

Letter of Agreement
Between
The City of Alameda
And
Alameda Fire Chiefs Association (AFCA)
Regarding MOU Section 11.1 Management Incentive Pay and Section 11.3 Retention/Longevity Pay

The AFCA and the City of Alameda (the City) hereby agree to the following clarification of their MOU, Section 11.1 Management Incentive Pay to bring into compliance to meet the requirements of reportable Special Compensation pursuant to CCR 571 (Classic) and CCR 571.1 (PEPRA), and Section 11.3 Retention/Longevity Pay with respect to the calculation of the special pay.

Section 11.1 Management Incentive Pay

Management Incentive Pay Level 1

In recognition of the unique nature of the Alameda Fire Chiefs Association member's job responsibilities and special skills, knowledge and abilities that are required, are granted Management Incentive Pay Level 1 which is equivalent to ten (10) standard work weekdays per fiscal year. The employee will receive an additional 2.75% for suppression staff calculated on their base annual salary plus the retention/longevity benefit or 4.25% for members working an administrative assignment calculated on their base annual salary plus their retention/longevity benefit. AFCA members will receive monetary compensation for Management Incentive Pay Level 1 in 26 installments per year. The compensation is paid as earned for normally required duties performed during normal work hours. It is not compensation in lieu of overtime or in lieu of other benefits that are excluded from consideration under the statutes and regulations of the Public Employees' Retirement System. If a salary adjustment occurs during a fiscal year the Management Incentive Pay Level 1 benefit shall be re-calculated as of the effective date of the adjustment using the above formula. Management Incentive Pay Level 1 shall be administered as per 2 C.C.R. 571 (a) (1). (See Amended Appendix A Salary Schedule)

For Example:

MIP Level 1 (Suppression) with 20-year Retention/Longevity Pay:

$$= 2.75\% \times (\text{Base} + 10\text{-year Retention/Longevity} + 15\text{-year Retention/Longevity} + 20\text{-year Retention/Longevity})$$

MIP Level 1 (Non-Suppression) with 20-year Retention/Longevity Pay:

$$= 4.25\% \times (\text{Base} + 10\text{-year Retention/Longevity} + 15\text{-year Retention/Longevity} + 20\text{-year Retention/Longevity})$$

Management Incentive Pay Level 2

In recognition of the unique nature of the Alameda Fire Chiefs Association member's job responsibilities and special skills, knowledge and abilities that are required while working

an administrative assignment, exclusive of the Deputy Fire Chief assignment, and having responsibility for one or more of the Fire Department's divisions qualify for Management Incentive Pay Level 2 compensation. Management Incentive Pay Level 2 is granted to qualified AFCA members, in addition to Management Incentive Pay Level 1 compensation as described earlier in this section. The employee will receive an additional 5% calculated on their base annual salary plus their retention/longevity benefit. AFCA members will receive monetary compensation for Management Incentive Pay Level 2 in 26 installments per year. If a salary adjustment occurs during a fiscal year the Management Incentive Pay Level 2 benefit shall be re-calculated as of the effective date of the adjustment using the above formula. The compensation is paid as earned for normally required duties performed during normal work hours. It is not compensation in lieu of overtime or in lieu of other benefits that are excluded from consideration under the statutes and regulations of the Public Employees' Retirement System. Management Incentive Pay shall be administered as per 2 C. C. R. 571 (a) (1). (See Amended Appendix A Salary Schedule)

For Example:

MIP Level 2 (Non-Suppression ONLY) with 20-year Retention/Longevity Pay:

$$= 5\% \times (\text{Base} + 10\text{-year Retention/Longevity} + 15\text{-year Retention/Longevity} + 20\text{-year Retention/Longevity})$$

Management Incentive Pay Level 3

In recognition of the unique nature of the Alameda Fire Chiefs Association member's job responsibilities and special skills, knowledge and abilities that are required while working the Deputy Fire Chief assignment, qualify for Management Incentive Pay Level 3 compensation and are not qualified for Management Incentive Pay Level 2. Management Incentive Pay Level 3 is granted to qualified AFCA members, in addition to Management Incentive Pay Level 1 compensation as described earlier in this section. The employee will receive an additional 5% calculated on their base annual salary plus their retention/longevity benefit. AFCA members will receive monetary compensation for Management Incentive Pay Level 3 in 26 installments per year. If a salary adjustment occurs during a fiscal year the Management Incentive Pay Level 3 benefit shall be re-calculated as of the effective date of the adjustment using the above formula. The compensation is paid as earned for normally required duties performed during normal work hours. It is not compensation in lieu of overtime or in lieu of other benefits that are excluded from consideration under the statutes and regulations of the Public Employees' Retirement System. Management Incentive Pay shall be administered as per 2 C. C. R. 571 (a) (1). (See Amended Appendix A Salary Schedule)

For Example:

MIP Level 3 (Non-Suppression ONLY) with 20-year Retention/Longevity Pay:

$$= 5\% \times (\text{Base} + 10\text{-year Retention/Longevity} + 15\text{-year Retention/Longevity} + 20\text{-year Retention/Longevity})$$

Section 11.3 Retention/Longevity Pay

Effective February 27, 2022, all AFCA member upon the satisfactory completion of ten (10) years of continuous service with the Alameda Fire Department, shall be paid an additional three percent (3.0%) calculated on their base annual salary plus the hourly equivalent of the Holiday Pay (as defined in Section 16: Holiday, Suppression Assignment). Upon the satisfactory completion of fifteen (15) years of continuous service with the Alameda Fire Department, the employee receives an additional four percent (4.0%) calculated on their base plus the hourly equivalent of the Holiday Pay plus the 10-year benefit. Upon the satisfactory completion of twenty (20) years of continuous service with the Alameda Fire Department, the employee receives an additional five percent (5.0%) calculated on their base plus the hourly equivalent of the Holiday Pay plus the 10-year benefit plus the 15-year benefit. Percentages shall be compounded.

For Example (Suppression Assignment):

10 Year Retention = (Base Pay + Holiday Pay) x 3%
= ((Base Pay + (Base Pay x 0.075020)) x 0.03)

15 Year Retention = (Base Pay + Holiday Pay + 10-Year Retention/Longevity) x 4%

20 Year Retention = (Base Pay + Holiday Pay + 10-Year Retention/Longevity + 15-Year Retention/Longevity) x 5%

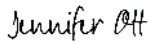
For Example (Non-Suppression Assignment):

10 Year Retention = Base Pay x 3%

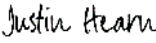
15 Year Retention = (Base Pay + 10-Year Retention/Longevity) x 4%

20 Year Retention = (Base Pay + 10-Year Retention/Longevity + 15-Year Retention/Longevity) x 5%

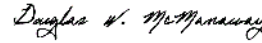
For the City:

Signed by:

645008/L450243L...
Jennifer Ott
City Manager

For AFCA

Signed by:

BAB8D3915DA9400...
Justin Hearn
AFCA President

APPROVED AS TO FORM

Signed by:

DU12294L/6L1402...
By Doug McManaway
Assistant City Attorney