

AGREEMENT TO AMEND THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF LONG BEACH AND
THE LONG BEACH FIREFIGHTERS ASSOCIATION LOCAL 372,
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, AFL-CIO

The City of Long Beach and the Long Beach Firefighters Association Local 372 (FFA) agree to amend the January 1, 2008 to September 30, 2013 Memorandum of Understanding as follows:

The labor agreement will be extended by one year, to expire on September 30, 2014. All existing terms and conditions set forth in that agreement shall remain unchanged for the term of the extended agreement, except as modified below.

1. Due to the current economic situation, the FFA agrees to defer the October 1, 2009 general salary adjustments to October 1, 2010, and agrees to extend all other salary adjustments in the MOU by one year as reflected in the revised attached Appendix A – Listing of Classifications and Salary Increases.
2. In consideration of the FFA's willingness to defer the October 1, 2009 general salary adjustments, the City and the FFA agree to delay the decrease of the Paramedic Skill Pay and the Arson Investigator Skill pay effective October 1, 2009 in accordance with Article Two Section IV A and B in the current MOU. The Paramedic Skill Pay and Arson Investigator Skill Pay will remain at the 16.5% of top step firefighter for FY 10 and will go down to 16% of top step firefighter on October 1, 2010.
3. In accordance with Article Two Section V in the current MOU, the FFA agrees to reduce the number of eligible certifications any one member can receive from a maximum of three certifications at 1.5% of top step firefighter each to one certification at 1.5% of top step firefighter during October 1, 2009 to October 1, 2010.
4. In consideration of the FFA's creativity in recommending new funding sources to assist with the City's financial challenges, if new revenue derived from the Accident Debris Program, or other new revenue options brought forward by the FFA, reach a total of \$336,000 by April 1, 2010, the maximum number of certification pays will be restored to three certifications at 1.5% of top step firefighter each. If this revenue goal is not achieved, the maximum number of certifications any one member can receive will remain at one until October 1, 2010 at which time it will return to maximum number of three certifications per member at 1.5% of top step firefighter each.

The City and the FFA agree to meet on a quarterly basis during FY 10 to discuss the progress and status of reaching the mid-year revenue target goal of \$336,000 through the Accident Debris Program, contracting in dispatch services, and any other revenue options brought forth by the FFA.

5. In an effort to incentivize retirements to reduce General Fund costs, Association members who retire on or before December 31, 2009 will receive an adjustment to their post retirement health insurance account equivalent to the difference in their retirement benefit had their October 1, 2009 general salary adjustment been made (in accordance with Appendix A Section III of the original January 1, 2008 to September 30, 2013 MOU) for a full year, and their actual salary on the date they retire. Their post retirement health insurance account will be adjusted annually as long as they or their beneficiaries are still receiving retirement benefits from CalPERS. The annual supplement will be adjusted in accordance with the member's annual CalPERS COLA adjustment and will be equal to the amount of the member's annual CalPERS COLA adjustment.

Any sick leave hours' value funding method used by the City of Long Beach pursuant to this Letter of Understanding will be compliant with the current Internal Revenue Service Code and Regulations issued thereunder relative to the non-taxability of health insurance benefits received by Long Beach Firefighters Association (FFA) retirees. In addition, although the City of Long Beach's Integral Part Trust may not be the only method used to fund FFA retiree health insurance benefits, any other method chosen will be in good faith compliance with pertinent provisions of the Internal Revenue Service Private Letter Ruling (PLR-116685-99) issued to the City of Long Beach. Particular relative provisions of PLR-116685-99 include that each retiree have an account balance held in trust for that retiree's health insurance benefits, no cash can be received in lieu of benefits by any retiree, and the City of Long Beach is the only party making payments for retirees' benefits. All contributions of sick leave hours' value and payments for health insurance are only made by the City of Long Beach who maintains full control over the written program with no cash or other economic benefit being conferred upon the FFA employees.

6. Due to budget reductions, the FFA supports the POST position allocation changing from 137 to 133. In exchange, no furloughs will be implemented for Association members during the term of the extended agreement.
7. The City and the FFA agree to reopen the agreement on March 1, 2011 and at any time during the term of the extended agreement with thirty (30) days notice by either party solely for the purposes of discussing changes to the pension plan for bargaining unit members. Changes will only be made by mutual agreement of both parties.

In witness thereof, the parties hereto have caused this Amendment to the Memorandum of Understanding to be executed this 20 day of OCTOBER, 2009.

