

**MEMORANDUM OF UNDERSTANDING**

**CITY OF PHOENIX**

**AND**

**PHOENIX FIRE FIGHTERS ASSOCIATION**

**LOCAL 493**

**2012 - 2014**

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## **PREAMBLE**

WHEREAS, the parties, through their designated representatives, met and conferred in good faith pursuant to Ordinance G-3303 in order to reach agreement concerning wages, hours, and working conditions of employees comprising the Fire Fighter Unit, and,

WHEREAS, the parties hereby acknowledge that the provisions of this Memorandum are not intended to abrogate the authority and responsibility of City government provided for under the statutes of the State of Arizona or the Charter or ordinances of the City of Phoenix except as expressly and lawful limited herein,

NOW, THEREFORE, having reached this complete agreement concerning wages, hours, and working conditions for the term specified, the parties submit this Memorandum to the City Council of the City of Phoenix with their joint recommendation that body resolve to adopt its terms and take such other action as may be necessary to implement its provisions.

## **ARTICLE 1: Rights**

### **Section 1-1. Gender**

Whenever any words used herein in the masculine, feminine or neuter, they shall be construed as though they were also used in another gender in all cases where they would so apply.

### **Section 1-2. City and Department Rights**

- A. The Union recognizes that the City and the Fire Chief retain, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law with respect to determining the level of and the manner in which the Fire Department's service delivery activities are conducted, managed, and administered, and the Union recognizes the exclusive right of the Chief to establish and maintain departmental rules and procedures for the administration of the Fire Department during the term of this Memorandum provided that such rules and procedures do not violate any of the specific express provisions of the Memorandum.
- B. The City and the Chief have the exclusive right and authority to schedule work and/or overtime work as required in the manner most advantageous to the City subject to the express terms of this Memorandum.
- C. It is understood by the parties that every incidental duty connected with operations enumerated in job descriptions is not always specifically described; nevertheless, it is intended that all such duties shall be performed by the employee.
- D. The Chief and City Manager reserve the right to discipline or terminate employees for just cause subject to Civil Service procedures.

- E. The City and the Chief shall determine and establish methods and processes by which duties are performed subject to the express terms of this Memorandum.
- F. The City and Chief shall have the right to transfer employees within the Department in a manner most advantageous to the City subject to the express terms of this Memorandum.
- G. Except as otherwise specifically provided in the Memorandum, the City and the Chief retain unqualifiedly all rights and authority to which, by law, they are entitled.
- H. The City shall have the authority to effect reorganizations of the Department. However, any such reorganization shall be discussed by the Labor-Management Committee prior to implementation.
- I. The Union recognizes that the city has statutory and Charter rights and obligations in contracting for matters relating to municipal operations.
- J. The inherent and express rights of the City and the Chief, including those herein specifically referred to, which are not expressly modified or restricted by a specific provision of this memorandum, are not, in any way directly or indirectly, subject to the Grievance Procedure herein.
- K. Nothing herein shall be construed to diminish the rights of the City under Section 5 of Ordinance G-3032 or to diminish the provisions of the Civil Service Rules.

### **Section 1-3. Rights of the Union**

- A. The Union, as the authorized representative, has the exclusive right to serve as the meet and confer representative of all employees in the Fire Fighter's Unit as certified by the Phoenix Employment Relations Board on July 29, 1976.

#### **B. Union Release**

**The Phoenix community benefits from harmonious and cooperative relationships between the City and its employees. The City and the Union have negotiated full-time release positions, and release hours, as efficient and readily available points of contact for addressing labor-management concerns. Examples of work performed by representatives on union release in support of the City include ensuring representation during administrative investigations and grievance/disciplinary appeal meetings with management; participating in collaborative labor-management initiatives that benefit the City and the members; serving on Fire Department task forces and committees; facilitating effective communication between City and Department management and employees; assisting unit members in understanding and following work rules; administering the provisions of the Memorandum of Understanding; and other**

business that promotes enhanced service delivery models and public safety employee-related issues. Union release is also used for authorized representatives to attend Union conferences, meetings, seminars, training classes and workshops so that representatives better understand issues such as City policies and practices, conflict resolution, labor-management partnerships, and methods of effective representation.

### 1. Full-Time Release Positions

**Two full-time release positions, designated by the Union President, shall each be permitted twenty-nine hundred twelve (2,912) hours per year paid release time to engage in Union-related activities. The full-time release employees will be engaged in either union activities or city activities in accordance with city administrative regulations during paid release time.** The City shall pay the cost of the **release positions'** salary and benefits. **The release positions have been paid for by the members of the Phoenix Fire Fighters Association in lieu of increases to pay and benefits.**

**The Union will keep the Labor Relations Division apprised of the regular work schedules of the release positions. The full-time release positions will follow Fire Department protocols when requesting the use of paid leave.**

### 2. Union Representatives

- a. The Union may designate two (2) shift representatives for each of the three (3) twenty-four (24) hour shifts (Shift A, Shift B, and Shift C) and one (1) for the day shift with the understanding that the Union will make every effort to ensure that the shift representative works on the shift represented and shall notify the Fire Chief of such designations. There shall be no obligation on the Department to change or adjust normal departmental scheduling or assignments of personnel as a result of such designations.
- b. A **Union** representative may attend mutually scheduled grievance, **investigative, disciplinary, and labor-management** meetings and hearings with department representatives **during duty hours** without loss of pay or benefits. **Time spent during duty hours** for any other **union activity**, such as gathering information, interviewing the grievant or witnesses, **attending a union meeting**, or preparing a presentation **shall be charged against the bank of Union release hours as described in Section 1-3 B 3.**

### 3. Release Hours

**In lieu of increased pay and benefits, members of the Phoenix Fire Fighters Association have agreed that each M.O.U. year, the City will, subject to operational requirements, allow Union release time with pay up to a maximum of**

four thousand five hundred (4,500) hours.

**Union Representatives will follow Fire Department protocols when requesting the use of Union release time.**

Any hours **used** in excess of **allowable Union release time** must be approved by the Fire Chief, the Labor Relations Administrator and the Union President. The **number** of hours **used** in excess of **allowable Union release time** will be **deducted from the Union release time available** for the following year. A surplus of hours will be carried **over** into the next year **to a maximum total Union release bank of 6,750 hours.**

- C. The President may appoint a Legislative Representative for the Union. If the Legislative Representative has been a registered with the Secretary of State for at least three years as a lobbyist and if the Legislative Representative has agreed to work with and assist the City's legislative lobbyists, the Legislative Representative shall receive five hundred (500) hours per year release time with pay or the fifty-six (56) hour equivalent.
- D. Union members may be authorized in advance in writing to engage in Union related activities during duty hours on a non-paid basis by the Fire Chief at such time and in such instances when in the discretion of the Chief such will not in any manner interfere with the efficient and economical operations of the Department nor adversely impact the level of Fire Fighting services or support services.
- E. There shall be no use of official time for Union-related activities except as expressly authorized under Section 1-3 of Article 1. The Department shall maintain procedures to administer and control use of official time in conformity with the provisions of this Section.
- F. **Upon the Union's filing of a Third Party Data Sharing Agreement with the Labor Relations Division, the** City shall furnish to the Union on request, at actual cost, a listing of Union members on City payroll deduction in July and January during the term of this agreement indicating name, mailing address, and job assignment.
- G. The City shall, in conformity with Ordinance G-3303, deduct monthly the Union members regular periodic Union membership dues and/or special assessments pursuant to authorization on a form to be provided by the City, duly completed and signed by the Union member, and transmit such deductions to the Union on a monthly basis; except, however, that such deduction shall be made only when the employee's earnings for a pay period are sufficient after other legally required deductions are made. The City shall, at the request of the Union, make changes in the amount of the deduction hereunder during the term of this Memorandum at cost for implementing such change. The City shall not make dues deductions for Unit employees on behalf of any other employee organization during the term of this Memorandum. The City

assumes no liability on account of any action taken pursuant to this paragraph. In addition, with sufficient notice the Union may request a change in dues deduction to either monthly or bi-weekly for the entire membership each July 1 or at other times agreed to by the parties.

