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IN THE MATTER OF:
THE CITY OF FORT WORTH
and
FORT WORTH PROFESSIONAL FIRE FIGHTERS ASSOCIATION
CONTRACT NEGOTIATIONS

December 18, 2013

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THE CITY OF FORT WORTH
and
FORT WORTH PROFESSIONAL FIRE FIGHTERS ASSOCIATION
ALSO KNOWN AS THE INTERNATIONAL ASSOCIATION OF
FIRE FIGHTERS, LOCAL UNION 440
as the exclusive bargaining agent
on behalf of all
FIRE FIGHTERS
of the
CITY OF FORT WORTH FIRE DEPARTMENT

DATE/TIME: December 18, 2013 at 9:00 a.m.

LOCATION: International Association Fire Fighters
Local Union 440
3855 Tulsa Way
Fort Worth, Texas 76107

SUBJECT: Contract Negotiations providing for
Collective Bargaining between the City of
Fort Worth ("City") and the Fort Worth
Professional Fire Fighters Association
Also known as the International
Association of Fire Fighters, Local Union
440 ("Union")

APPEARANCES

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LOWELL F. DENTON
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GERALD PRUITT
LARRY LOCKLEY
DAVID COBLE
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1 MR. DENTON: Jim, I think for the most part
2 the ball is in y'all's court today. We've got your
3 pension article. I've got it up on the screen here.

4 MR. TATE: Right.

5 MR. DENTON: And we're ready to --

6 THE REPORTER: I do need you to speak up,
7 please.

8 MR. DENTON: Sure.

9 THE REPORTER: Thanks.

10 MR. DENTON: I'll just kind of start over.
11 We -- I think for the most part the ball is in your
12 court. We are waiting to hear back from y'all on a
13 number articles and I -- I think you and I have agreed
14 that pension is probably the place to start this
15 morning and we would like to hear from y'all about the
16 article that you provided to us. I've got a copy of it
17 here on the screen so we can follow it and see if we've
18 got some questions and then we will probably take a
19 brief caucus and come back and reply to you on that.

20 MR. TATE: Okay.

21 MR. DENTON: And then we will decide where
22 we go from there.

23 MR. TATE: Sounds good. And, Todd, I'll --
24 I'll run through this. Jump in at any time. Basically
25 on Section 2, this is what Klausner has come up with to

1 address the constitutional issue in individual
2 contracts. I've run that by Deats and our attorney
3 here in Texas and he said it's -- it's okay, it's fine
4 to have -- have this type of situation within the labor
5 agreement.

6 I think Section 3 there, his additions,
7 there - and these are all Klausner's additions -
8 they're just pretty non -- non consequential, just
9 language he thought needed to be in there. He did put
10 in the last addition there in Section 3 relates to
11 Section 4 where there is a in the event of a
12 disagreement between the two actuaries, then they'll
13 pick a third to decide who's right. I think just some
14 more language that he thought needed to be included. I
15 don't think it's very consequential for the rest of 4
16 and 5.

17 In Section 7, that the emergency provision
18 to address unfunded liabilities, he added language
19 there relating back to the individual contracts so that
20 reductions may be applied to both vested and non vested
21 members on a prospective basis. Anything else I need
22 to add to that, Todd?

23 MR. COX: Not -- I -- you are talking about
24 in relation to what was submitted earlier where he --
25 he just did some -- cleared up some language from what

