

LETTER OF UNDERSTANDING

Effective April 1, 2011

This Letter of Understanding is entered into by and between the Sacramento Metropolitan Fire District, hereinafter referred to as the "District," and the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) hereinafter referred to as the "Union." It is the purpose of this agreement to modify and amend the Memorandum of Understanding between the District and the Union as set forth in this agreement. It is the intent of the parties that the terms of this Letter of Understanding shall remain in full force and effect for the term of the existing MOU and any successor agreements, unless superceded, amended or modified by mutual written agreement between the parties. This document reflects the results of an agreement negotiated by Representatives of Local 522 and that of the Administration of Sacramento Metropolitan Fire Department.

Article 9 Terms of Agreement and Modifications (C) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be established with the following:

- C. All wages, hours, benefits and working conditions in effect on the date the January 1, 2007 through December 31, 2013 agreement was ratified will be reinstated on December 1, 2013, unless the District or the Union requests a modification on or before July 1, 2013. In such event, the District and the Union shall immediately negotiate over said reinstatement of wages, hours, benefits, working conditions or further concessions thereof. In the event no agreement is reached by August 1, 2013, the parties shall proceed to mede-arb any and all such disagreements between the parties. The mede-arb hearings shall extend no longer than four (4) days. The mede-arbitrator shall consider the financial condition of the District and the wages, hours, benefits and working conditions of comparable jurisdictions in reaching an award. The selection of the mede-arbitrator must occur no later than April 1, 2013. The mede-arbitration award shall issue no later than October 31, 2013.

Article 10 Wages (A) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

- A. Represented personnel shall be compensated at the following monthly wage rates, or base hourly equivalent in accordance with the provisions of this Agreement and Fair Labor Standards Act, as amended.

Effective March 24, 2011

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Recruit Firefighter							4,256
Firefighter	5,419	5,690	5,974	6,273	6,587		
Firefighter (effective 3/24/11)	4,915	5,160	5,419	5,690	5,975	6,274	6,588
Fire Engineer	5,998	6,298	6,613	6,944	7,291		
Fire Captain	6,721	7,057	7,410	7,780	8,169		
Fire Inspector I	4,430	4,651	4,884	5,128	5,384		
Fire Inspector II	5,998	6,298	6,613	6,944	7,291		
Fire Supervising Inspector	6,721	7,057	7,410	7,780	8,169		
Fire Investigator I	4,430	4,651	4,884	5,128	5,384		
Fire Investigator II	5,998	6,298	6,613	6,944	7,291		
Fire Supervising Investigator	6,721	7,057	7,410	7,780	8,169		
Hazardous Materials Inspector	6,462	6,785	7,124	7,480	7,854		
Public Education Technician	3,928	4,124	4,330	4,547	4,774		
Public Education Senior Technician	4,319	4,535	4,762	5,000	5,250		
Public Affairs Officer	4,726	4,962	5,210	5,471	5,745		
Geographic Information Specialist I							
Geographic Information Specialist II	4,381	4,600	4,830	5,071	5,325		
Shop Assistant	3,020	3,171	3,330	3,497	3,672		
Equipment Service Technician	4,392	4,612	4,843	5,085	5,339		
Mechanic	5,467	5,740	6,027	6,328	6,644		
Master Mechanic	6,089	6,393	6,713	7,049	7,401		

Article 11 Incentives and Allowances (A)(i)(m) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

A. Education Incentives

- i) All above certificates and degrees, A through H, shall not exceed five percent (5%) for the first five (5) years of employment for new employees hired after the approval of this agreement. After five (5) years of employment, all above certificates and degrees, A through H, shall not exceed six and one-half percent (6.5%) of base pay.
- m) The maximum amount an employee may receive in educational incentives is five percent (5%) for the first five (5) years of employment for new employees hired after the approval of this agreement. After five (5) years, the maximum amount an employee may receive in educational incentives is ten and one-half percent (10.5%) of base pay.

Article 13 Overtime Pay (A)(F) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

- A. All hours worked which are not during an employee's regular scheduled hours shall be compensated at the rate of one and one-half (1.5) times the employee's base wage exclusive of incentives.
- F. Day shift employees shall not be permitted to have accrued more than one hundred seventy-one (171) hours of CTO at any one time. CTO hours accrued after the approval of this agreement will be compensated at the employee's base wage exclusive of incentives.

Article 16 Health Plans (D) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be established with the following:

D. Retirement Medical

- 1. Upon retirement, medical coverage will be paid by the District for both the employee and dependents in accordance with Section 22810 of the Government Code which provides:

"... Any annuitant, who at the time he or she became an annuitant was enrolled in a health benefits plan, may continue his or her enrollment as provided by regulations of the board, without discrimination as to premium rates or benefit coverage."

2. Except for employees retiring for service connected disability, all new employees hired after the ratification and approval of this agreement and retiring from the District will obtain five percent (5%) credit per year towards retiree medical up to one hundred percent (100%) at the completion of twenty (20) years of employment with the District.