- H. The City will continue to provide those bulletin boards as designated by the City in the past exclusively for posting of official Union literature that is not political in nature, abusive of any person or organization, or disruptive of the department's operations. In addition, the Union will be allowed to use all Fire Department Communications tools to disseminate such information when necessary. Such announcements shall not be political in nature, nor shall they be abusive of any person or organization or disruptive of the department's operation. The Assistant Chief in charge of personnel, or his designee, shall review the content of the buck slip communications prior to distribution.
- I. Nothing herein shall be construed to diminish the Union's rights under Ordinance G-3303.
- J. The City will provide the Union, upon request, non-confidential and readily available information concerning the Union that is necessary to Union representatives for negotiations, and is not otherwise available to the Union, such as personnel census, employee benefit data, and survey information. Such requests shall be made through the Assistant Chief in charge of personnel. Any unusual costs incurred by the City in connection with this Section shall be borne by the Union.
- K. The Union will be allowed up to four (4) hours to talk to and possibly sign new Fire Fighter recruits into the Union. This time will be allotted sometime during the last four (4) weeks of training of said recruits at the Training Academy. During such discussions, Union representatives shall avoid the dissemination of information that is political in nature, abusive of any person or organization or disruptive of the Department's operation.
- L. It is understood by the parties that the benefits granted by Section 1-3 of Article 1 shall not be interpreted or applied as requiring the employer to count as time worked any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Section. The employer shall count as paid leave any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Section.

#### **Section 1-4. Rights of Unit Employees**

- A. All employees have the right to have the Union serve as their meet and confer representative without discrimination based on membership or non-membership in the Union or any other organization. Whenever the terms "employee, Unit employees, grievant" or some derivation of those, is used in this MOU it shall be synonymous with the term "Unit member."

- B. Union employees have the right to be represented or not to be represented by the Union in dealings with the City concerning grievances and matters pertaining to their individual employment rights and obligations.
- C. It is understood by the parties that the benefits granted by Section 1-4 of Article 1 shall not be interpreted or applied as requiring the employer to count as time worked any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Section. The employer shall count as paid leave any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Section.
- D. An employee may request that **disciplinary** documents (**written reprimand and above**) be purged from his Departmental Personnel File as provided in Fire Department Operations Manual, Section 5, #105.11 **and moved to a section marked "Inactive" in the Central HR Department personnel file.**

### **Section 1-5. Prohibition of Strikes and Lockouts**

- A. The Union pledges to maintain unimpaired Fire Fighting and related supported services as directed by the Fire Chief. It shall not cause, condone, counsel or permit employees, to strike, fail to fully and faithfully perform duties, slow down, disrupt, impede or otherwise impair the normal functions and procedures of the Department.
- B. Should any employees of the bargaining Unit during the term of this Memorandum, and until such time that it is expressly and legally rescinded, breach the obligations of Paragraph A, the Fire Chief or his designee shall immediately notify the Union that a prohibited action is in progress. The Union shall forthwith disavow said strike or other prohibited action and shall endeavor in good faith to cause such employees to immediately return to work and/or cease the prohibited activity or, alternatively accept the responsibility for the strike or other prohibited activity.
- C. There shall be no lockout by the City during the term of the Memorandum.
- D. The provisions of Section 2 (17) and section (13) of Ordinance G-1532, are incorporated into this Memorandum.

## **Article 2: Grievance/Arbitration/Labor Management**

### **Section 2-1. Grievance Procedures**

- A. Informal Resolution
  - 1. It is the responsibility of employees who believe that they have a bona fide complaint concerning their working conditions to promptly inform and discuss it with their immediate (non-Unit) supervisor in order to, in good faith, endeavor to

clarify the matter expeditiously and informally at the employee-immediate supervisor level.

2. If such informal discussion does not resolve the problem to the employee's satisfaction, and if the complaint constitutes a grievance as herein defined, the employee may file a formal grievance in accordance with the following procedure.

## B. Definition of Grievance

A "grievance" is a written allegation, submitted as herein specified, claiming violation(s) of the specific express terms of this Memorandum for which there is no Civil Service or other specific method of review provided by State or City law.

- C. Procedure in processing a formal grievance, the following procedure shall apply:

### Step 1

The grievant shall reduce his/her grievance to writing by signing and completing all parts of the grievance form provided by the City, and submit it to his/her District Commander or Section Head as designated by the City within ten (10) calendar days of the initial commencement of the occurrence being grieved. Either party may then request that a meeting be held concerning the grievance or they may mutually agree that no meeting be held. The supervisor shall, within ten (10) calendar days of having received the written grievance of such meeting, whichever is later, submit his response thereto in writing to the grievant and the grievant representative, if any.

### Step 2

If the response of the first level of review does not result in resolution of the grievance, the grievant may appeal the grievance by signing and completing the City form and presenting it to the second level of review (Division Head) within five (5) calendar days of the grievant's receipt of the level one response. Either party may request that a meeting be held concerning the grievance or may mutually agree that no meeting be held. Within ten (10) calendar days of having received the written grievance or the meeting, whichever is later, the second level of review shall submit his response to the grievance to the grievant and the grievant's representative, if any.

### Step 3

If the response of the second level of review does not result in resolution of the grievance, the grievant may appeal the grievance by signing and completing the City form and presenting it to the third level of review (Fire Chief **or designee**) within five (5) calendar days of the grievant's receipt of the level two response. Either party may request that a meeting be held concerning the grievance or may mutually agree that no meeting be held. Within ten (10) calendar days of having received the written grievance or the meeting, whichever is later, the third level of review shall submit his response to the grievance to the grievant and the grievant's representative, if any.

### Step 3.5

After the Department Head's decision, but prior to review by the Grievance Committee, the parties involved may mutually agree to submit the grievance to the Labor Relations Administrator. The grievance, as originally written, and the attached response from the Department Head must be submitted to the Labor Relations Administrator within fourteen (14) calendar days of the receipt of the Department Head's answer. The Labor Relations Administrator shall, within fourteen (14) calendar days of the receipt of the grievance, meet with the Department Head or his designee and the grievant and his representative in an attempt to resolve the grievance. The Labor Relations Administrator shall then submit written recommendations for the resolution to the grievant and the Department Head within fourteen (14) calendar days of the meeting.

### Step 4

If the response of the third level of review does not result in resolution of the grievance, the grievant and the Union may jointly invoke this Step 4 procedure. The Union shall decide to either go to the Grievance Committee or go forward to arbitration. If the Grievance Committee is chosen, the membership of the committee shall be:

- 1- Representative of the City Manager's Office (other than Labor Relations)
- 1- Representative chosen by Local 493 President
- 1- Party mutually agreed upon by both of the above.

If arbitration is chosen Department management and the grievant, or their designated representatives shall agree on an arbitrator, and if they are unable to agree on an arbitrator within a reasonable time, either party may request the Federal Mediation and Conciliation Service to submit to them a list of seven (7) arbitrators who have had experience in the public sector. The parties shall, within seven (7) calendar days of the receipt of said list, select the arbitrator by alternately striking names from said list until one (1) name remains. Such person shall then become the arbitrator. The arbitrator so selected shall hold a hearing as expeditiously as possible at a time and place convenient to the parties, and shall be bound by the following:

1. The arbitrator shall neither add to, detract from nor modify the language of the Memorandum or of Department rules and regulations in considering any issue properly before him.
2. The arbitrator shall expressly confine himself to the precise issues submitted to him and shall have no authority to consider any other issue not so submitted to him.
3. The arbitrator shall be bound by applicable State and City law.
4. The arbitrator shall within thirty (30) days from the close of the arbitration hearing submit his findings and advisory recommendations to the grievant and the City Manager, or their designated representatives.

5. The costs of the arbitrator and any other mutually incurred costs shall be borne equally by the parties.

#### Step 5

The City Manager shall, within ten (10) calendar days of the receipt of the arbitrator's written findings and recommendations, make the final determination of the grievance and submit it in writing to the grievant and his/her designated representative.

#### D. Time Limits

Failure of Departmental representatives to comply with time limits specified in Section 2-1, Paragraph C of Article 2 shall entitle the grievant to appeal to the next level of review; and failure of the grievant to comply with said time limits shall constitute abandonment of the grievance. Except, however, that the parties may extend time limits by mutual written agreement in advance.

- E. It is understood by the parties that the benefits granted by Section 2-1 of Article 2 shall not be interpreted or applied as requiring the employer to count as time worked any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Section. The employer shall count as paid leave any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Section.