1 I see and also just kind of added that individual
2 contract rights. What we tried to do is -- is get
3 where, you know, we had the presentation from Doug
4 Anderson Tuesday about the assumptions and how
5 important they are and how sensitive they are and
6 adding the third actuary as a -- kind of a mediator is
7 we're trying to get where we have that trust level
8 where, you know, we're -- we're held with -- this
9 Firefighter Benefit Committee is held by standards that
10 come straight out of the Texas Constitution about
11 adopted sound actuarial principles and using sound
12 actuarial assumptions and with that and the language in
13 here under -- in Section 3 about -- about the adopting
14 of sound actuarial assumptions, I think it holds -- it
15 holds that board to any kind of scrutiny that might be
16 placed that might be thinking that they are doing
17 something that is not in the best interest of either
18 the members or the plan sponsor, and I think that was
19 one of your concerns that y'all voiced earlier about
20 having a separate board. So it's -- you know, there
21 are some -- some safety nets in place here to keep us
22 from -- you know, to address those any time that the
23 plan sponsor or even the members feel like the board is
24 getting outside of sound actuarial assumptions, they've
25 got places to go and so it's -- I think it's an issue

1 hopefully we can come to an agreement on.

2 MR. TATE: Also I think Klausner's
3 letter -- I'm hoping that his December 12th letter
4 addresses other legal concerns that the City had in
5 regard to recognizing the current allocation of City
6 contributions. Also -- also addressed the issue of
7 the -- having an FBC, the Firefighter Benefits
8 Committee subordinate to the board, and that --
9 basically the citing of Texas Trust Code and some
10 previous case law that he thinks makes that legitimate.

11 MR. DENTON: Susan, do you have any
12 specific --

13 MS. ALANIS: No.

14 MR. DENTON: -- about any of this? I only
15 had one in particular before we go back and visit about
16 this and we want to make sure that we, you know, hear
17 y'all's -- hear y'all loud enough. Do y'all know of
18 any other place -- I'm pretty sure there's not on in
19 Texas that has any individual pension contracts. Do
20 you know of any other place that's done that?

21 MR. TATE: No, I'm not -- there may be, but
22 I'm not aware.

23 MR. DENTON: I'm not aware of any. I know
24 there's not any -- I think I know there's not any in
25 Texas. I've never heard of any.

1 MR. TATE: Right.

2 MR. DENTON: And I've --

3 MR. TATE: That's something I can --

4 MR.= DENTON: -- done a study in the past.

5 MR. TATE: I can check with Rosner, you
6 know.

7 MR. DENTON: I was just curious about
8 whether or not he's -- you know, is he inventing that
9 wheel or, you know, did it previously exist?

10 MR. TATE: I'll find that out because if
11 anybody knows about them, it's probably him if they
12 exist out there.

13 MR. DENTON: And, you know, without asking
14 to reveal any attorney-client stuff or anything, did
15 Craig mention any other place that that had happened?
16 I assume he didn't or you'd --

17 MR. TATE: He didn't mention it. But I'll
18 check back with both those people to see if they are
19 aware of it anywhere else. Since Craig works primarily
20 in Texas, probably not. But.

21 MR. DENTON: Right. Well, let us have a
22 little visit and we will be back before too long and
23 kind of tell you where we are on this.

24 MR. TATE: Okay.

25 MR. DENTON: And then we're just going to

1 go from there.

2 MR. TATE: I'll try to get in touch with
3 both those attorneys now and see if they have an answer
4 to that question.

5 MR. DENTON: You bet.

6 (Break from 9:47 a.m. until 10:02 a.m.)

7 MR. DENTON: Well, let me tell where you I
8 think that we probably are and we're going to go back
9 and work on an article for the pension that is trying
10 to capture where we are without a deal on pension in
11 this bargaining cycle. Here's where we are in terms of
12 making a -- any kind of a contractual deal on this. I
13 think that this last round of information from
14 Mr. Klausner and the adjustments have really
15 underscored and ratified for us that we have problems
16 here that we really can't overcome in this contract
17 cycle. The shift into having individual contracts
18 raises an even bigger set - a new set, or whatever you
19 want to call it - of concerns. I think it ratifies for
20 us that our analysis about being able to do this with a
21 contract with the representative of your personnel has
22 significant problems of constitutional dimension and
23 that's a reality that -- you know, it's not your fault,
24 it's not our fault. It's just a reality. We have the
25 current litigation going on here about what the nature

