS 2.0 @55 Plan.

All employees hired on or after January 1, 2013, classified as "New" under PEPRA will pay at least fifty percent (50%) of the Normal Cost of their Plan as calculated annually by PERS.

Effective the first payroll following approval of this MOU, all employees hired prior to January 1, 2013, and all employees hired on or after January 1, 2013, classified as "Classic" under PEBRA, will pay the full PERS Employee Contribution amount. (9% for Sworn and 8% for Non-Sworn. (The employee paid portion will be tax deferred)

Retiree medical coverage shall apply to employees who retire from the Town of Fairfax. The amount received will be based upon the CAL PERS Kaiser employee only rate at the following formula.

10 years of service	25%
15 years of service	50%,
20 years of service	75%,
25 years of service	100%

Prior years of lateral service can be added as time served in Fairfax after working 15 years for the Town of Fairfax.

For employees hired after 7/1/2013 the formulas are as follows:

10 years of service	25%
20 years of service	50%

Lateral service does not count as time served for employees hired after 7/1/2013.

C. The Town will submit retirement payments to CalPERS each employee at least twice per year.

D. The Town agrees to allow employees to "buy back" military time for application towards length of service at retirement.

E. Uniform Allowance

1. Employees required to wear Police Officer wool uniforms shall be entitled to a uniform allowance of $ $800 per year, and all other uniformed employees are entitled to an allowance of $500 per year to maintain the items of uniform equipment as provided by departmental regulations. The uniform allowance shall be payable in the last pay periods of May and November of each year. For new employees, the full amount of the uniform allowance will be paid upon appointment. Uniform allowance is taxable in Box 1 of each employee's W2 form.

F. Safety Equipment

1. The Town agrees to cover the cost of or furnish the safety equipment listed below:

a. sidearms
b. holster
c. holster belt
d. ASP (Expandable Baton)
e. ASP holder
f. handcuffs
g. handcuff case
h. rain jacket and pants
i. flashlight
j. cartridge case
k. ballistic safety vests.

2. Reserve Officers. Upon completion of a Reserve Officer's Field Training, the Town shall reimburse the Reserve Officer for the cost of one each of the required pieces of uniform (pants, long sleeve shirt, short sleeve shirt). Reserve Officers shall receive a pro-rated amount of the full uniform allowance based on the number of hours of service during the normal six-month period.

3. If an officer elects to receive the Town furnished safety package, the equipment shall remain the property of the Town of Fairfax and may be reissued to another officer.

4. Uniforms and duty equipment damaged in the line of duty will be replaced by the Town upon proper application to the Chief of Police.

5. The Association agrees that this provision satisfies the requirements of Section 6401 of the California Labor Code and Sections 50081 and 50082 of the California Government Code.

XIV. PAYROLL DEDUCTION OF DUES

A. The Town agrees to deduct once each month dues and assessments in an amount certified by the current Secretary-Treasurer of the Association from the pay of those employees who individually request in writing that such deductions be made. The total amount of the deductions shall be remitted each month by the Town to the Treasurer of the Association. This authorization shall remain in full force and effect during the term of this agreement unless the employee requests in writing that this authorization be withdrawn. An employee has the right to withdraw this authorization at any time during the course of this agreement.

XV. EDUCATIONAL INCENTIVE

A.In addition to the base salary established by this agreement, the Town shall pay educational incentive pay in one of the following categories to those employees who meet the criteria set down in the Educational Incentive Pay Program adopted by the Town and agreed to by the Association.

1. Personnel employed in the Police Department in all job classifications with the

exception of the Chief of Police shall be eligible for a 2.5% salary incentive step increase provided that they meet the following experience and educational requirements set forth below. Effective 7/1/2014 this amount will increase to 4%.

a. Successful Completion of Probation.

b. An A.A. Degree in Police Science or an Intermediate POST certificate.

c. In order to retain the 2.5% salary incentive step increase, police personnel shall be required to attend all mandatory training and classes, unless excused by the Chief of Police, to continue to meet departmental performance standards, and to receive an affirmative recommendation from the Chief of Police. If an employee fails to meet these provisions, his salary shall be reduced the amount of the educational incentive. An employee shall not be eligible to re-qualify for the incentive pay step for six months.

2. Personnel employed in the Police Department in all job classifications with the exception of Chief of Police shall be eligible for a 5% salary incentive step increase provided that they meet the following experience and educational requirements set forth below. Effective 7/1/2014 this amount will increase to 6.5%.

a. Successful Completion of Probation.

b. A Bachelors Degree (field of study to be approved by the Chief of Police) or an Advanced POST Certificate.

c. In order to retain the 5% salary incentive step increase, police personnel shall be required to attend all mandatory training and classes, unless excused by the Chief of Police, to continue to meet departmental performance standards, and to receive an affirmative recommendation from the Chief of Police. If an employee fails to meet these provisions, his salary shall be reduced by the amount of the educational incentive. An employee shall not be eligible to re-qualify for the incentive pay step for six months.

3. Personnel employed in the Police Department in the job classification of Sergeant of Police or higher shall be eligible for a 7.5% salary incentive step increase provided that they meet the following experience and educational requirements set forth below. Effective 7/1/2014 this amount will increase to 9%.

a. Successful Completion of Probation

b. Possession of a Supervisor Certificate as established and issued by the California Peace Officer Standards and Training.

c. In order to retain the 7.5% salary incentive step increase, police

personnel shall be required to attend all mandatory training and classes, unless excused by the Chief of Police, to continue to meet departmental performance standards, and to receive an affirmative recommendation from the Chief of Police. If an employee fails to meet these provisions, his salary shall be reduced by the amount of the educational incentive. An employee shall not be eligible to re-qualify for the incentive pay step for six months.