FOR THE LONG BEACH FIREFIGHTERS ASSOCIATION LOCAL 372,
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, AFL-CIO:



RICH BRANDT, President
Firefighters' Association



TIM RASMUSSEN
Firefighters' Association



MIKE DUREE
Firefighters' Association



TONY MARTINECK
Firefighters' Association

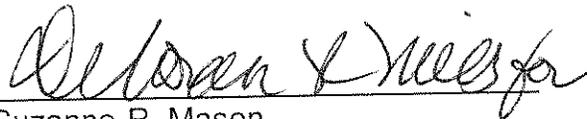


REX PRITCHARD
Firefighters' Association

FOR THE CITY OF LONG BEACH:



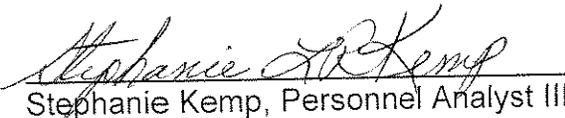
Patrick H. West, City Manager



Suzanne R. Mason
Director of Human Resources



Ken Walker
Manager, Personnel Operations

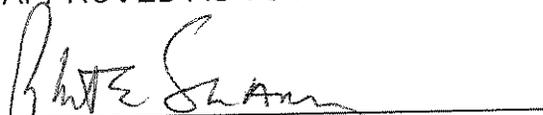


Stephanie Kemp, Personnel Analyst III



Grace Yoon, Administrative Analyst III

APPROVED AS TO FORM:



Robert E. Shannon, City Attorney

Amended APPENDIX A
FFA MOU January 1, 2008 to September 30, 2013 extended through September 30, 2014

LISTING OF CLASSIFICATIONS AND SALARY INCREASES

Section I - Classifications Represented

- A. Firefighters - Basic Unit
- Firefighter
 - Fire Boat Operator
 - Fire Engineer
 - Fire Recruit
 - Fire Safety Specialist - NC
- B. Firefighters - Supervisory Unit
- Fire Captain
 - Battalion Chief

Section II – Entry Step for Fire Recruit

While in the Recruit Academy, Fire Recruits shall receive a salary that is 10% below Step 1 of Firefighter. Upon being sworn in as a Firefighter, the Fire Recruit will be placed at Step 1 of the salary range for Firefighter.

Section III – General Salary Increases

January 1, 2008

All ranks will receive a 1% General Salary increase.

April 1, 2008

All ranks will receive a 2% General Salary increase.

October 1, 2008

The ranks of Firefighter, Battalion Chief, and Fire Safety Specialist-NC will receive a 3% General Salary increase.

October 1, 2010

The following ranks will receive the following General Salary increases:

- Firefighter - 2.9%
- Fire Captain - 1.5%
- Fire Boat Operator - 2.84%
- Fire Engineer - 2.84%
- Battalion Chief - 8.8%
- Fire Safety Specialist-NC - 2.9%

October 1, 2011

Adjustments will be made to each rank as necessary to bring total compensation to within 2% below the true median as defined below as of August 2011, with a minimum of 2% and a cap of 6%.

October 1, 2012

Adjustments will be made to each rank as necessary to bring total compensation to the true median as of August 2012, with a minimum of 2% and a cap of 6%.

October 1, 2013

Adjustments will be made to each rank as necessary to bring total compensation to the true median as of August 2013, with a minimum of 2% and a cap of 6% of the annualized cost.

Section IV – True Median Calculation and Total Compensation Definition

- A. Calculation of true median total compensation adjustments for the above mentioned October 1st increases in 2011, 2012 and 2013 will be attained through an agreed upon total compensation formula that uses the same approach and makes the same determinations as the parties employed when agreeing upon the August 2008 total compensation formula attached hereto as Appendix B, which includes:

- Base Salary (at top step of applicable salary range)
- Maximum Uniform Allowance
- Maximum EMT Pay
- Education Incentive Pay (Bachelor's Degree)
- Longevity Pay (highest paid level)
- Wellness Program Participation Pay
- Employer Pick-up of Employee Retirement Contribution Amount
- Employee Cost Sharing of Employer Retirement Costs
- Employer Paid Deferred Compensation Contributions
- Post Retirement Health Savings Account Employer Contributions

- B. Median total compensation will be calculated based upon the sum of the total compensation components described in Section IV A by rank for the following agencies: Anaheim, Glendale, Huntington Beach, Los Angeles City, Los Angeles County, Orange County, Pasadena, Santa Ana, Santa Monica and Torrance.
- C. The median is defined as the total compensation value which is halfway between the fifth (5th) and sixth (6th) highest agencies when the agencies are rank ordered according to their total compensation with the agency with the highest total compensation being ranked 1st.

- D. Appendix B provides examples of the total compensation calculations for the comparable agencies used to determine salary adjustments for the 2008 to 2013 Memorandum of Understanding extended to September 30, 2014. They were used by the parties to ascertain total compensation as of 2008 and will serve as examples of calculating median for the October 1, 2011, 2012 and 2013 adjustments.