### **Section 2-2. The RBO / Labor-Management Process**

- A. The purpose of the Relationships by Objectives (RBO) committee is to enhance service delivery models and address public safety employee-related issues. The RBO process is done through the facilitation and open discussion of mutual concerns and problems which may include; implementation of major department programs and/or substantial modifications of existing major programs that will have a significant impact on service delivery or work schedules. Items of concern are then enacted as initiatives to be in accomplished over the course of the year that follows.**
- B. The RBO Committee shall meet annually at mutually scheduled times, and at other mutually agreed upon times as necessary. The RBO Committee process consists of a Correlating Team. The Correlating Team includes the following representatives from Labor and Management: the Fire Chief and Executive Staff (Assistant Fire Chiefs) and the Union President and Labor Executives. For each initiative mutually identified in the RBO process, a Committee is established consisting of representatives from labor and management and facilitated by co-chairs. Sub-committees are further developed to facilitate meetings to achieve goals as set forth in the agreed upon initiatives. Throughout the year,**

**Committees and Sub-Committees will meet regularly to accomplish their RBO initiatives.**

- C. There shall be a Fire Labor-Management Committee consisting of the Fire Chief and Union President. The Fire Labor-Management Committee provides oversight for the entire RBO / Labor-Management Process.**
- D. A standing agenda will be developed. The members shall, in advance of a meeting, provide the co-chairs with proposed additional agenda items, and the co-chairs will provide the members with the meeting agenda.**
- E. Representatives of the Union on the Committee shall not lose pay or benefits for meetings mutually scheduled during their duty time.**
- F. The Sub-Committees may be supplemented by representative(s) of the City Manager if it is proposed to discuss mutual aid or fire protection contract matters.**
- G. The Sub-Committees may, if they deem proper, suggest recommendations to the Fire Chief and the City Manager for their consideration and determination.**
- H. Employees who are designated by the Fire Labor-Management Committee as RBO/Labor Management Coordinators will be eligible for compensation from a bank of 2,112 hours. These individuals, limited to no more than 11 employees, will work with management on the priorities determined through the RBO (Relationships by Objectives) process. These initiatives pertain to enhancing operational efficiencies, service delivery, and improvements to employee safety and organizational performance.**
- I. It is understood by the parties that the benefits granted by Section 2-2 of Article 2 shall not be interpreted or applied as requiring the employer to count as time worked any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Section. The employer shall count as paid leave any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Section.**
- J. The City will provide the professional services of a secretary for the labor-management process. The secretary will be assigned to the community affairs division of the Phoenix Fire Department and will work at the direction of the **Fire Labor-Management Committee. The selection process for this position shall be determined by the Fire Labor-Management Committee.****

### **Section 2-3. Productivity Discussions**

- A. Recognizing the need to provide the highest practical level of fire protection and emergency medical service to the citizens of Phoenix, the City, Fire Department, and Union, pledge to continue to work towards increasing the productivity of the Phoenix Fire Department. In a continuing commitment towards increased productivity, the joint Labor-Management Productivity Committee shall meet on a regular basis during the term of the M.O.U. to discuss the development of structured productivity programs within the Phoenix Fire Department.
- B. The distribution of any demonstrated economic savings or other productivity rewarding measures resulting from the implementation of productivity programs shall be a proper subject for the Meet and Confer process pursuant to Ordinance G-3303.
- C. It is understood by the parties that the benefits granted by Section 2-3 of Article 2 shall not be interpreted or applied as requiring the employer to count as time worked any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Section. The employer shall count as paid leave any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Section.

## **Article 3: Compensation/Wages**

### **Section 3-1. Wages**

- A. **The total negotiated compensation for the contract year 2012-13 will be a 1.6% restoration of the 3.2% economic concessions that were negotiated in 2010 – 2012. The restorations will be effective July 9, 2012 and allocated as follows:**

**First, the combined increases in health, dental and life insurance result in a charge to the unit of .1% in total compensation. This amount continues the \$150 monthly allowance for Post Employment Health Plan accounts (PEHP) for all qualifying employees eligible to retire after August 1, 2022. (The date of an individual's retirement eligibility was determined on August 1, 2007).**

**Second, 0.35% of the previous 1% wage concession is restored.**

**Third, there are no negotiated furlough days during the term of this agreement.**

**All other 2010 – 2012 concessions remain in effect through the first year of this agreement including 0.65% of the 1% wage concession, a 1% reduction in the deferred compensation benefit, and the suspension of the vacation buyback benefit.**

- B. **For the contract year 2013-2014, the remaining balance, or a portion of the remaining balance, of the 2010-2012 economic concessions may be restored**

**under the conditions outlined in attachment B. In addition, attachment B outlines revenue triggers that could result in compensation increases above full restoration of the 2010 – 2012 concessions.**

- C. Employees assigned to, or assigned as rovers to, Special Operations Teams, canine search specialists, and the ARFF program, and who have also achieved and maintained the level of Technician, or equivalent, through specific training and education, shall receive \$264.625 per month assignment pay. Members certified in both hazmat (HMT) and technical rescue (TRT) and assigned to, or assigned as rovers to fill cross trained positions on the heavy rescue squads and/or C-957 shall receive both assignment pays.

**This monthly amount was reduced by 1% in the 2010 – 2012 concession agreement. Effective July 9, 2012, 0.35% of the 1% concession will be restored.**

- D. Effective July 14, 2008, employees who meet the Fire Department's linguistic skill qualifications and become certified, shall receive a premium of seventy-five dollars (\$75.00) per month. Effective July 5, 2004 twelve (12) employees, who meet the Fire Department's fire station bi-lingual coordinator linguistic skill qualifications and become certified, shall receive an additional premium of three hundred dollars (\$300.00) per month.
- E. Engineers and Captains currently assigned, as Paramedics shall receive their regular step plus \$509.139 per month assignment pay.

**This monthly amount was reduced by 1% in the 2010 – 2012 concession agreement. Effective July 9, 2012, 0.35% of the 1% concession will be restored.**

- F. Assignment pay each year shall be increased by the same percentage as wage rates.
- G. It is understood that the pay rates set forth in Attachment "A" are interpreted to be specific with regards to steps, corresponding years of service and monthly salaries, except that performance related items including, but not limited to, special merit increases, special salary adjustments, demotions, assignment pay and extensions in merit pay anniversary dates resulting from extended leave without pay, industrial and light duty assignments, and reinstatements may alter an employee's step progression and monthly salaries as indicated in Attachment "A."

**If an employee is not given his/her PMG by the annual review date, the employee may request his/her merit increase in writing by sending a memorandum directly to the Human Resources Officer. If the PMG is an overall "met," the request will be processed within twenty-one (21) calendar days of submittal and will be retroactive to the PMG annual review date.**

- H. Employees assigned by the Fire Chief to staff assignments in authorized staff positions (40 hours) will be entitled to ten percent (10%) assignment pay if such assignment is to exceed two (2) consecutive pay periods, and shall continue to receive such assignment pay for the duration of such assignment. This provision shall not apply to Captains assigned as Arson Investigators to a forty-four (44) hour work week or to employees attending recruit training or employees assigned to limited duty. Employees assigned to authorized forty (40) hour staff assignments and who begin receiving staff assignment pay shall also be eligible to continue all other current assignment pays provided all required certifications are maintained. Employees assigned to limited duty shall continue to receive holiday pay and FLSA/work week adjustments (Section 4-1, Paragraph F, of Article 4) for the duration of their limited duty assignment, irrespective of their actual work hours.
- I. Employees assigned to any forty (40) hour staff positions shall receive two (2) eight (8) hour or ten (10) hour professional development days per year depending on their schedule. The employee shall decide the days and areas of development. These days shall be assigned through the vacation signup process. No employee shall receive these days in addition to the full amount of Tobin days.