1 of vested individual rights is by the -- some
2 individuals out of the police group. You know as well
3 as I do, and I'm sure you have talked to your lawyers
4 about this, nationally the litigation over pensions,
5 most recently in Detroit, are asserting that the earned
6 vested entitlements to a pension are of a higher order
7 than a contract right and that, therefore, they are not
8 subject to adjustment or allocation under the
9 Bankruptcy Code. And the federal judge up there ruled
10 that that was not the case, that they were like other
11 contract rights that would be subject to determination
12 and allocation in the bankruptcy in the normal scheme
13 of things. And so what we've got is I think on a
14 national basis a complete rethinking of how do we deal
15 with pensions and loss and default and all those kind
16 of things.

17 I want to remind everybody because I think
18 it's true, and I think I said something like this the
19 last time, Fort Worth Employees and Fort Worth
20 Firefighters in particular are fortunate that we have a
21 pension plan here that's fundamentally sound and that
22 we can fix it, we can go forward, people can have an
23 attractive retirement benefit here that doesn't have an
24 adverse impact on the City's credit, it doesn't have
25 too much of an adverse impact on the City's ability to

1 perform its other services, maintain infrastructure and
2 so forth. And so that's the good news, you know.

3 And I don't know if any of you have read
4 the Detroit stuff but, I mean, it just made me sick
5 reading it, how bad it was. They went for a long long
6 long long time, you know, ignoring the problem and not
7 dealing with it.

8 MR. TATE: Right.

9 MR. DENTON: And so I'm not suggesting for
10 a minute that we have that kind of a deal but the legal
11 issue there is still the same thing that we are talking
12 about here. And so, you know, with that going on, this
13 litigation in Illinois of a similar nature, although
14 it's not in the bankruptcy courts, one of the things
15 that -- that I need to, you know, just I guess remind
16 everybody about or say for the record or however you
17 want to phrase that is that these things are critical
18 to the City's financial statements and the City's
19 credit rating. The -- this last proposal with the
20 individual contracts introduces a whole new set of
21 unknowns that are untried, there's no doubt in my mind
22 that if we were to try a, you know, new invention like
23 that, that it would cause a significant ripple in the
24 City's credit status. Maybe a downgrade. Everybody
25 would be trying to figure out what we were doing. The

1 way the credit markets and rating agencies work, it
2 would take quite a while to do that. And so what that
3 leads us to is the City's original initial solution or,
4 you know, approach to addressing this problem has far
5 fewer unknowns, it has fewer exposures, it's more
6 reliable, it's understood by the financial markets and
7 the actuaries, it has a known status in the credit
8 markets, it will solve the problem the City's not going
9 to have potential liabilities and the question of
10 whether or not those liabilities would be offset by,
11 you know, future member contributions or indemnity by
12 the Association or those kind of things.

13 So that's the explanation from our
14 standpoint. I think that we're done with the pension
15 discussion for this bargaining cycle.

16 Like I said before, that doesn't mean that
17 this is not something that we can resolve and make some
18 changes in in the future after some of these things,
19 you know, come into focus and get clarified either in
20 the courts or the legislature or by constitutional
21 amendment or whatever.

22 My prediction is over, you know, the long
23 term - and I don't know if that's five years or ten -
24 that what we're going to see is we're going to see the
25 development of a model for pension funding and pension

1 structure and design that's going to get amended in
2 these state constitutions around the country so that we
3 can address these kind of problems better. And I don't
4 think it's going to -- you know, your existing members
5 that have vested benefits, you know, I think are going
6 to have their vested benefits protected, you know,
7 retroactively. The real question is what can you do on
8 a go-forward basis with individuals throughout the
9 State of Texas. And usually those kinds of changes
10 take at least a decade; we're a little ways into it.