Article 18 Retirement Plans (B) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

B. Secondary Plans

As a result of prior mergers by and between the North Highlands, Citrus Heights and Rancho Cordova Fire Protections Districts, some represented employees shall be entitled to continue their participation in such plans. The District agrees to pay both the District's and employee's contribution to these respective plans for the term of this Agreement.

1. Effective on the date of ratification and approval of this agreement, SCERS members shall pay six (6) percentage points of the employer's percentage contribution to SCERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution.
2. Effective on July 1, 2011, SCERS members shall pay an additional three (3) percentage points of the employer's percentage contribution to SCERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution.
3. Effective on July 1, 2012, SCERS members shall pay an additional three (3) percentage points of the employer's percentage contribution to SCERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution.

Article 18 Retirement Plans (E)(3)(4) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

E. Benefit Levels:

3. All local safety members hired after the date of ratification and approval of this agreement shall be covered under the PERS 3% @ 55 years of service local safety member plan.
4. All local miscellaneous members hired after the date of ratification and approval of this agreement shall be under the PERS 2.5% @ 55 years of service local miscellaneous member plan.

Article 18 Retirement Plans (J)(K)(L) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be established with the following:

- J. Effective on the date of ratification and approval of this agreement, all personnel shall pay six (6) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account.
- K. Effective on July 1, 2011, all personnel shall pay an additional three (3) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account for a total of nine (9) percentage points of the employer's percentage contribution to PERS retirement.
- L. Effective on July 1, 2012, all personnel shall pay an additional three (3) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account for a total of twelve (12) percentage points of the employer's percentage contribution to PERS retirement.

Article 19 Sick Leave (A)(1) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

- A. Accumulation and Use
Full-time employees shall accumulate and may use sick leave at the following rates:
 - 1. Shift personnel shall accumulate sick leave at the rate of 132 hours per calendar year (11 hours per month) until the end of their fifth year of employment for new employees hired after the approval of this agreement. Thereafter, shift personnel shall accumulate sick leave at the rate of 264 hours per calendar year (22 hours per month). Sick leave shall be deducted on an even-hour basis.

Article 28 Recognized Holidays (A) of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

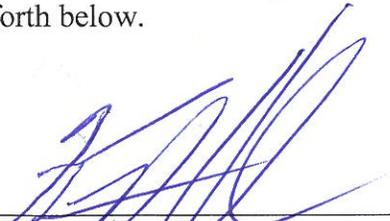
A. All full-time suppression/shift employees, or suppression/shift employees assigned to days on a limited basis, shall receive as compensation for working on Holidays, an additional 144 hours of pay. The employee will sell all 144 hours of Holiday Leave on an annual basis. Hours may be sold in increments of 12 hours per month for 12 months, or however they choose, *i.e.* one lump sum, or any combination in 12 hour increments throughout the year. If a shift employee is hired at other than the first of the year the Holiday pay will be prorated based upon the hire date. The District shall observe official holidays in accordance with the following designated holiday schedule. The District's office may be closed on observed days for designated holidays and non-suppression/day shift employees who would otherwise have worked on such days shall utilize PTO, unless otherwise mutually agreed to by the employee(s) and the Fire Chief or his designated representative. The designated holidays shall be posted annually and shall be as follows:

- 1 New Year's Day
- 2 Martin Luther King's Birthday
- 3 Lincoln's Birthday
- 4 Washington's Birthday
- 5 Memorial Day
- 6 Independence Day
- 7 Labor Day
- 8 Columbus Day
- 9 Veteran's Day
- 10 Thanksgiving Day
- 11 Day after Thanksgiving Day
- 12 Christmas Day

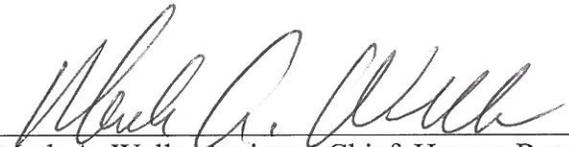
Article 39 Driver's Examination of the MOU between Sacramento Metropolitan Fire District And the Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

All suppression employees shall possess and maintain, as a condition of continued employment, a California Class C driver's license with the Firefighter Endorsement. The District will pay for the Physician's Report (DL546A) exam associated with the license that is required every four (4) years. The exam is not eligible for overtime and shall be completed off duty. Further licensure, Class A or B commercial with the Firefighter Endorsement, will be reviewed on a case by case basis or by District need. At the District's discretion, this condition of employment may be waived.

IN WITNESS WHEREOF, the authorized representatives of each party to this Memorandum of Understanding have affixed their signatures to this document on the dates set forth below.



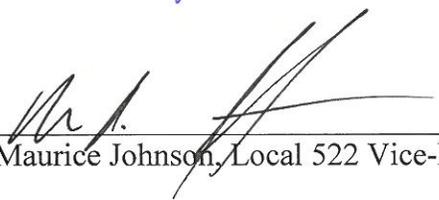
Kurt P. Henke, Fire Chief
Date 6/15/11



Mark A. Wells, Assistant Chief, Human Resources
Date 6-20-11



Rich Schmiedt, Local 522 President
Date 6-22-11



Maurice Johnson, Local 522 Vice-President
Date 6-1-11