### **Section 3-1A. Productivity Enhancement Pay**

- A. In recognition of the significant increase in service delivery and cost savings to the City of Phoenix by the employees of the Phoenix Fire Department, the City agrees to implement the following Productivity Enhancement Pay formula for employees:
  - 1. On the last paycheck in June and December of each year, employees who have completed at least seven (7) years of continuous full-time service and who meet the additional qualifications specified in Section 3-1A of Article 3 shall be paid eighty (\$80.00) dollars for each full year of continuous full-time service in excess of five (5) years, up to a semi annual maximum of two thousand dollars (\$2,000.00), annual maximum of four thousand dollars (\$4,000.00) at thirty (30) years.
  - 2. Employees on industrial leave shall qualify for this payment for only the first year of the industrial leave. However, the entire period of industrial leave shall qualify as continuous service when the employee returns to active employment.
  - 3. Payments will be made as soon as possible but no later than thirty (30) days of the qualifying date. Employees who separate from City employment after the qualifying date but prior to the payment day shall receive the payment in their termination pay, with the amount to be prorated by month of retirement only. Employees in the DROP program who are leaving employment **in the same month as the qualifying date and who work at least one shift** in the pay period **prior to** the qualifying date will receive the semiannual longevity payment.

- B. An employee must have achieved the overall performance rating of "meets standards" on his latest scheduled performance evaluation on file in the **Human Resources** Department.
- C. An employee who receives a below "meets standards" evaluation shall receive another evaluation within ninety (90) to one hundred twenty (120) days, and if that evaluation is "meets standards," he will be eligible to receive the next scheduled payment.
- D. **The Union agrees to work cooperatively during the first twelve months of this agreement on a task force consisting of (but not limited to) representatives from the City Manager's office, the Human Resources Department, the Fire Department, and the Alliance for Innovation to explore and develop alternatives to the Productivity Enhancement Pay program.**

### **Section 3-2. Overtime**

- A. Employees who are assigned to be and are on duty beyond their scheduled work shift shall be compensated for such assigned overtime work at one and one-half (1 ½) times their regular rate, fifty-six (56) hours or forty (40) hours, after the first seven (7) minutes of assigned and worked overtime calculated to the nearest one-quarter (1/4) hour.
- B. Employees shall have the option of being paid in cash for overtime, or allow the overtime to accrue as compensatory time up to a maximum of one hundred sixty-eight (168) hours for employees working a fifty-six (56) hour schedule, or one hundred twenty (120) hours for employees working a forty (40) hour schedule.
- C. Overtime compensation shall not be paid twice for the same hours worked.
- D. Use of compensatory time shall be in conformance with the requirements of the Fire Chief and shall take into consideration departmental scheduling and operational factors.
- E. Payment for time worked shall be in conformance with the requirements of the Fire Chief and shall take into consideration departmental scheduling and operational factors.
- F. The provisions of Section 3-2 of Article 3 shall not apply where an employee is assigned out-of-class to a non-Unit position.
- G. Allocation and opportunities for overtime shall be discussed in the Labor/Management process.
- H. Fire department "peak time" rescues will only be staffed by employees on an overtime basis. This item reflects an agreement between the Fire Department and the Union in

1984 on the future staffing of the rescues. The increased work-load and responsibility of the full time rescues was incented by agreement that there would be overtime opportunities on peak time rescues. Further, the department was reorganized through the RBO process in 1993 to enhance ALS and rescue capabilities throughout the city. This reorganization included a pool of employees to staff back rescues and guarantee that no new employee would have to work more than two hundred (200) shifts on a rescue. Employees agreeing to be in this pool are then entitled to work on the peak time rescues on an overtime basis when their name comes up in a rotation.

### **Section 3-2A. Call Out Pay**

- A. Call out time shall be at a minimum of three (3) hours at one and one-half (1 ½) times the employee's regular rate of pay, fifty-six (56) hours or forty (40) hours depending on assignment, after the first seven (7) minutes calculated to the nearest one-quarter (1/4) hour. If a unit member leaves a call out event without authorization prior to the termination of the event, Section 3-2A of Article 3 shall not apply.
- B. The provisions of this Section shall not apply where an employee is assigned out-of-class to a non-Unit position.

### **Section 3-3. Out-of-Class Pay**

Pursuant to A.R. 2.201, **sixteen (16) hours** of out-of-class work on a shift for employees will constitute a full shift of out-of-class assignment **pay. There will be no out-of-class pay for working less than sixteen (16 hours).**

**In order to qualify to be eligible to receive out-of-class assignment pay, employees must complete eight (8) shifts of out-of-class assignment (16 hour minimum to constitute a full shift). As an alternative for qualifying only, 192 hours of out-of-class assignment shall satisfy the minimum qualifications required to become eligible for out-of-class pay. For the purpose of the 192 hour qualifier, out-of-class hours must be in increments of no less than seven (7) hours.**

Employees on a forty (40) hour schedule will complete eleven (11) shifts, six (6) hours minimum of out-of-class assignment, to satisfy the minimum qualifications for out-of-class pay.

### **Section 3-4. Sick Leave Conversion at Retirement**

Effective with the beginning of the last pay period in June 1996, the following benefit will apply:

#### **A. Definitions**

1. "Qualifying Hours" - The minimum number of accrued and unused sick leave

credits existing on the last day of service prior to retirement, which are necessary before an employee can participate in the benefit program.

2. "Base Number of Hours" or "Base Hours" - The number of hours of accrued and unused sick leave credits which are uncompensated under Section 3-4 of Article 4 which the City will compensate the employee.
3. "Base Hourly Rate" - The base hourly rate of pay being paid at the time of retirement to the retiring employee who qualifies for participation in the benefit program.

#### B. Benefit and Eligibility

1. An employee who has accumulated a minimum of twelve hundred sixty (1,260) qualifying hours or more of accrued and unused sick leave at the time of retirement, or the forty (40) hour equivalent, shall be eligible for payment of an amount of compensation equal to thirty-five percent (35%) of his base hourly rate for all hours in excess of six hundred thirty (630) hours, or the forty (40) hour equivalent.
2. An employee who has accumulated a minimum of eighteen hundred (1,800) qualifying hours or more of accrued and unused sick leave at the time of retirement, or forty (40) hour equivalent, shall be eligible for payment of an amount of compensation equal to sixty percent (60%) of his base hourly rate for all hours in excess of five hundred forty (540) hours, or forty (40) hour equivalent.
3. An employee who has accumulated a minimum of twenty-four hundred (2,400) hours, or the forty (40) hour equivalent, or more of accrued and unused sick leave at the time of retirement shall be eligible for payment of an amount of compensation equal to sixty percent (60%) of his/her base hourly wage for all hours.
4. **The payments described in numbers 1 through 3 above are not considered Final Average Salary for purposes of pension calculations.**
5. Effective July 8, 2002 an employee who has accrued twenty-four hundred (2,400) hours, or the forty (40) hour equivalent, or more of accrued and unused sick leave and who has attained a minimum of seventeen (17) years of credited service in PSPRS and 10 years of City of Phoenix service, may elect to have the additional sick leave that he/she earns paid as salary on a monthly basis for the upcoming three (3) consecutive years. The employee may receive a one-time extension for up to three (3) years if approved by the Fire Chief, the Union President and the Labor Relations Administrator. The employee may stop and re-start this benefit one time without further qualification up to a maximum of a total of six (6) years. The intent of Section 3-4, Paragraph B4, of Article 3 is to allow an employee to

stop the benefit at any time. If the employee elects to re-start the benefit, the employee may only receive up to three (3) additional consecutive years. The six (6) years maximum benefit only applies if the employee uses the first three (3) consecutive years and then requests an additional three (3) consecutive years.

C. Administration

1. At the time of retirement or death of an active employee who is eligible for retirement, the City's Employee Benefits Division, or such other individual or agency as the City may designate, shall determine the employee's eligibility and the amount of accrued and unused sick leave to be compensated.
2. The employee shall verify in writing the computation of the Employee Benefits Division.
3. In the event an employee's eligibility for participation or the amount of compensation is disputed, the dispute shall be submitted to the City Auditor for resolution.

**Section 3-5. Deferred Compensation and Defined Contribution Plans**

- A. The City shall contribute an amount equal to six percent (6%) of each employee's biweekly gross pay to the City's 401(a) Defined Contribution Plan. Pension contributions will be made by both the City and the employee on the contributions.

**This benefit was reduced by 1% in the 2010 – 2012 concession agreement. This reduction remains in effect through the 2012 – 2014 agreement unless the conditions in attachment B are met for a full or partial second year restoration.**

During the **2012 – 2014** contract term, after the City receives official Internal Revenue Service approval and a private letter ruling regarding the City's 401(a) plan, the parties agree to schedule a meeting to discuss a possible change in the distribution of the current benefit between the 457(b) and 401(a) plans. Any agreement will be conditional on Deferred Compensation Board approval.

