

MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF FIFE AND THE FIFE POLICE GUILD – COMMISSIONED  
REGARDING ADMINISTRATIVE FEES UNDER  
THE ATKINSON OFF-DUTY CONTRACT

1. Date and Parties. This Memorandum of Understanding (“MOU”) is dated for reference purposes the 5<sup>th</sup> day of February, 2019, and is entered into between the City of Fife (“City”) and the Commissioned Bargaining Unit of the Fife Police Guild (“Guild”).

2. General Recitals and MOU Purpose.

2.1 The Parties have entered into a Collective Bargaining Agreement with a term commencing on January 1, 2018 and ending on December 31, 2023 (“CBA”).

2.2 CBA section 31.1 requires that police related off duty and extra duty employment will be administered by the City, and through the City payroll. For ease of reference this type of work shall be referred to herein as “Off Duty Work”.

2.3 Pursuant to section 31.1 of the CBA the City has entered into off duty police services contracts with various entities, including Acme Delivery Services, Inc. (“Acme”), and the Western Washington Fair Association (“Fair”).

2.4 On January 29, 2019, the City and the Guild executed a memorandum of understanding that established the method for calculating all employer and employee deductions for off-duty contacts with an all-inclusive pay rate.

2.5 The City and the Guild recognize that the City incurs additional costs in administering off-duty contacts with all-inclusive pay rates that are not currently being recovered from the contacting entities.

2.6 The purpose of this MOU is to provide for the inclusion of an administrative fee to be paid to the City on the off-duty contract with Guy F. Atkinson Construction, LLC.

3. MOU Term. The Term of the MOU shall commence when it is signed by both parties shall continue in full force and effect during the CBA term.

4. Administrative Fee. Compensation in the Atkinson off-duty contract shall be at the all-inclusive rate of \$110.00/hour of officer time. The City shall retain an administrative fee of \$10.00 for every hour of officer time paid to the City by Atkinson under the off-duty contract, using the method set forth in Exhibit A attached hereto.

City Manager \_\_\_\_\_ Guild Pres. RM

5. Miscellaneous Provisions. The Parties acknowledge that they have freely and voluntarily entered into this MOU, after having been afforded the opportunity, if they so choose, to discuss the MOU with their respective legal counsel.

  
\_\_\_\_\_  
Hyun Kim, Fife City Manager

2/5/19  
\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Ryan Micenko, President  
Fife Police Guild Commissioned Bargaining Unit

2/5/19  
\_\_\_\_\_  
Date Signed

City Manager \_\_\_\_\_ Guild Pres. 

ATKINSONS Rate Calculation

Officers Off-Duty

	Tax Treatment		COF (ER)	Officer (EE)
Number of hours			1	1
Hourly Pay Rate:		\$ 100.00	\$ 100.00	\$ 100.00
Soc Security ER&EE	Taxed on Gross Wages	0.0620	\$ (6.20)	\$ (6.20)
<b>FEDERAL EE (varies based individual withholding)</b>	Federal Income Tax (Gross less pre-tax deductions)			<b>Varies</b>
Medicare ER&EE	Taxed on Gross Wages	0.0145	\$ (1.45)	\$ (1.45)
L & I ER (Hours X %)	Hours X Rate	0.0163	\$ (1.63)	
L&I EE (Hours X %)	Hours X Rate	0.3404		\$ (0.34)
FMLA Gross Wages X 0.040		0.040		
FMLA ER share of Medical Leave .3667	Taxed on Gross Wages	0.3667	\$ (1.47)	
FMLA EE share of Medical Leave .3000	Taxed on Gross Wages	0.3000		\$ (1.20)
FMLA EE share of Family Leave .3333	Taxed on Gross Wages	0.3330		\$ (1.33)
LEOFF (ER) Pre-Tax Deduction	Taxed on Gross Wages	0.0543		\$ (5.43)
LEOFF (EE) Pre-Tax Deduction	Taxed on Gross Wages	0.0875		\$ (8.75)
LEOFF(State) Pre-Tax Deduction	Taxed on Gross Wages	0.0350		\$ (3.50)
Employment Security ER	Taxed on Gross Wages	0.0040	\$ (0.40)	
			<b>Total</b>	<b>\$ (10.75)</b>

Note: Taxes are subject to regulatory change.

Calculation to determine after employer rates have been taken.

ACME Hourly Rate	\$ 100.00
Employer Side	\$ (10.75)
Employee Side*	\$ (28.20)
Rate Net of Taxes	\$ 61.05

Does not include FIT as this varies based on withholding

Taxes in \$
\$ (10.75)

ACME Paid Rate	\$ 100.00
Less ER Taxes	\$ (10.75)
New Rate	\$ 89.25

Officers Off-Duty

	Tax Treatment		COF (ER)	Officer (EE)
Number of hours			1	1
Hourly Pay Rate:		\$ 89.25	\$ 89.25	\$ 89.25
Soc Security ER&EE (Paid on taxable income)	Taxed on Gross Wages	0.0620	\$ (5.53)	\$ (5.53)
<b>FEDERAL EE (This amount varies based on deduction)</b>	Federal Income Tax (Gross less pre-tax deductions)			<b>Varies</b>
Medicare ER&EE	Taxed on Gross Wages	0.0145	\$ (1.29)	\$ (1.29)
L & I ER (Hours X %)	Taxed on Gross Wages	0.0163	\$ (1.45)	
L&I EE (Hours X %)	Taxed on Gross Wages	0.3404		\$ (0.34)
FMLA Gross Wages X 0.040		0.040		
FMLA ER share of Medical Leave .3667	Taxed on Gross Wages	0.3667	\$ (1.31)	
FMLA EE share of Medical Leave .3000	Taxed on Gross Wages	0.3000		\$ (1.07)
FMLA EE share of Family Leave .3333	Taxed on Gross Wages	0.3330		\$ (1.19)
LEOFF (ER) Pre-Tax Deduction	Taxed on Gross Wages	0.0543		\$ (4.85)
LEOFF (EE) Pre-Tax Deduction	Taxed on Gross Wages	0.0875		\$ (7.81)
LEOFF(State) Pre-Tax Deduction	Taxed on Gross Wages	0.0350		\$ (3.12)
Employment Security ER	Taxed on Gross Wages	0.0040	\$ (0.36)	
			<b>Total</b>	<b>\$ (9.59)</b>

Note: Taxes are subject to regulatory change.

Atkinson Flat Rate	\$ 110.00
Less Admin. of \$10.00	\$ (10.00)
City's Net Gross Rate Before Taxes	\$ 100.00
Less Employer Portion of Taxes	\$ (10.75)
ACME Hourly Rate	\$ 89.25
Employer Side	\$ -
Employee Side*	\$ (25.21)
Rate Net of Taxes	\$ 64.05

Does not include FIT as this varies based on withholding

Employer Taxes	Taxes in \$
	\$ -

Taxes	Employer	Employee
Before Rate Reduction	\$ 10.75	\$ 28.20
After Rate Reduction	\$ (9.59)	\$ (25.21)
<b>Total</b>	<b>\$ 1.15</b>	<b>\$ 2.99</b>