11 So we have an article that we have begun to
12 draft and it's pretty close to final. We're going to
13 take one last look at it. But, you know, it's based on
14 we've bargained on this, we've done our best, we've
15 tried to get there, we haven't made a deal on pension,
16 you know, here's where it's left, you know, we're not
17 giving up something, you're not giving up something,
18 everybody, you know, keeps what legal entitlements and
19 rights that they have and so forth, and it addresses
20 some of the -- the questions there about whether or not
21 there's any change in the, you know, status of people
22 in the different realms of this deal since the
23 Council's resolution took place for the rest of the
24 workforce but for the evergreen and this department.
25 So we'll give you that and we're really interested in

1 hearing back from y'all today even if you are not in a
2 position to say, okay, we accept that change and we'll
3 set the pension aside and assume that we're not going
4 to have a pension article in this contract and we'll
5 contract for everything else, even if you are not in a
6 position to say you are willing to do that today, I
7 would like for you to give us some feedback on, if you
8 were willing to do that, what would that article look
9 like. So that's what I'm asking for you to do with
10 what I'm fixing to give you.

11 So we're going to go back and get that
12 done. We'll bring it back to you. We'd like to have a
13 quick little visit about the some of the information
14 we've gotten from consultants on the retiree health
15 plan VEBA, you know, deal, so if you get a minute after
16 you talk to your team if you could step out, we want
17 to --

18 MR. TATE: Before you --

19 MR. DENTON: -- give you some feedback on
20 that.

21 MR. TATE: Before you leave the table, I
22 know you said you're done discussing pension but I'm
23 going to -- I'd like to respond to what you've said.

24 MR. DENTON: Absolutely.

25 MR. TATE: Number one, we -- we think a lot

1 of your legal concerns are unfounded and we will offer
2 to jointly defend the City on legal issues. We'll be
3 glad to add that article to the contract if that would
4 change your mind at all.

5 It just seems to me that the City doesn't
6 want to get a deal done on pension, that all you do is
7 keep throwing up roadblocks. We've been 15 months and
8 we still don't have a counterproposal from the City
9 even though we've gone back and revised ours a couple
10 of times.

11 That being said, we do have a
12 counterproposal on retiree health benefits that we will
13 give you.

14 MR. DENTON: Okay. Good.

15 MR. TATE: And if we're going to go down
16 the road of possibly having a contract without pension
17 addressed, I need to know what it's worth to the City.

18 MR. DENTON: Well, we're going to be
19 looking for a counterproposal from you. We gave you
20 the wage proposal. We don't have a counter back yet.
21 We'd like to have that counter back based on not having
22 a pension article in the contract in the context of the
23 rest of these pieces; you know, we're waiting to hear
24 back on the -- what you have referred to, and I've
25 started using your -- your label on this Trifecta thing

1 about the attendance and overtime savings, that's
2 obviously a part of our bottom line. If we're able to
3 solve some of our concerns and problems about
4 attendance and achieve some overtime savings, as I said
5 before, you know, that puts us in a better position to
6 enhance that wage model. So those are the two things
7 that are kind of hooked together in terms of where we
8 go on the wage piece.

9 So give us a counterproposal on the wages
10 and we'll see whether or not it fits but we need to
11 know where we are on the attendance piece with it. So
12 that's what we're looking for today so we have some
13 certainty and we can run the numbers to know what we
14 can do.

15 MR. TATE: Okay.

16 (Break from 10:12 a.m. until 10:45 a.m.)

17 MR. DENTON: Let me give you a little bit
18 of a feedback or our perspective on your observation, I
19 guess - I won't call it an accusation - but observation
20 that the City hasn't given you a counterproposal to
21 your pension proposal. The City has spent hundreds of
22 hours of work and lots of money and, as you mentioned,
23 we've been here for 15 months and we've evaluated every
24 option and proposal that you have given us, we looked
25 carefully at all of the ideas that you came up with,