- B. At the employee's separation, for either retirement or exiting the Deferred Retirement Options Program, the employee's sick, vacation and compensatory leave payout amounts will be automatically contributed into the City's 401(a) plan. Any excess amount over the Internal Revenue Code 401(a) plan contribution maximum limits will be automatically contributed into the City's 457(b) plan. Any portion of the excess amount that cannot be contributed to the 457(b) plan because of Internal Revenue Code 457(b) plan contribution maximum limits will be paid as taxable income.

## **Article 4. Hours of Work/Working Conditions**

### **Section 4-1. Hours of Work**

- A. The duty hours for employees assigned to Operations or Emergency Services, excluding forty (40) hour staff assignments, shall continue to average fifty-six (56) hours per week. Shifts shall continue to be twenty-four (24) hours in duration.
- B. The work hours and schedule of employees assigned to the Support Services Division and Training Section shall be five (5) eight (8) hour days (excluding authorized meal breaks, or four (4) ten (10) hour days (excluding authorized meal breaks) at the discretion of the Fire Chief.
- C. The work hours and schedule of employees assigned to the Fire Prevention Division, Inspection Section, shall be four (4) ten (10) hour days (excluding authorized meal breaks) provided, however that individual employees may voluntarily waive the 4/10 schedule.
- D. The work hours and schedule of employees assigned to the Fire Prevention Division, Fire Investigation Section may only be mutually changed by the Fire Chief and the Union President through the Labor-Management process. Fire Investigation employees assigned to a straight forty (40) hour schedule will be paid overtime at the forty (40) hour rate. If assigned to a forty-four (44) hour schedule, employees will be paid overtime at the forty-four (44) hour rate.
- E. When an employee is required to change from one type of a schedule to another by the Fire Department, the Department shall allow a minimum of sixteen (16) hours between tours of duty.
- F. The work week for employees on a fifty-six (56) hour schedule shall be fifty-three (53) hours. Employees will continue to work the existing fifty-six (56) hour schedule. Employees working the existing fifty-six (56) hour schedule will be compensated as follows:
  - 1. The first fifty-three (53) hours will be paid at the base fifty-six (56) hour rate.
  - 2. The fifty-fourth (54th) hour will be paid at one and one-half (1 ½) times the regular hourly rate.
  - 3. The fifty-fifth (55th) and fifty-sixth (56th) hours will be paid at two (2) times the base fifty-six (56) hour rate.
- G. Employees attending the Paramedic Training Program will be placed on a 40 hour work week schedule and be entitled to a ten percent (10%) increase in pay in accordance with Section 3-1 (H) of this Memorandum of Understanding. Employees shall be paid on a 40 hour work week until completion of the Paramedic Training

Program. Employees will receive two personal development days in lieu of three Tobin days (as per Section 3-1 (I) of this Memorandum of Understanding). The professional development days will be scheduled at the discretion of Paramedic Training Program staff.

- H. Each 56 hour unit employee shall receive four (4) shifts off per year. This will allow for an hours reduction without specifying a specific number of hours in this reduction or reducing current rates of pay, FLSA, or hours reduction pay as specified in Section 4-1, Paragraph F, of Article 4. The rotation system shall be worked out between the Fire Chief and the Union President with the consent of the Labor Relations Administrator.

### **Section 4-2. Shift Trades**

Two (2) employees serving in the same classification may be granted the opportunity to exchange shifts up to a maximum of twenty-four (24) such exchanges per employee in a contract year. Shift exchanges shall not qualify an employee for premium overtime payment. All shift exchanges are subject to the approval of the Fire Chief or his designee and shall be in conformance with regulations issued by the Fire Chief.

### **Section 4-3. Filling Vacancies**

The Fire Chief will endeavor to permanently fill vacancies in regular positions, that are duly authorized to be filled, expeditiously within limitations imposed on him by administrative and operational factors, and thereafter, consistent with applicable Civil Service Rules, based on length of service by classification when fitness and qualifications of interested employees for the particular vacancy are deemed to be equal by the Fire Chief. When requested, departmental management shall indicate the reason why an employee was or was not transferred into a vacancy as part of Labor-Management Committee proceedings. "Vacancy" hereunder is defined as a regular opening in any position created by death, retirement, dismissal, promotion, demotion, creation of a new regular position or transfer, provided, however, that with the filling of staff positions, all applicants shall be considered, and the Fire Chief shall make the final determination.

## **Article 5. Benefits**

### **Section 5-1. Health Insurance**

- A. The City and Union agree to maintain the current eighty/twenty (80/20) split for health insurance for both single and family coverage. If there is a rate increase or decrease in the second year of this M.O.U., the City shall pay eighty percent (80%) of the new monthly contribution and the employee will pay twenty percent (20%).
- B. In the event Congress passes legislation which considers the amount the City contributes to health insurance premiums as imputed income, then the City will consider such contribution as income to the employee.

- C. The City shall provide the Basic Medical Reimbursement Plan (MERP) benefits to MERP eligible Unit retirees and to those employees who are hired before August 1, 2007 and are eligible to retire no later than August 1, 2022 at no less than \$202.00 (two hundred and two dollars) per month. The City also contributes an additional \$50 toward City retiree family medical coverage; this credit is applied directly to the retiree's premium deduction. Any employee hired on or after August 1, 2007, regardless of years of service, may qualify for a Post Employment Health Plan (PEHP) account.
- D. Additional MERP amounts will be paid to eligible retirees for the following categories:

<b>RETIREE COVERAGE – RETIREE NOT ON MEDICARE</b>			
<b>ADDITIONAL MERP AMOUNTS</b>			
	Retiree or Survivor Only NOT on Medicare	Retiree or Survivor w/family coverage – any dependent NOT on Medicare	Retiree or Survivor with family coverage – <u>all</u> dependent(s) ON Medicare
<b>HMO OR PPO COVERAGE</b>	<b>\$105</b>	<b>\$325</b>	<b>\$210</b>
<b>RETIREE COVERAGE – RETIREE ON MEDICARE</b>			
<b>ADDITIONAL MERP AMOUNTS</b>			
	Retiree or Survivor Only - ON Medicare	Retiree or Survivor w/family coverage – any dependent NOT on Medicare	Retiree or Survivor with family coverage – <u>all</u> dependent(s) ON Medicare
<b>HMO OR PPO COVERAGE</b>	<b>\$90</b>	<b>\$195</b>	<b>\$185</b>

These MERP amounts are what the City agrees to pay. It is solely at the discretion of the City Manager to increase these amounts in the future.

### **Section 5-2. Dental Insurance**

- A. The City agrees to improve the dental insurance plan for employees and their qualified dependents. The plan shall consist of eighty percent (80%) payment of reasonable and customary charges covered for preventive and diagnostic services, basic services, and major services. The plan shall also include an orthodontia benefit providing for eighty percent (80%) payment of reasonable and customary charges up to a maximum lifetime benefit of twenty-five hundred dollars (\$2,500.00) per person, maximum lifetime benefit increases to four thousand dollars (\$4,000.00) per person effective August 1, 2003. This plan is subject to the deductibles and limitations contained in the contract between the dental insurance carrier and the City of Phoenix. The City shall continue to pay one hundred percent (100%) of the premium costs for single employees (employee only coverage), and seventy-five percent (75%) of the premium costs for employees and their qualified dependents (family coverage). Enrollment in

prior City of Phoenix Dental Plans counts towards major services time limit exclusions.

- B. In the event Congress passes legislation that considers the amount the City contributes to health insurance premiums as imputed income, then the City will consider such contribution as income to the employee.

### **Section 5-3. Life Insurance**

- A. The City will continue the existing off the job and on-the job life and dismemberment insurance coverage. The policy shall provide a benefit for each employee equal to the member's base annual salary. In addition, the City will continue the existing death in the line of duty insurance of seventy-five thousand dollars (\$75,000.00). Additionally, the City will provide to each employee a two hundred thousand dollar (\$200,000.00) death benefit covering the employee's commutation to and from his City work location. This policy will cover the employee's commute for up to two (2) hours before his shift begins, and two (2) hours after his shift concludes.
- B. In the event of the death of an employee while commuting to or from his work location, for a period of two (2) hours each way, the City will continue to pay the full monthly health insurance premium for the spouse and all eligible dependents. This policy will be consistent with the payment of a supplementary commutation life insurance policy for each employee.

