

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 3, 2014

To: The City Council

From: Miguel A. Santana, City Administrative Officer



Subject: **2014-2016 MEMORANDUM OF UNDERSTANDING FOR THE
FIREFIGHTERS AND FIRE CAPTAINS BARGAINING UNIT (MOU 23)**

In accordance with Executive Employee Relations Committee instructions, agreement on a successor Memorandum of Understanding (MOU) has been reached with the Firefighters and Fire Captains bargaining unit represented by the United Firefighters of Los Angeles City (UFLAC). The attached MOU is for a two-year period from July 1, 2014, through June 30, 2016, and includes the following major provisions:

Parity Increase

There is no general salary increase for Fiscal Year 2014-15. However, since a veteran firefighter at the top of the salary range currently earns 2% less than a veteran police officer at the top of the police officer salary range, a 2% parity increase is being proposed in this MOU. The parity increase will be reflected on the paychecks received on July 22, 2015. In addition, there is a Letter of Agreement to provide additional salary and benefit increases if such increases are subsequently negotiated with the Police Officer's bargaining unit during the term of the MOU.

Longevity Pay

Effective the first pay period after adoption of this MOU, longevity pay for employees in the Firefighter III classification only will increase from \$90, \$180, and \$270 biweekly for more than 10 years, 15 years, or 20 years of service, respectively, to \$95, \$190, and \$285 biweekly.

Non-Pensionable Training Compensation

Effective the first pay period after adoption of this MOU, a non-pensionable training bonus of \$160 biweekly will be provided to approximately 50 employees who are assigned as Drill Tower Instructors.

Health Insurance

There is no increase in the City health subsidy for Fiscal Year 2014-15. Effective July 1, 2015, the subsidy will increase by only 5% to \$1,227.70 per month regardless of the rate of health care inflation. The City will deposit \$100 per month into a Health Savings Account for those employees who enroll in a high deductible health insurance plan.

Dental Insurance

Effective the first month following adoption of this MOU, the dental subsidy will increase by 2.5% from \$74.16 to \$76.00 per month and increase by 2.6% to \$78.00 per month effective July 1, 2015.

Union Release Time

Up to four full time UFLAC board members may be released for union business with no salary reimbursement to the City. Additional employees may be released up to 5,000 hours per year at 100% salary reimbursement. The City also agrees to forgive the current outstanding union release debt of approximately \$300,000.

Health & Wellness

A focus on health and safety has resulted in new MOU provisions for personal exposure testing and post-incident investigations, as well as a Letter of Agreement to establish a Wellness Program by July 1, 2015, to attempt to reduce illness and injuries and control the costs of workers' compensation and health care.

Other Provisions

The City and UFLAC have agreed to changes in existing MOU articles that increase employee protections related to rule changes, investigations, and personnel matters. Additionally, the grievance process has been streamlined to produce more expedient remedies, and a Letter of Intent has been signed to support cooperative relations between the Los Angeles Fire Department and UFLAC to develop Cooperative Work Groups staffed by labor and management to discuss professional issues in the Department such as overtime opportunity systems, alternative work schedules, minimum job requirements, and a Youth Cadet Program.

Recommendations

That the City Council:

1. Approve the attached MOU No. 23, approved as to form by the City Attorney;
2. Instruct the City Controller to implement the provisions of the attached MOU; and,
3. Authorize the City Administrative Officer and the City Controller to make any necessary technical or clerical corrections to the 2014-2016 MOU No. 23.

Fiscal Impact Statement

Implementation of the provisions of the proposed MOU for the Firefighters and Fire Captains bargaining unit will result in a cost to the City of approximately \$1.6 million for Fiscal Year 2014-15 and \$12.9 million for Fiscal Year 2015-16, including additional pension costs. The zero increase in health care costs in the first year also results in savings of more than \$2 million since an increase was budgeted for Fiscal Year 2014-15. The annual ongoing cost of the agreement is approximately \$13.5 million.

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Attachment