



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 28, 2023

FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL

SUBJECT: REVISIONS TO THE MEMORANDUM OF UNDERSTANDING WITH THE RIVERSIDE FIREFIGHTERS' ASSOCIATION; AND ADOPTION OF A RESOLUTION FOR RELATED REVISIONS TO THE MASTER FRINGE BENEFIT AND SALARY PLAN – SUPPLEMENTAL APPROPRIATION

ISSUE:

Approve a successor Memorandum of Understanding with the Riverside Firefighters' Association (RCFA) for a contract term of January 1, 2023, through December 31, 2025.

RECOMMENDATION:

That the City Council:

1. Approve the attached Memorandum of Understanding (MOU) for the Riverside Firefighters' Association effective January 1, 2023, through December 31, 2025, which incorporates the negotiated revisions;
2. Authorize the City Manager or designee, to execute the Memorandum of Understanding on behalf of the City;
3. Adopt the attached Resolution amending the Master Fringe Benefits and Salary Plan to reflect the revised MOU provisions as outlined in Exhibit A; and
4. With at least five affirmative votes, authorize the Chief Financial Officer or designee to record a supplemental appropriation in the approximate amount of \$2,192,000 in Fiscal Year 2022/23 in the applicable accounts.

BACKGROUND:

The City began labor negotiations with the RCFA in December of 2022, as the MOU was set to expire on December 31, 2022. Labor negotiation meetings continued through February 2023, until a mutual agreement was reached.

DISCUSSION:

The City entered into and has successfully concluded labor negotiations with the Riverside Firefighters' Association. Provisions of the tentative agreement have been ratified by RCFA members as of the date of this council meeting. The tentative agreements reached between the City and the Unions are herein presented for the City Council's approval.

RCFA – SUMMARY OF TERMS

- Labor Contract Period: January 1, 2023, through December 31, 2025.
- General Salaries and One-time Stipend:

Date	Salary Increase
Year 1: Effective the first pay period following July 1, 2023, to all members	5% increase to base salary
Year 2: Effective the first pay period following July 1, 2024, to all members	3% increase to base salary
Year 3: Effective the first pay period following July 1, 2025, to all members	3% increase to base salary
All represented Riverside Firefighters' Association City employees, as of the date payment is made, will receive a one-time non-PERSable stipend of \$10,000 to be paid with the first pay period following City Council approval.	

- Compensation Study and Salary Compaction:

The City and the Union have agreed to adjust the Firefighter classification salary by 3.5% in July 2023, and 3.5% in July 2024, per a mutually agreed compensation study to bring the classification up to the labor market average. Furthermore, it was agreed to adjust the Fire Engineer salary by 1.5% in January 2024, and 1.5% in January 2025, to address the salary compaction with the Firefighter classification. Effective July 2024, a 5% differential will be established and maintained throughout the term of the contract between the top step Firefighter and bottom step Fire Engineer classifications and the top step Fire Engineer and bottom step of Captain classifications.

- Holidays: Add Juneteenth holiday effective 2023.
- CalPERS Retirement Cost-Sharing Provisions: For Tier 1 Classic employees (3% @50) effective the first pay period following July 1, 2023, or as soon as administratively possible, employees will pay an additional 2% of salary to the employer CalPERS contribution for a total of 10%. Effective the first pay period following July 1, 2024, employees will pay an additional 1% of salary to the employer CalPERS contribution for a total of 11%. Effective the first pay period following July 1, 2025, employees will pay an additional 1% of salary to the employer CalPERS contribution for a total of 12%.

For Tier 2 Classic employees (3% @55), effective the first pay period following July 1, 2023, or as soon as administratively possible, employees will pay 1% of salary to the employer CalPERS contribution. Effective the first pay period following July 1, 2024, employees will pay an additional 1% of salary to the employer CalPERS contribution for a total of 2%. Effective the first pay period following July 1, 2025, employees will pay an additional 1% of salary to the employer CalPERS contribution for a total of 3%.

- Medical Insurance: Effective the first paycheck in December 2023: Increase \$80 per month for Employee Plus 1 and \$140 per month Employee Plus Family. Effective the first paycheck in December 2024: Increase \$40 per month for Employee Plus 1 and \$70 per month Employee Plus Family. Any increases in health insurance premiums each plan year will be divided equally between the City and employees.

- Life Insurance: The City will increase the amount of City-provided term life insurance from \$10,000 to \$100,000.
- Other changes: Additional miscellaneous changes have been made to non-economic terms throughout the contract, as reflected in the attached, red-lined MOU.

STRATEGIC PLAN ALIGNMENT:

This action contributes to **Strategic Priority 5 – High Performing Government** and **Goal 5.1 – Attract, develop, engage and retain a diverse and highly skilled workforce across the entire City organization.**

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Fairly negotiated salary and benefits provide the City the ability to retain and attract skilled employees that can provide high quality of public service and increase community trust and engagement. The salary and benefits package is published and presented in this City Council Agenda to ensure all elements are visible and transparent.
2. **Equity** – The Union negotiation process ensures that employees receive fair wages, competitive benefits, and good working conditions resulting in a workforce that in turn, also serves the community in a fair and equitable way.
3. **Fiscal Responsibility** – To ensure responsible management of the City’s financial resources, all fiscal impacts were carefully assessed by the City’s Finance and City Manager’s Departments.
4. **Innovation** – The City and Union engaged in creative discussions and sought solutions that would allow both parties to benefit from the updated/new provisions in the contract. Creative ideas from both parties were shared that allowed for a successful agreement.
5. **Sustainability & Resiliency** – The City of Riverside is committed to meeting the needs of its changing workforce while also implementing contracts that are sustainable to the City.

FISCAL IMPACT:

The total fiscal impact of the MOU over the life of the agreement with RCFA is approximately \$14.032 million. The annual fiscal impact is estimated to be \$2,192,000 in FY 2022/23; \$3,173,000 in FY 2023/24; \$5,471,000 in FY 2024/25; and \$3,196,000 through December of FY 2025/26. Upon Council approval, a supplemental appropriation will be recorded in FY 2022/23 as listed in the following table, subject to immaterial changes based on the employee population as of the date of payment. Sufficient funds for the requested supplemental appropriation are available in the respective fund balances listed in the table below.

Fund	FY 2022/23		
	Stipend	Ongoing	Total
General Fund	\$ 2,010,000	\$ 20,500	\$ 2,030,500
Measure Z Fund	160,000	1,500	161,500
Total Supplemental Appropriation	\$ 2,170,000	\$ 22,000	\$ 2,192,000

The fiscal impact of the MOU for FY 2023/24 will be incorporated into a mid-cycle update of the FY 2023/24 budget. Appropriations for future fiscal years will be included on the budget submissions for those fiscal years to be presented to the City Council for approval.

Prepared by:	Rene Goldman, Human Resources Director
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

1. Memorandum of Understanding for Riverside Firefighters' Association - Redlined
2. Resolution Amending the Fringe Benefits and Salary Plan
3. Exhibit A – Amended Fringe Benefits and Salary Plan