

December 11, 2012

Board of Directors
Ventura County Fire Protection District
800 S. Victoria Avenue
Ventura, CA 93009

J. Matthew Carroll
Assistant County Executive Officer

Paul Derse
Assistant County Executive Officer/
Chief Financial Officer

Catherine Rodriguez
Assistant County Executive Officer/
Labor Relations & Strategic Development

Kelly Shirk
Director Human Resources

Subject: Commence Public Hearing Regarding the Approval of an Amendment to the 2009-2013 Memorandum of Agreement with the Ventura County Professional Firefighters Association. (No Material Impact on Funding Status of Retirement System)

Recommendations:

It is recommended that your Board:

- 1) Hold a hearing on the amendment to the 2009 – 2013 Memorandum of Agreement between the Ventura County Fire Protection District (District) and the Ventura County Professional Firefighters Association (VCPFA) regarding eligibility for education incentive pay pursuant to Article 8, Other Compensable Benefits, Section 806; and,
- 2) Waive the second hearing regarding this matter and approve the recommended amendment at the conclusion of the hearing.

Fiscal/Mandates Impact:

Mandatory: No ☒ Yes ☐

Source of Funding: Fire Protection District

Summary of Fiscal Impact:

	<u>FY 2012-13</u>	<u>FY 2013- 14</u>
Total Cost	\$250,000	\$50,000

California Government Code Sections 31515.5 and 23026 require that the District give written notice of any salary and benefit changes, including an explanation of the financial impact of the change on the funding of the District's retirement system. The proposed benefits changes in the MOA will have no material impact on the funding status of the retirement system.

Background:

Provisions for education incentive pay are set forth in Article 8, section 806 of the existing Memorandum of Agreement (MOA) between the District and VCPFA. Employees in the Firefighter Unit are eligible for education incentive pay under "Plan B," which is set forth in subsection B of section 806. However, to be eligible for education incentive pay pursuant to Plan B, an employee in the Firefighter Unit must first be regularly employed by the District in a classification within the Firefighter Unit for at least five (5) years. Meanwhile, employees in the Auxiliary Unit are eligible for education incentive pay upon hire pursuant to "Plan C," which is set forth in subsection C of section 806.

Discussion:

The District and the VCPFA have an existing MOA covering the period through February 28, 2013 with a VCPFA option to extend the agreement for twelve months further to February 28, 2014.

In the fall of 2009, the District requested to meet with VCPFA to discuss the possible opening of their existing agreement (April 1, 2009 to March 31, 2011). The discussions between the parties included benefit reductions needed to mitigate County budgetary shortfalls and the applicability of Plan C to the Firefighter Unit. The discussion led to an agreement to amend the then existing agreement to reduce the District's retirement costs, which also provided an extension option as referred to above. It is noteworthy to re-acknowledge the willingness of the VCPFA leadership and its members to open a closed contract to assist in difficult fiscal period to help offset the budget problem of increased retirement costs.

As is typical in updated contracts, the contract amendment presented and approved by the Board on July 13, 2010 included work rules and policy changes. Due to interest of time to close the negotiations and enter into an agreement to effect the retirement cost reductions immediately, the resolution of an outstanding issue regarding the eligibility of VCPFA Firefighter Unit employees entitlement to the Plan C incentive, one of the agreed upon changes to the agreement, remained open to discussion.

VCPFA's leadership, the CEO's office and Fire District management have worked diligently to resolve this outstanding issue. At this time, it is our recommendation that the attached amendment clarifying the availability of the Plan C incentive to Firefighter

Unit employees be approved. The estimated cost of adopting this clarification is approximately \$250,000 for the years 2009 – 2012.

Member ratification of this Amendment is expected upon the approval of this recommendation and no later than December 31, 2012.

This letter has been reviewed by the County Executive Office, the Auditor-Controller's Office, County Counsel, and the Fire Protection District. If you have any questions regarding this item, please call me at 654-5088.

A handwritten signature in blue ink, appearing to read "Catherine Rodriguez for".

Catherine Rodriguez
Assistant County Executive Officer, Strategic Development/
Labor Relations Director

A handwritten signature in blue ink, appearing to read "Michael Powers".

Michael Powers
County Executive Officer

C:

Mark Lorenzen, Fire Chief
Christine Cohen, Auditor-Controller
Leroy Smith, County Counsel
Ventura County Professional Firefighters' Association