### **Section 5-4. Long Term Disability Insurance**

The City will **offer a long-term disability benefit** for all **full-time, regular** unit members pursuant to A.R. 2.323 as may be amended (providing that such amendments shall not be in conflict with the MOU). **Employees who have been continuously employed and working on a full-time basis for twelve consecutive months are eligible for long term disability coverage. After an established ninety (90) calendar day qualifying period, the plan will provide up to 66 2/3% of the employee's basic monthly salary at the time disability occurs and continue up to age 75 for employees who have been employed full-time for 36 months and one day. This benefit will be coordinated with leave payments, industrial insurance payments, unemployment compensation, social security benefits and disability provisions of the retirement plan.**

**Employees who have been employed full-time with the City of Phoenix for 36 months or less, will be eligible to receive a long term disability benefit for no more than thirty (30) months.**

## **Section 5-5. Holidays and Vacations**

A. The City agrees to incorporate into the Memorandum the benefits provided under Administrative Regulation 2.11 as amended, indicating the following holidays:

1. New Year's Day
2. Martin Luther King's Birthday
3. President's Day
4. Cesar Chavez Birthday (March 31)
5. Memorial Day
6. Independence Day
7. Labor Day
8. Veteran's Day
9. Thanksgiving Day
10. Friday after Thanksgiving
11. Christmas Eve Day (6 hours for 56-hour employees and 4 hours for 40 hour employees).
12. Christmas Day

Employees working a fifty-six (56) hour schedule shall receive twelve (12) hours pay or compensatory time each holiday.

B. Employees will continue to receive holiday pay while on industrial leave.

C. Effective January 1, 1987, vacation accrual for employees with less than five (5) years shall be increased to eleven and two-tenths (11.2) hours per month, or the forty (40) hour equivalent. Vacation accrual for all other employees shall remain the same as currently authorized.

D. Employees covered by this M.O.U. shall be permitted to sell back up to eighty (80) hours total per M.O.U. year of accrued vacation leave to the City at the employee's regular straight-time hourly rate. This benefit shall not exceed a total of eighty (80) hours and may be used as follows: forty (40) hours on the last pay period in November and/or May of each M.O.U. year. Employees will only be permitted to sell back an amount of accrued vacation hours that would not result in their total bank of hours to drop below one hundred fifty (150) or two hundred ten (210) hours, depending upon the work schedule.

**This vacation buy-back benefit was suspended in the 2010 – 2012 concession agreement. It will remain suspended through the 2012 – 2014 agreement unless the conditions in attachment B are met for a full or partial second year restoration.**

- E. Effective July 1, 1990 a fifty-six (56) hour employee who has accrued four hundred thirty-six (436) hours vacation, or a forty (40) hour employee with three hundred twelve (312) hours, and who has attained a minimum of seventeen (17) years of credited service in PSPRS and 10 years of City of Phoenix service (which need not be consecutive years), may elect to have the additional vacation leave that he/she earns paid to them on a monthly basis for the upcoming three (3) consecutive years. The employee may receive an extension for up to three years if approved by the Fire Chief, the Union President and the Labor Relations Administrator. The employee may stop and re-start this benefit one time without further qualification up to a maximum of a total of six (6) years. The intent of Section 5-5, Paragraph E, of Section 5 is to allow an employee to stop the benefit at any time. If the employee elects to re-start the benefit, the employee may only receive up to three (3) additional consecutive years. The six (6) years maximum benefit only applies if the employee uses the first three (3) consecutive years and then requests an additional three (3) consecutive years. Effective July 14, 2008, the employee may request one additional three-year extension if the employee's vacation balance is at least 120 hours for a fifty-six (56) hour employee, or 86 hours for a forty (40) hour employee. The additional extension must be approved by the Fire Chief, the Union President and the Labor Relations Administrator. If the employee stops this extension, the remainder of the three year period is lost.
- F. Employees may donate accrued vacation leave to other City employees who are on medical leave and who have exhausted all of their paid leave based on guidelines contained in A.R. 2.144, with the understanding that no employee shall receive more than twelve (12) months of donated time.
- G. Employees who have less than forty (40) hours vacation may buy up to one hundred twenty (120) hours personal leave. The cost of the personal leave shall be one hundred ten percent (110%) of the employee's base hourly rate. Such personal leave use and purchase shall not impact positively or negatively on the employee's pension or any other benefits.

### **Section 5-6. Uniforms**

- A. Employees will receive six hundred twenty-five dollars (\$625.00) uniform allowance per annum. Payment for the uniform allowance will be made on or about August 1 of each M.O.U. year. Such payment will be made to cover the cost of uniforms, maintenance, and cleaning of such uniforms. In addition, the City will pay to the Fire Department, one hundred thirty-five dollars (\$135.00) per employee per year for additional uniform items as agreed upon by the uniform committee. All funds unused by the members at the end of each fiscal year will be transferred to the Employee Benefit Trust Fund as described in Section 5-10 of Article 5 to provide benefits as the Trustees may determine.

- B. New employees will receive the entire annual uniform allowance within thirty (30) days of the time they are directed to wear and maintain a uniform. The second uniform allowance, received at the start of the next fiscal year, will be equal to one-twelfth (1/12) of the annual uniform allowance for each month of the preceding fiscal period, starting with the first month the employee was directed to wear and maintain a uniform, to the start of the new fiscal year.
- C. Employees who leave Department employment shall repay to the City the uniform allowance equal to one-twelfth (1/12) of the annual allowance per month for each month remaining in the fiscal year after the last day of the month in which the separation occurs. Provided, however, that employees who retire after August 31 will not be requested to repay any uniform allowance.
- D. An employee who has been on extended leave (paid or unpaid) of two (2) months or longer shall have the next annual uniform allowance reduced by one-twelfth (1/12) of the annual allowance for each month of extended leave.
- E. HONOR GUARD - The Phoenix Fire Department Honor Guard is a professional organization that represents the Fire Department at official events, memorial services and fire fighter's funerals. In order to help pay for the expenses incurred by the Honor Guard members in the performance of their duties, the City will contribute twenty-five thousand dollars (\$25,000.00) into a fund for each M.O.U. year. The President of the Union or his designee will manage this fund. **The City Auditor Department may conduct annual audits of this fund. Any payments not adequately supported by the documentation of expenses will be returned to the fund by the Fire Union. The Union and the City will jointly revise and document program guidelines by December 31, 2012 for use during audits.**

#### **Section 5-7. Tuition Reimbursement**

- A. Employees who participate in the Tuition Assistance Program shall be eligible for tuition reimbursement pursuant to the following provisions:
  - 1. The maximum sum reimbursable to employees each fiscal year shall be **\$6,500**.
  - 2. To be eligible for any reimbursement, employees must have successfully completed academic or training courses approved in advance by the Fire Chief and the Human Resources Director and meet the requirements of A.R. 2.51 as may be amended, provided such amendments are not in conflict with the M.O.U.

#### **Section 5-8. Wellness, Health and Fitness**

Each employee shall contribute one dollar (\$1.00) per month to the UPFFA Health and Fitness Equipment fund. The City will provide matching funds of two dollars (\$2.00) per month. These funds will be transferred monthly to the union. The combined funds, plus

accrued interest, will be used to purchase additional fitness equipment, and address wellness and benevolence issues, with the purchase of fitness equipment being the priority. The Health and Fitness labor management committee shall oversee the funds and purchase equipment after reviewing input from all Fire Department personnel. Employees who are opposed to contributing to the fund may fill out a form in December requesting a refund of their previous year's contributions. The contribution will be deducted from the first paycheck of each month. **The City Auditor Department may conduct annual audits of this fund. Any payments not adequately supported by the documentation of expenses will be returned to the fund by the Fire Union.**

