



TOWN OF FAIRFAX

STAFF REPORT

September 21, 2022

TO: Mayor and Town Council

FROM: Heather Abrams, Town Manager

SUBJECT: Notice of Amendments to the Memorandum of Understanding (MOU) with the Fairfax Police Officer's Association (FPOA) for the Period July 1, 2022, through June 30, 2024, and amending the Fiscal Year 2022-2023 Adopted Budget

RECOMMENDATION

Receive notice of amendments to the Memorandum of Understanding (MOU) with the Fairfax Police Officer's Association (FPOA) for the period July 1, 2022, through June 30, 2024, and amending the Fiscal Year 2022-2023 adopted budget.

DISCUSSION

In 2015, the Town Council, in response to the Grand Jury report on labor negotiations, stated that the Town would place final tentative employee agreements on two successive Town Council agendas - the first for notice of the agreement, the second for Council vote. This item represents the first notice of the agreement. The second will be placed on the October 6th agenda for a Council vote.

The current Memorandum of Understanding (MOU) with FPOA expired on June 30, 2022. Over the past couple of months, the Town Manager and Finance Director have met with POA representatives to negotiate a new two-year MOU. FPOA currently represents sworn (officers) and non-sworn (dispatchers/police service technicians). The FPOA has agreed to the amendments pending the Town's approval.

The negotiation team recommends Council approve the attached MOU which is for two years from July 1, 2022, thru June 30, 2024. The MOU provides for the following key provisions retroactively applied to July 1, 2022:

Effective 7/1/2022	5% cost of living adjustment (COLA) retroactive to 7/1/2022
Effective 7/1/2023	4% cost of living adjustment (COLA) The Town agreed to reopen if its fiscal picture and outlook improves
Effective 7/1/2022	An increase in incentive pay for the Lead Dispatcher from 5% to 15% of base pay.
Effective 7/1/2022	Employees in the unit, hired on or after July 1, 2013, currently receive an annual 1% contribution of salary to the retiree health savings account. The rank of Sergeant and Lieutenant will receive a 2.5% contribution effective July 1, 2022.

Effective 7/1/2022	The Juneteenth Holiday is added to the observed Holiday list.
Effective 7/1/2022	Employees in the unit will receive 10 hours of floating holiday time in recognition of the 2021 Juneteenth holiday.
Effective 7/1/2022	Higher Classification Pay for Sergeant was aligned with that of other positions at 7.5% of the base Pay and the wait time to receive the pay was reduced to 10 hours.
By end of Agreement	The Town agreed to look at comps by the end of the Agreement.

Two side letters were also incorporated into this MOU to ensure that all terms and conditions of employment could be found in one place. One side letter extended the MOU that expired on June 30, 2019, for one year, and the other, signed and approved by this Council in 2020, allowed for bi-lingual pay, officer-in-charge pay, accelerated step increases based on merit, reimbursement of tuition, and enhanced retention through providing longevity pay, and increases in vacation hour accumulation.

Since 2014, police employees have received an average COLA of 3.3% per year. In 2021, the FPOA received no COLA at all while other units received increases of 2.5%-3.0%. The average Bay Area Consumer Price Index (CPI) over the three years of the pandemic averaged 3.3% (see Attachment B – Bay Area CPI). Current CPI is higher at 5% in April and 6.8% in June. The current economic forecast is uncertain with recessionary and inflationary elements occurring.

FISCAL IMPACT

The cost to the Town in FY22-23 is approximately \$125,042 or a 4.6% increase in total personnel costs (i.e., salary and benefits) for police staff compared to FY 21-22. At the end of the MOU period, we project the second-year costs related to the MOU to be approximately \$82,800.

The approved FY 22-23 Town Operating Budget does not include an increase in personnel costs, unlike most other departments. Therefore, a budget adjustment is included for the costs associated with approving the FPOA MOU.

ATTACHMENTS TO BE PROVIDED IN A SUPPLEMENT PRIOR TO THE MEETING

- A. Resolution with MOU attached as Exhibit A
- B. Bay Area CPI
- C. Salary Table