XVI LONGEVITY PAY

The Town will pay employees longevity pay based on their full time service with the Town and any other police agency where they worked full time as a Police Officer, Police Dispatcher or Community Service Officer. The pay will be as follows:

Service	Pay
5 - 9 years of service	$150.00 a month
10 - 15 years of service	$200.00 a month
16 or more years of service	$250.00 a month

XVII REINSTATEMENT RIGHTS

A. Persons having resigned from the Town in good standing, or employees laid off or demoted for reasons of curtailment of work or lack of funds may be granted re-employment rights by petitioning the Town Manager for re-employment rights within 6 months from the date of resignation, lay-off or demotion. A petition for re-employment rights must have an endorsement from the Chief of Police; said endorsement shall not be unreasonably withheld.

B. If re-employment rights are granted, the candidate's name shall be placed on the eligible list of the classification in which a permanent status previously was held.

C. The employee who is restored to a former position will be treated as if he/she were on leave of absence without pay. Prior benefits can be restored, with approval of the Town Manager for the purposes of merit increase eligibility, vacation accrual rate, and Reduction of Force. The employee cannot, however, regain their original seniority position within the department unless the employee had been laid off.

D. The name of an eligible former employee on a re-employment list following voluntary resignation shall be automatically deleted by unavailability for employment after three opportunities to an open position, or by appointment to any Town position.

XVIII. GRIEVANCE PROCEDURE

A. A grievance shall be considered any matter not prohibited in the Personnel Ordinance, or for which review process is established by other regulations and specifically includes:

1. A dispute about the interpretation or application of any ordinance,

resolution, rule, regulation or decision governing personnel practices, safety practices, procedures or working conditions, or any alleged improper treatment of an employee.

2. A dispute about the practical consequences of a Town decision on wages, hours and other terms and conditions of employment.

3. A dispute concerning the interpretation or application of a Memorandum of Understanding.

4. Specifically excluded are issues relating to classification and performance appraisal. Separate review procedures for performance appraisal shall be established.

XIX. SAVINGS CLAUSE

A.If any article or section of this agreement shall be held to be invalid by operation of law, or by any tribunal of 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 meet and confer sessions for the sole purpose of arriving at a mutual satisfactory replacement for said article or section.

XX. DURATION OF THIS AGREEMENT

A. This agreement shall be effective as of July 1, 2013 and shall remain in full force and effect through June 30, 2015

B. It shall automatically be renewed from year-to-year thereafter unless either party shall have notified the other, in writing, at least 120 days prior to the annual anniversary date that either desires to modify the agreement.

XXI. MANAGEMENT RIGHTS

A. Town retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this MOU, except as expressly limited by a specific provision of this MOU. Without limiting the foregoing, the rights, powers and authority retained solely and exclusively by the Town and not abridged herein, include, but are not limited to, the following:

1. To manage and direct its business and personnel; to manage, control and determine the mission of its departments, building facilities and operations; to create, change, combine, abolish jobs, departments and facilities in whole or in part; to subcontract or discontinue work for economic or operational reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote and maintain the discipline and efficiency of its

employees; to establish work standards, schedules, and reasonable work loads; to specify or assign work requirement and require overtime; to schedule working hours and shifts; to adopt rules of conduct and penalties for violations thereof; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means and place of providing services and to take whatever action necessary to prepare for and operate in an emergency.

2. If any matter in the exercise of this management rights clause falls within the scope of representation as defined under the Myers-Milias-Brown Act, the Town agrees to give notice and meet and confer prior to implementation.

XXII. FINALITY OF RECOMMENDATIONS

A. Upon ratification by the Town Council the recommendations set forth above are final. No changes or modifications shall be offered, urged or otherwise presented by said Association or the Town Manager for the period of this agreement.

1. If the Federal Government should mandate Social Security contributions to be made by the Town during the term of this contract, the contract shall be re-opened and subject to re-negotiation.

2. If the State or Federal Government should change laws governing medical benefits, reducing benefits or increasing costs to the parties of this Memorandum during the term of this contract, the contract shall be re-opened and the topic of Medical Benefits shall be subject to re-negotiation.

B. 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.

C. No agreement, alteration, understanding, variation, waiver or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the Town and Association.

IN WITNESS THEREOF, this MEMORANDUM OF UNDERSTANDING between the TOWN OF FAIRFAX and THE FAIRFAX POLICE OFFICER'S ASSOCIATION is hereby executed on this 24th day of July, 2013.

_____
Michael Vivrette, Finance Director

_____
Garrett Toy, Town Manager

_____
William Cade, FPOA President

_____
James O'Callaghan, FPOA Vice President

The foregoing Resolution encompassing the entire agreement between the Town of Fairfax and the Fairfax Police Officers' Association was duly adopted at a special Meeting of the Town Council of the Town of Fairfax held in said Town on the 24th day of July, 2013 by the following vote, to wit:

AYES:
NOES:
ABSENT:

_____
Mayor John Reed

Attest:

_____
Deputy Town Clerk, Michele Gardner