### **Section 5-9. Worker's Compensation**

- A. Employees who agree to participate in the Fire Department's health centers consultation and rehabilitation programs shall continue to receive one hundred percent (100%) of their current rate of pay while off-duty due to an industrial injury based on current practice which is a maximum of one (1) year per injury, thereafter the rate becomes sixty-six and two-thirds percent (66-2/3%).
- B. If there is a disagreement in treatment between the Fire Department physician and the employee's physician, the two (2) physicians shall agree on a third physician whose decision shall be the final authority. Employees who refuse to adhere to the above conditions shall only receive sixty-six and two-thirds percent (66-2/3%) based on current state law and the current maximum monthly rate allowed. If an employee receives sixty-six and two thirds percent (66-2/3%), he/she may use sick leave, vacation, or compensatory time to make up the difference between sixty-six and two thirds percent (66-2/3%) and one hundred percent (100%).
- C. Should the Union believe that a dispute in jurisdiction is unduly delaying a Worker's Compensation claim, or if the Union believes the City needs to provides greater assistance to an employee trying to reopen an old claim, the Union may request a meeting with City Worker's Compensation staff (provided the involved employee signs a release to do so) and such meeting will be scheduled within 14 calendar days.**
- D. The City will first attempt to use physicians from specialty lists created by City of Phoenix Pension Boards for Independent Medical Examinations for employees in Unit 5 (represented by Phoenix Fire Fighters Association Local 493).**

### **Section 5-10. Employee Benefit Trust Fund**

- A. Effective July 2007, the City will contribute twenty-nine dollars (\$29.00) per employee, per pay period, into a fund for the purpose of providing a monthly stipend for retirees to apply to the costs of their health and/or dental insurance, medical and dental co-pays, prescriptions, cancer benefits for active employees not covered by the Public Safety Retirement System's cancer insurance and other benefits as the Trustees may

determine. This contribution will be matched by a twenty-nine dollar (\$29.00) per pay period contribution to the same fund by each employee.

- B. The trust fund shall be managed and administered by a board of five (5) trustees selected as follows:
  - 1. Two (2) trustees shall be appointed by the City Manager;
  - 2. Two (2) trustees shall be appointed by the Phoenix Fire Fighters Association, Local 493; and
  - 3. One (1) trustee, who shall serve as chairman, shall be selected by the four (4) appointees specified above.
- C. The fund shall be invested in prudent, protected investments in compliance with applicable State and Federal laws. The Fund Managers may seek such outside advice and consultation, as they deem appropriate.
- D. The Fund Managers may adopt such rules and regulations as they deem appropriate and are authorized to secure a formal trust instrument. The trust instrument and any amendments there to, must be specifically approved by the City Manager and the association before they can become effective.
- E. Sums contributed to the trust shall be divided into two (2) equal parts.
  - 1. The employee's contribution, together with all of the interest received from the entire fund, shall be considered the first part and shall be available for distribution as follows:
    - a. All retired employees shall be eligible to receive no less than one hundred fifty dollars (\$150.00) per month from the fund to assist them with their insurance premiums.
    - b. Employees who retired after August 1, 1994 shall receive seventy-five dollars (\$75.00) per month plus five percent (5%), of the seventy-five dollars (\$75.00), for each full year they have contributed to the fund.
    - c. Employees who retired beginning in August 1998 through July 2000 shall receive two hundred fifty dollars (\$250.00) per month. Employees retiring beginning in August 2000 shall receive two hundred dollars (\$200.00) per month
    - d. Employees who retire for any reason and have less than twelve (12) years of service shall receive seventy-five dollars (\$75.00) per month plus five percent (5%) for each full year they have contributed to the fund or the benefits covered in Section 5-10, Paragraph (a), of Article 5 whichever is larger.
    - e. Effective July 8, 2004 each retired employee covered under paragraphs (b) and

(d) of Section 5-10, Article 5 shall receive up to an additional fifty dollars (\$50.00), but no retiree shall receive more than the benefits described in Section 5-10, Paragraph (c) of Article 5.

- f. In each month any sums remaining in the first part, after the distributions specified above, along with another twenty-seven dollars (\$27.00) per employee, per pay period, shall pour-over into the second part and be treated as hereinafter specified for "second part funds." Second part funds other than interest generated from the funds, shall be for investment purposes only and are not to be used to provide direct benefits to active or retired members.
- g. An employee who separates from the bargaining unit may apply to the fund managers to continue participation in the fund. To become eligible to apply, the employee must pay to the fund an amount equal to his contributions and the City's contributions for the entire period which he was out of the bargaining unit, but not for anytime prior to the start up for the fund. This amount is in addition to regular bi-weekly contributions by the employee and the City.
- h. In addition to health insurance premiums, the monthly stipend may also be used to pay for co-payments for doctor visits and hospital stays, dental expenses, prescriptions and eye care.

2. The second part shall be the main corpus of the trust and shall be invested and managed as specified in Section 5-10, Paragraph B, of Article 5.

- F. Any fund participant who separates from the bargaining unit prior to retirement, or who promotes out of the Unit shall receive an amount equal to all of his or her contributions to the fund, plus interest based on the average annual interest earned by the fund, but shall receive no other benefits and have no other claim on the fund.
- G. Upon the death of any employee or retiree, the fund will provide a contribution to assist with funeral expenses in the amount of fifteen hundred dollars (\$1,500.00) for a retired employee and twenty-five hundred dollars (\$2,500.00) for an active employee from the Trust Fund. A surviving spouse shall continue to receive the employee's benefit for the rest of the spouse's life. Survivor benefits under Section 5-10, Paragraph G, of Article 5 extend only for a surviving spouse and neither such surviving spouse nor the decedent's estate shall have any other claim on the fund.
- H. Effective July 7, 2003, the fund will provide a long-term care benefit as the Trustees may determine.
- I. If the trust fund is terminated for any reason, undistributed funds shall be distributed to those individuals (whether active or retired) who contributed to fund. Such distribution shall be on a pro rata basis based upon the amount of their contribution to the fund less any disbursements they have received under Paragraph E hereof.

- J. Payments to retirees from the trust fund shall be in addition to current City contributions to retiree health insurance premiums.

## **Article 6. Miscellaneous**

### **Section 6-1. Saving Clause**

- A. If any Article or Section of this Memorandum should be held invalid by operation of law or by a final judgment of 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 Memorandum shall not be affected thereby.
- B. It is recognized by the parties that the provisions of the Fair Labor Standards Act are currently applicable to certain of the wage and premium pay provisions of this M.O.U., and that this M.O.U. shall be administered in compliance with the FLSA for so long as the Act is applicable.
- C. Nothing contained in the Memorandum shall preclude the parties from being in compliance with the requirements of the Americans with Disabilities Act.

### **Section 6-2. Printing of M.O.U.**

Printing vendors secured by the Union shall comply with Ordinance G-1372 (Affirmative Action Supplier's Ordinance), as may be amended, and Ordinance G-1901 (Affirmative Action Employment by Contractors, Subcontractors, and Suppliers), as may be amended. Printing of the M.O.U. shall be done by a Union printer only.

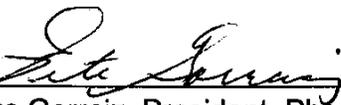
### **Section 6-3. Fire Watch**

- A. Whenever any private person or organization is required or seeks the service of off-duty Fire Department employees for fire watch, such work shall be first offered to those employees who volunteer for such duty during their off-duty hours within a rotation system approved by the Fire Chief after consultation with the Union. In the event that no employee accepts such work, or in case of emergency, such work shall be offered to qualified non-Unit employees. It is understood that the rate of payment shall be at one and one-half (1 ½) times the employee's base forty (40) hour rate, except in cases where non-Unit employees are utilized in which case payment shall be at one and one-half (1 ½) times the non-Unit employee's base forty (40) hour rate. For purposes of Section 6-3, Article 6 only, the terms "qualified" is defined as follows:
  - 1. "Qualified" shall mean any employee of the Fire Department who is familiar with the Fire Code and has successfully completed the Fire Watch training program provided by the Department.
  - 2. "Emergency" shall mean any fire watch situation that cannot be pre-scheduled.