1 came up with some ideas of our own, put them in the
2 mix. When we get finished with looking at all those
3 things, it brings us back to the conclusion that what
4 we've done for all of the other employees, police and
5 general employees, is still the best possible solution
6 for the reasons that I outlined this morning; and
7 that's why I said, you know, it's not your fault, it's
8 not our fault, we have, you know, issues that are not
9 just the kind of issues that we can trade out at the
10 table. You're already familiar, each of you, Todd is,
11 you are, your members are familiar with the process
12 that pre-dated the City Council's choice on how to
13 solve the pension problem even before we got to the
14 bargaining table. We got to the bargaining table and
15 you proposed to put additional firefighter money in and
16 we were very interested in doing that; an option that
17 included more firefighter contributions was attractive
18 to us. If we didn't have a unitary fund with everybody
19 in it, we had funds like exist in these other cities
20 where firefighters are already a stand-alone statutory
21 trust group and we didn't have the additional
22 constitutional statutory issues that we have that
23 cities all over the - not just cities, but schools and
24 counties and everybody else have all over the country -
25 then we might have found a middle ground. If this was

1 just a regular bargaining deal where we didn't have our
2 hands tied behind our back and, you know, one of our
3 ankles is broke, we probably could have done something.
4 We tried hard to do it. The final answer is, we can't
5 take your proposal and amend it in a way that solves
6 those problems. So the lack of a workable solution
7 that has reliable legal outcomes takes us back to where
8 we started and that's a proposal that we are satisfied
9 will work that is demonstrably financially sound and so
10 that's why we are where we are. So I hope that, you
11 know, I hope that that helps you understand why we are
12 where we are.

13 We've got this retiree health care
14 proposal. I know Susan had some questions about yours.
15 I felt like the best way to do it was to get them all
16 on the table. What we are handing you back here is
17 still our effort to basically implement a Boise model
18 that plugs effectively into Fort Worth. And so the
19 only thing that's different -- and I mentioned this to
20 you on the phone as I was driving up here last night,
21 Jim, that we are still trying to figure out with our
22 consultants whether or not this is an IRS compliant
23 trust instead of a VEBA trust, but this is not an
24 attempt to do something that's a departure from the
25 Boise model. I know Susan has got some questions about

1 your proposal. It looks like it's different than what
2 we are finding attractive and workable out of Boise.

3 MS. ALANIS: And let me add, originally we
4 were plugging in the word VEBA health care
5 reimbursement account just like Boise did and our
6 outside counsel actually still thinks that that is the
7 appropriate vehicle. As we talked to a potential
8 administrator who is handling the HRA for police right
9 now, they suggested using the broader language just
10 when we get into the nitty gritty of, you know,
11 developing the contract there that we've got any
12 current and future IRS compliant options; I mean, the
13 intent is the same. So I wanted to make sure that the
14 record reflects that. But they -- they thought this
15 would give us more flexibility as we all collectively
16 learn more and put the documents in place.

17 MR. DENTON: So that's still an open issue
18 about what's the best way to do it under the Tax Code.

19 MR. TATE: Okay.

20 MS. ALANIS: I guess the -- I'll walk you
21 through mine in a minute, but let me make sure I
22 understand what you guys have proposed. It looks like
23 you are still suggesting that all members contribute --

24 MR. TATE: Right.

25 MS. ALANIS: -- whether they would be

1 beneficiaries of it or not? Okay. Because -- well,
2 let me make sure I understand. It talks about the
3 board of the VEBA distributing the money to each member
4 based on their years of service. Now, does that mean
5 that all your members would end up being beneficiaries
6 as well, or --

7 MR. TATE: No.

8 MS. ALANIS: -- would it be just the post
9 2009?

10 MR. TATE: No, just the post 2009.

11 MS. ALANIS: Okay. Because I -- where -- I
12 don't think that we can get there if -- I don't think
13 that there's a way for us to have the individual
14 account and have all members contributing. That was
15 the discussion we had previously with it being a pooled
16 trust. And so the way we had put it together was that
17 we would allocate the original 1.6 million that was
18 contemplated in the current contract, that we would
19 distribute that as a lump sum at the beginning of each
20 individual account and then the firefighters who would
21 be beneficiaries would contribute 2 percent to the HRA,
22 and the pre 2009's would not be contributing to that.
23 I --

24 MR. TATE: Well, why -- I mean, why is the
25 City concerned that other folks might want to

1 contribute?

