

## Memorandum of Understanding

This Memorandum of Understanding between the Bend Firefighters Association (Association) and the City of Bend (City) is for the purpose of expanding the Retiree Rehire program.

### Background

Oregon Senate Bill 1049 (2019), in relevant part, provides that the 1,039-hour Work After Retirement limit for PERS retirees is removed for calendar years 2020, 2021, 2022, 2023, and 2024. If a PERS-eligible employee retires on or after normal retirement age, starting on or after January 1, 2020, that employee can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new pension benefits) with no limitations on hours worked for PERS purposes.

To assist with Fire Department staffing, the Parties wish to implement a Fire Department (the "Department") Retire-Rehire program consistent with SB 1049 and the City's business needs and the public interest. The Parties believe that the program will provide the following mutual benefits:

1. Retention of experienced and knowledgeable staff that will aide in:
  - a. Transition of workload and specific projects;
  - b. Development of promotional and new hires;
  - c. Reduction in assumed risk.
  
2. Reduced disruption to public service via:
  - a. Advanced notice of impending retirements;
  - b. Increased time to fill promotions; and
  - c. Increased time to fill new hire positions.
  
3. Overall reduced total expenditures for Department position.
  
4. Continued ability for the Department to acquire diverse talent and promote employees into leadership positions.

### Terms of Agreement

The parties agree as follows:

- A. Effective upon execution, the City will implement a retiree rehire program in which a retiring employee may, upon permission by the Chief, be rehired by the

Department as a Retiree Rehire in classifications covered in Article 1 of the Collective Bargaining Agreement with the Bend Firefighters Association (“CBA”).

B. An employee must apply to the retiree-rehire program. The Chief retains sole and complete discretion to determine whether to rehire an employee into the program. The terms and conditions of employment, as agreed upon by the City and Association, for employees who apply and are re-hired will be governed by an Employment Agreement between the individual employee and the City. For purposes of this MOU, an employee working under an Employment Agreement will be referred to as a “Retiree Rehire” employee. The terms of the parties’ Collective Bargaining Agreement will not apply to any Retiree Rehire employee, including but not limited to the contractual “just cause” disciplinary standard.

The Retiree Rehire program is not intended to replace the Department’s existing promotional process or impede promotional opportunities for employees.

C. The duration of the employee’s participation in the retiree rehire program will be based on the Department’s need as determined by the announcement details, and the Employment Agreement. In no case will any employment in a retiree rehire position under this MOU extend beyond December 31, 2024. The duration of the appointment may be extended on a month-by-month basis with prior written agreement of both parties, based on Department need and employee availability. All participating employees working under Employment Agreements entered under this MOU will cease City employment no later than December 31, 2024.

D. An employee who retires while this MOU is effective may apply to participate in the program. Employees must provide the Chief with written notice of the employee’s desire to be considered for the program not less than 90 days prior to employee’s retirement date, unless the employee’s retirement date is within 90 days of the execution of this agreement.

E. The Chief has discretion to rehire a retiree who has experienced a break in service based on operational requirements. If so, the Department may elect to conduct a background check for any retiree rehires with a break in service.

F. A participating employee will, if possible, provide 30 calendar-days’ advance written notice to the Bend Fire Department of their intent to resign.

G. If layoffs are necessary, the Department will first terminate the employment of Retiree Rehires before laying off any bargaining unit members not working under this MOU.

H. Retiree Rehire employees are considered "at-will" and serve at the pleasure of the Fire Chief. The Chief may terminate the Retiree Rehire appointment at any time, with or without notice or just cause. If an employee requests it, a meeting with the Chief will be scheduled before the employee's termination if possible, or as soon as possible after the termination.

I. Upon retirement from City of Bend employment on or after the participating employee's normal retirement age, the participating employee may begin drawing their pension consistent with applicable PERS pension rules and regulations. Upon rehire, the participating employee will not be eligible for any additional pension or employer retirement contributions under any PERS program or the Oregon Public Service Retirement plan (OPSRP).

J. Participating employees may maintain their deferred compensation accounts with the City upon retirement and rehire into the program.

K. A participating employee will receive payout for their accrued vacation and compensatory time upon the employee's retirement immediately prior to rehire into the program. Any balance at termination from the retiree-rehire program will be forfeited.

L. Upon rehire, the participating employee will receive 40 hours of sick leave and will accrue sick leave at the accrual rate of 8 hours per month thereafter. Retiree Rehires are not eligible any other leave.

M. A participating employee will only be eligible to be rehired in a classification for which the employee is deemed qualified by the Fire Chief.

N. The participating employee will be rehired at the same step and wage grade including all incentives at time of retirement for the classification for which they are rehired.

O. A participating employee is not eligible for promotion, transfer, or other reassignment, although the Chief has sole discretion to assign work and change employees' assignments at their discretion.

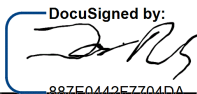
P. The provisions of this MOU are not intended to change any other provisions, past practice, or policies nor to set precedent if these provisions affect other provisions, practice, or policy. All other Articles and terms of the CBA shall continue without interruption for the term thereof.

Q. This MOU will automatically expire 12 months after the execution date below unless the parties agree to renew or extend the MOU prior to the expiration of the 12 month trial period. Prior to any renewal or extension, the parties will document the relative benefits, challenges, and drawbacks to the Department from the MOU, and will only renew or extend the MOU if the benefits to the Department and the Association substantially outweigh any challenges and drawbacks. Either party may terminate the MOU by giving the other party 60 days written notice.

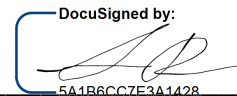
R. The Association acknowledges that Retiree-Rehire employees may perform bargaining unit work, as negotiated in this MOU, regardless of any provision of the parties' collective bargaining agreement that may provide otherwise, including but not limited to Article 1 (Recognition).

S. Any disputes related to this MOU shall be subject to the grievance procedure as outlined in Article 27 of the CBA.

This MOU extension is effective this <sup>6/10/2022</sup> \_\_\_\_\_ day of June 2022.

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Todd Riley, Fire Chief  
Bend Fire & Rescue

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Stephen Doyle, President  
Bend Firefighters Association