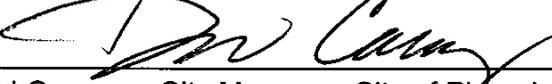
#### **Section 6-4. Term and Effect of Memorandum**

- A. This Memorandum shall remain in full force and effect commencing with the beginning of the first regular pay period in July **2012**, up to the beginning of the first regular pay period commencing in July **2014**.
- B. Except as expressly provided in this Memorandum, the City shall not be required to meet and confer concerning any matter, whether covered or not covered herein to take effect during the term or extensions thereof.
- C. This Memorandum constitutes the total and entire agreements between the parties and no verbal statement shall supersede any of its provisions.
- D. It is intended by the parties hereto that the provisions of this Memorandum shall be in harmony with the rights, duties, obligations and responsibilities which by law devolve upon the City Council, City Manager, Fire Chief, and other City boards and officials, and these provisions shall be interpreted and applied in such manner.
- E. The Union recognizes the powers, duties and responsibilities of the Fire Chief as set forth in the Charter and Ordinances and that pursuant thereto the Fire Chief has the authority to establish rules and regulations applicable to the operation of the Fire Department and to the conduct of the employees and officers employed therein, subject to the express provisions of this Memorandum.
- F. The lawful provisions of this Memorandum are binding upon the parties for the term thereof. The Union having had an opportunity to raise all matters in connection with the Meet and Confer proceedings resulting in the Memorandum is precluded from initiating any further meeting and conferring for the term thereof relative to matters under the control of the Fire Chief, the City Council or the City Manager.

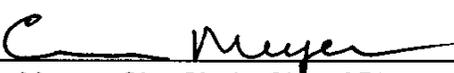
IN WITNESS WHEREOF, the parties have set their hands this  
25<sup>th</sup> day of April, 2012

  
\_\_\_\_\_  
Pete Gorraiz, President, Phoenix Fire Fighters Association Local 493

  
\_\_\_\_\_  
Lori Steward, Labor Relations Administrator, City of Phoenix

  
\_\_\_\_\_  
David Cavazos, City Manager, City of Phoenix

ATTEST:

  
\_\_\_\_\_  
Cris Meyer, City Clerk, City of Phoenix



APPROVED TO FORM:

  
\_\_\_\_\_  
**ACTING** City Attorney, City of Phoenix

- Local 493 Team:  
Pete Gorraiz, President  
Steve Beuerlein  
Jennifer Darnell  
Rick Loete  
Tom McCracken  
Brian Moore  
Bill Whitaker  
Bryan Willingham

- City of Phoenix Team:  
Lori Steward, Labor Relations Administrator  
Todd Harms, Assistant Chief  
Kelvin Barteel, Deputy Chief  
Brian Parks, Deputy Chief  
Mary Ling, Fire Department HR Officer

**ATTACHMENT "A"**  
**MONTHLY SALARIES**  
**Effective July 9, 2012**

<b><u>FIRE FIGHTER</u></b>	<b>STEP</b>	<b>SALARY*</b>
Assigned As A Recruit.....		\$3,859
Upon Graduation from Academy.....	1	\$3,859
6 Months		
After Graduation from Academy.....	2	\$3,956
1 ½ Years		
After Graduation from Academy.....	3	\$4,131
2 ½ Years		
After Graduation from Academy.....	4	\$4,260
3 ½ Years		
After Graduation from Academy.....	5	\$4,467
4 ½ Years		
After Graduation from Academy.....	6	\$4,706
5 ½ Years		
After Graduation from Academy.....	7	\$4,941
6 ½ Years		
After Graduation from Academy.....	8	\$5,197
7½Years		
After Graduation from Academy.....	9	\$5,461
 <b><u>FIRE FIGHTER PARAMEDIC</u></b>		
Fire Fighter upon assignment as a Paramedic	21	\$4,941
Fire Fighter Paramedic after one year. ....	22	\$5,197
Fire Fighter Paramedic after two years. ....	23	\$5,569
Fire Fighter Paramedic after three years.....	24	\$5,728
Fire Fighter Paramedic after four years.....	25	\$6,018

**ATTACHMENT "A"**  
**MONTHLY SALARIES**  
**Effective July 9, 2012**

**ENGINEER**

Engineer upon promotion.....	1	\$5,437
Engineer six months after promotion.....	2	\$5,720
Engineer one and ½ years after promotion.....	3	\$5,992

**ENGINEER PARAMEDIC**

Engineer upon promotion.....	21	\$6,227
Engineer one year after promotion.....	22	\$6,498

**CAPTAIN**

Captain upon promotion.....	8	\$6,020
Captain after 1 year.....	9	\$6,321
Captain after 2 years.....	10	\$6,611

**CAPTAIN PARAMEDIC**

Captain upon promotion.....	21	\$6,526
Captain after 1 year.....	22	\$6,827
Captain after 2 years.....	23	\$7,118

\*These salaries will vary from the official City of Phoenix pay plan due to mathematic rounding.

Progression through these steps shall be in accordance with established regulations and the City's Pay Ordinance. It is understood that any time a member is promoted to another classification or assigned as a firefighter paramedic and is within a pay classification range, the member will proceed to the next higher step upon promotion or assignment.

**Attachment B**

**Required Stability Indicators to Achieve Concession Restoration in 2013-14**

In 2013-14, the remainder of the 2010-2012 3.2% compensation concession level not restored in 2012-13 will be restored, if all six indicators below are met. Full restoration will also result in an additional 0.1% wage increase. The six indicators are:

1. Additional direct services are provided to the community in the 2013-14 General Fund (GF) Budget equal the same dollar amount, or higher, as General Fund direct services to the community, as recommended in the 2012-13 Trial Budget.
2. City maintains its AAA bond rating.
3. Actual 2012-13 GF revenue collections equal at least the amount in the adopted 2012-13 GF Budget.
  - a. If the City Council takes any action subsequent to the adoption of the 2012-13 Budget that negatively affects revenue collected in 2012-13, then for purposes of this section, the corresponding amount of decreased revenue will be subtracted from the 2012-13 GF budgeted revenue.
4. No direct service reductions are necessary to close a budget shortfall for 2013-14 GF budget.
5. No cuts to state-shared GF revenue formulas.
6. \*City achieves \$5 million or more in additional innovation & efficiency (I & E) cost savings in 2012-13.

\*The matrix below will be followed if indicators 1-5 are achieved, but indicator 6 is not fully realized:

<b>Indicators Achieved in Addition to Achievement of Indicators 1-5</b>	<b>Restoration Level</b>
2012-13 additional I & E cost savings is \$4 million or more but less than \$5 million	Restoration of 75% of remaining concessions including 0.65% wage restoration, 0.63% DCP restoration, and 100% vacation buyback benefit restoration.
2012-13 additional I & E cost savings is \$2.5 million or more but less than \$4 million	Restoration of 50% of remaining concessions including 0.65% wage restoration, 0.13% DCP restoration, and 100% vacation buyback benefit restoration.
2012-13 additional I & E cost savings is \$1 million or more but less than \$2.5 million	Restoration of 25% of remaining concessions including 0.5% wage restoration.

The amount of restoration available will be reduced by the total compensation value to the unit of any increase in 2013-14 city health insurance premiums over 3%.

**Required Stability Indicators for wage increase:**

Beyond full restoration of the 2010-2012 3.2% compensation concession level, the achievement of the indicators below are necessary for any wage increase in 2013-14. The matrix below will be used to determine the level of wage increase in 2013-14:

Indicators Achieved	Wage Increase
<ul style="list-style-type: none"> <li>• All indicators necessary to attain full compensation restoration are achieved.</li> <li>• Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is between 6.0% and 8.0%.</li> </ul>	0.2% wage increase
<ul style="list-style-type: none"> <li>• All indicators above are achieved.</li> <li>• 2012 Community Attitude Survey results show Phoenix residents' <u>overall satisfaction with City performance</u> does not decrease by a statistically significant amount as compared to 2010 results.</li> <li>• Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is above 8.5% and less than 9.5%.</li> </ul>	One-quarter of the percentage increase for the 2012 annual Western Region Consumer Price Index <sup>1</sup> as provided by the US Department of Labor- Bureau of Labor Statistics, up to a maximum 2.5% wage increase
<ul style="list-style-type: none"> <li>• All indicators above are achieved.</li> <li>• Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is 9.5% or above.</li> </ul>	One-half of the percentage increase for the 2012 annual Western Region Consumer Price Index <sup>1</sup> as provided by the US Department of Labor- Bureau of Labor Statistics, up to a maximum 2.5% wage increase

Phoenix Fire Fighters Association Local 493 may convert all or a portion of the value of any wage increase achieved to an increase in the PEHP payment from \$150 per month to \$250 per month provided the value of wage increase achieved is sufficient to do so.

<sup>1</sup>The 2011 annual increase to the Western Region Consumer Price Index as provided by the US Department of Labor- Bureau of Labor Statistics was 2.8%.