2 MS. ALANIS: I just don't know that there
3 is a way to get there --

4 MR. TATE: Okay.

5 MS. ALANIS: -- and have it as the
6 individual account. I mean, I get what you are trying
7 to do.

8 MR. TATE: Well, and it -- the way I see
9 it, it would work kind of like what you've done down
10 here for -- for the 1.6 million, just like the
11 1.6 million, the ongoing contributions will be funneled
12 into the pool VEBA and then split out by the Board of
13 Trustees.

14 MS. ALANIS: Well, and I -- that pool VEBA
15 is what we were trying to avoid altogether. I mean,
16 we've got it for a finite amount based on the current
17 contract allocation but we didn't want to get into a
18 position where we were doing a --

19 MR. TATE: Well --

20 MS. ALANIS: -- pool VEBA because we think
21 we've got some exposure in terms of what we have to
22 book in terms of liability. And I do agree with you
23 that I think it can be contained to the term of the
24 contract but I also think that we've got the real
25 reality of it later on if it's under -- underfunded

1 based on what the promises are to those employees and
2 that kind of thing, that we've got some real challenges
3 in terms of the exposure to the City. So we -- we
4 didn't want to go that direction. And then when you
5 guys said you were open to the Boise model, we focused
6 on that and they came up with an individual account.
7 And theirs is different because their entire workforce,
8 even past people moved over. And the good news here is
9 that the pre 2009s have the benefit of the OPED trust
10 that the City is doing for all of those folks. So.

11 MR. TATE: I'll check with our consultant
12 on the difference there and see what they say about it.

13 MS. ALANIS: Okay. The other thing, too,
14 is that the way we've done it here in our proposal
15 actually makes it pensionable, it would allow to keep
16 the wage tables for each group the same even though
17 they would take a slight reduction in take-home pay to
18 be able to make their contributions for health care. I
19 think that would be palatable probable to the City
20 Council if I had to guess. But it also allows them to
21 have pensionable wages that are equivalent to their
22 colleagues regardless of when they were hired.

23 MR. DENTON: And that's a point that I
24 wanted to emphasize because as we take kind of the new
25 tack that we want to talk about how we can bargain on

1 the other aspects of the pay, compensation and benefits
2 package, you know, there are a number of things that we
3 can do here that contribute to and enhance the pension
4 benefit, they contribute to the funded status and
5 financial soundness of the pension fund itself and they
6 also continue to contribute to the pension benefit the
7 firefighters get and we can do that by these kind of
8 tools, we can do it by using, you know, these vacation
9 leave balances we've talked about, we can do it by
10 changes in the wage and compensation to firefighters,
11 and those all directly enhance the pension outcomes.
12 So there's more than one way to skin a cat, so to
13 speak. I understand it's not equivalent to what
14 y'all's proposal has suggested that we do, but we think
15 it's an alternative that is certainly worth pursuing in
16 this bargaining cycle.

17 MS. ALANIS: Well, and let me ask one other
18 thing that I changed in the last version of this, we
19 said that we would talk about contribution of excess
20 sick leave in the next cycle. We went back and we
21 looked at what the -- who would start hitting that
22 sooner than that and we are proposing doing that now.
23 And so we added Section 3 and this is the equivalent of
24 what the Boise model is. And we've gone back and
25 analyzed, you know, the group of people that have been

1 hired since 2009 and what the costs might be of doing
2 that. So that gets it started sooner, which is a good
3 thing because then they will have the growth associated
4 with it sooner.

5 MR. TATE: Okay.

6 MS. ALANIS: And, again, it's just with a
7 subset of people hired prior -- after 2009.

8 MR. TATE: All right, we'll look at that
9 and see if I can get in touch with our consultant on
10 some of those issues.

