

Distributed on:

OCT **31** 2013

City Manager's Office

Memorandum

TO: HONORABLE MAYOR AND

CITY COUNCIL

FROM: Debra Figone

SUBJECT: SWORN FIRE SECOND TIER

DATE: October 30, 2013

INFORMATION

During the Rules Committee meeting on August 7, 2013, there was a discussion related to a request from Councilmember Oliverio to hire sworn Fire employees after a second tier retirement benefit was in place.

As previously directed by the City Council, instituting a second tier for sworn Fire employees is very important in that it will reduce the City's retirement costs. We already have a second tier in place for all other new City employees, including new employees in the Federated City Employees' Retirement System and all new Police employees in the Police and Fire Department Retirement Plan.

The City currently has two federal SAFER grants. As part of the SAFER grant terms, any vacancies below the minimum threshold of 677 sworn positions would need to be filled within six months or the City could face grant penalties. The Fire Department was already discussing a request to FEMA for a limited waiver on this staffing requirement because of current plans to not have an academy until August 2014. The waiver request is based on our desire to allow time for a recruitment effort that enables a refreshed and diverse Firefighter candidate pool (the current list is more than 4 years old), and conduct one larger academy in August 2014. This will avoid the need to have multiple "mini-academies" that increases costs and staff administrative time. We have received confirmation from FEMA that the City's request has been approved.

Given the approval, the Department will be moving forward with their plan not to hire any sworn Fire personnel (with the exception of SAFER roster vacancies) in the next nine months or so in order to conduct one large Fire academy in August 2014. It should be noted that in the SAFER Grants, there are 76 identified roster positions, and if any of these positions become vacant, they will need to be filled. This should also allow us ample time to go through the binding interest arbitration process with the San Jose Fire Fighters, Local 230 since no agreement has been reached on a second tier of retirement benefits for Fire Fighters.

The Fire Department currently has 8 vacancies in all sworn Fire positions. We estimate that there could be 22 vacancies by July 2014, but this number could change. We will continually monitor any service or other impacts there might be on not filling any positions until August 2014 and will notify the City Council if any issues arise.

Debra Figo

City Manager