11 MR. DENTON: Craig Deats called me about
12 San Antonio Police, which is supposed to start in
13 January, and I asked him if he knew of anyplace that
14 had this.

15 MR. TATE: Okay.

16 MR. DENTON: I wanted you to be aware of
17 that.

18 MR. TATE: I just -- I don't know if you
19 got my message. I just forwarded you one.

20 MR. DENTON: Okay.

21 MR. TATE: Tampa. Been in existence for
22 approximately 40 years. That fund is 97 percent funded
23 with only 13 percent City contributions.

24 MR. DENTON: Okay. We'll take a look at
25 it. Thanks.

1 MR. TATE: All right. We've got a lot to
2 deal with here.

3 MR. DENTON: All right. Let us know
4 when --

5 MR. TATE: So I guess we'll be in --

6 MR. DENTON: -- when you're ready.

7 MR. TATE: -- in caucus for quite a while.

8 MR. DENTON: Yeah. Now, do y'all have
9 anything else for us at this point on the other things
10 that are outstanding?

11 MR. TATE: Let's see.

12 MR. DENTON: I didn't know if you had your
13 attendance deal done or if y'all were still working on
14 that.

15 MR. TATE: Well, I mean, we have it done
16 but it's really pretty much going to be contingent upon
17 having pension in the contract. So, we're not -- you
18 know, if we're not going down that road, then there's
19 probably no need to discuss it. Yeah, we'll just have
20 to caucus. We've got a lot to deal with now.

21 MR. DENTON: Okay.

22 MR. TATE: It will be after lunch before
23 we're ready to come back.

24 MR. DENTON: Do you want to get back
25 together at 1:00? That's two hours.

1 MR. TATE: Should be able to. All right.
2 I'll let you know if that's not going to work out.

3 MR. DENTON: All right.

4 (Break from 10:56 a.m. until 12:52 p.m.)

5 MR. TATE: We had a lot of discussion on
6 VEBA and the pension but we couldn't solve it amongst
7 ourselves, and my VEBA consultant is not available
8 until 3 o'clock, and Klausner is not available on the
9 pension today at all so we really couldn't formulate a
10 response to those yet.

11 What we do have is we talked about the
12 disciplinary at the last meeting and that had been tied
13 to a company inspection program and so we're --
14 basically we're ready to sign off on the City's
15 proposal on disciplinary if the City is ready to sign
16 off on the inspection program.

17 MR. DENTON: So you are proposing a
18 trade-out, if we'll go with that proposal we don't
19 like, you'll go with our disciplinary that you don't
20 like basically.

21 MR. TATE: Right.

22 MR. DENTON: We understand where you are on
23 that.

24 MR. TATE: On the wages, we kind of feel
25 like at this point we've got a wage offer on the table

1 in conjunction with a pension offer. The City has
2 indicated that maybe more money could become available
3 if there's no pension and we'd just like for the City
4 to revise their proposal to let us know what that
5 number is. If you don't, then we'll formulate a
6 response before the next meeting.

7 I believe that's about all we've got for
8 you at this point.

9 MR. DENTON: And so let's go through the
10 list. I take it from your earlier comment or from the
11 fact that we don't have anything else forthcoming that
12 the perfect attendance and the sick leave article and
13 those other kind of things are dead.

14 MR. TATE: Well, unless we get something
15 done on pension.

16 MR. DENTON: You're not giving me any
17 attempt at a middle ground on maintenance of standards
18 to try to take that out of the world of what everybody
19 remembers from 30 years ago.

20 MR. TATE: No. That's an agreement y'all
21 just signed a little over three years ago. So no.

22 MR. DENTON: Anything else?

23 MR. TATE: I believe that's it for now.

24 MR. DENTON: Okay.

25 MR. TATE: We'll get with our VEBA

1 consultant, our pension attorney and have something
2 ready for the next meeting.

3 MR. DENTON: All right. Well, we're going
4 to go visit about that and whether or not we see a
5 purpose in having meetings in the future.

6 MR. TATE: All right.

7 MR. DENTON: We'll be back.

8 (Break from 12:56 p.m. until 1:10 p.m.)

9 MR. DENTON: All right. I'm going to hand
10 these out to y'all. This is a comprehensive proposal
11 that represents what we've given you earlier today on
12 the pension article, leaving that issue open and
13 unresolved with the language that we had there, also
14 the language we gave you on the health benefits
15 proposal today. It represents all the TA's that we've
16 had in this bargaining cycle and our last proposals on
17 the other things that we've been unable to resolve.
18 This is our last, best and final offer on this cycle
19 and so what I would just ask you to do is, if you are
20 proposing to do anything beyond what this proposal
21 represents, then, you know, you can send us a letter
22 explaining what you plan to do because at this point we
23 don't see any reason to go forward. We're not making
24 any progress on --

25 MR. TATE: Well, we offered mediation a

1 while back and y'all have refused that. Would you like
2 to reconsider that and see if a third party can't get
3 us together?

4 MR. DENTON: We don't see any reason to do
5 that because a mediator is not going to be able to
6 solve our pension problem; that's going to take legal
7 changes in the environment.

8 MR. TATE: We have said that we are open to
9 a proposal without pension. I think it's going to take
10 somebody to help us get there if that's going to get
11 done.

12 MR. DENTON: I'll give you a written
13 response declining to go to mediation.

14 MR. TATE: Okay.

15 MR. DENTON: I think that we're not getting
16 anywhere and just continuing to kind of beat a dead
17 horse is not going to accomplish anything. The -- I
18 mean, the only other follow-on to that that I'll say is
19 we are in an unusual position because of the fact that
20 we continue to have an existing agreement with the
21 Evergreen clause that's in it. And normally when you
22 find yourselves in this posture, you know, you're
23 either at the end of the agreement or, you know, close
24 to the end agreement or past the end of the agreement.
25 So in that respect it's a little bit different. But we

1 think it's time to stand down and, you know, maybe
2 something will change on our side or on y'all's side
3 but that's where we are for now.

4 MR. TATE: So for the record, after 15
5 months, you give us a counterproposal on pension and
6 because we don't respond immediately you're ready to
7 declare impasse?

8 MR. DENTON: That's where we are.

9 MR. TATE: All right.

10 MR. DENTON: Okay.

11 MR. TATE: I guess we're done.

12 MR. DENTON: We're done.

13 (Proceedings recessed at 1:14 p.m.)
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1 STATE OF TEXAS)
2 COUNTY OF TARRANT)

3 I, Joseph D. Hendrick, Certified Shorthand
4 Reporter in and for the State of Texas, hereby certify
5 that the foregoing pages numbered 1 through 31
6 constitute a full, true and correct transcription of
7 the proceedings referenced as:

8 THE CITY OF FORT WORTH
9 and
10 FORT WORTH PROFESSIONAL FIRE FIGHTERS ASSOCIATION
11 ALSO KNOWN AS THE INTERNATIONAL ASSOCIATION OF
12 FIRE FIGHTERS, LOCAL UNION 440
13 as the exclusive bargaining agent
14 on behalf of all
15 FIRE FIGHTERS
16 of the
17 CITY OF FORT WORTH FIRE DEPARTMENT

18 DATE/TIME: December 18, 2013 at 9:00 a.m.

19 LOCATION: International Association Fire Fighters
20 Local Union 440
21 3855 Tulsa Way
22 Fort Worth, Texas 76107

23 SUBJECT: Contract Negotiations providing for
24 Collective Bargaining between the City of
25 Fort Worth ("City") and the Fort Worth
Professional Fire Fighters Association
Also known as the International
Association of Fire Fighters, Local Union
440 (Union")

Signed this date: December 20, 2013.



Joseph D. Hendrick

Joseph D. Hendrick, CSR #947
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