

RESOLUTION NO. 3183

A RESOLUTION AUTHORIZING THE WINDING DOWN OF THE LENGTH OF SERVICE AWARDS PROGRAM (LOSAP) FOR VOLUNTEER MEMBERS OF THE CITY OF SALISBURY FIRE DEPARTMENT AND THE ADOPTION OF A VOLUNTEER MEMBER INCENTIVE POLICY.

RECITALS

WHEREAS, the volunteer members of the City of Salisbury Fire Department provide many hours of public safety services at great personal risk and for no financial remuneration; and

WHEREAS, in 1991, the City established a Length of Service Awards Program (LOSAP), which is governed by the 1991 Master Plan (“LOSAP Master Plan”) and effectuated through an Adoption Agreement, to provide a benefit to the retired volunteer members of the Fire Department in recognition to their service to the City; and

WHEREAS, the City reserved the right to make amendments to the LOSAP Master Plan and the Adoption Agreement and to terminate LOSAP at any time in whole or in part; and

WHEREAS, there have been two amendments to the initial Adoption Agreement, one in 2007 (“First Amended Adoption Agreement”) and second in 2018 (“Second Amended Adoption Agreement”); and

WHEREAS, the volunteer members of the Fire Department have recommended the winding down of LOSAP and the adoption of a Volunteer Member Incentive Policy, which shall eventually replace the LOSAP Master Plan and eliminate LOSAP; and

WHEREAS, the City of Salisbury has determined that it is in the best interest of the citizens of the City and the volunteer members of the Fire Department to adopt the volunteer members’ recommendation and to approve a Third Amended Adoption Agreement, which is attached as **Exhibit 1**, to effectuate the winding down of LOSAP; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND AS FOLLOWS:

Section 1. The City approves the Third Amended Adoption Agreement attached as **Exhibit 1**.

Section 2. The City approves the Third Amended Adoption Agreement for the purpose of winding down LOSAP and eventually replacing the LOSAP Master Plan with a Volunteer Member Incentive Policy to be adopted and administered by the City’s Fire Department.

Section 3. As of August 8, 2022, all Volunteer Members of the City’s Fire Department who are 100% vested in accordance with the Third Amended Adoption Agreement and who are collecting a monthly benefit payment shall continue to collect a monthly benefit payment, as set forth by the Third Amended Adoption Agreement.

Section 4. As of August 8, 2022, all Volunteer Members of the City’s Fire Department who are 100% vested in accordance with the Third Amended Adoption Agreement, but who are not collecting a monthly benefit payment shall remain in LOSAP and shall collect benefits, once eligible, as set forth by the Third Amended Adoption Agreement.

Section 5. As of August 8, 2022, any Volunteer Member of the City’s Fire Department who is not 100% vested in accordance with the LOSAP Master Plan and Third Amended Adoption Agreement shall not be eligible for the benefits set forth in the LOSAP Master Plan and Third Amended Adoption Agreement, but shall

be eligible for the benefits set forth in the Volunteer Member Incentive Policy, provided he/she is eligible for such benefits under the terms of the Policy.

Section 6. Under the City's Volunteer Member Incentive Policy, the City shall pay a stipend to active Volunteer Members in accordance with a stipend schedule as determined by the City and provided the Volunteer Members meet the eligibility requirements set forth in the Policy. The City's obligation to pay the stipend shall be unfunded and unsecured and shall at all times be subject to change.

Section 7. Council hereby authorizes the Mayor to sign any documents necessary to effectuate the changes set forth herein.

AND, BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF SALISBURY AS FOLLOWS:

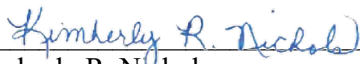
Section 8. It is the intention of the Council of the City of Salisbury that each provision of this Resolution shall be deemed independent of all other provisions herein.

Section 9. It is further the intention of the Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Resolution shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Resolution shall remain and shall be deemed valid and enforceable.

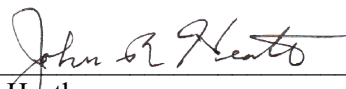
Section 10. The Recitals set forth hereinabove are incorporated into this section of this Resolution as if such recitals were specifically set forth at length in this Section 10.

Section 11. This Resolution shall take effect from and after its final passage.

THIS RESOLUTION was introduced, read and passed at the regular meeting of the Council of the City of Salisbury held on August 22, 2022.

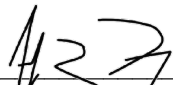


Kimberly R. Nichols,
City Clerk

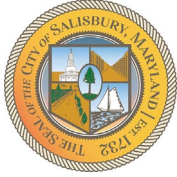


John R. Heath,
Council President

APPROVED BY ME this 26th day of August, 2022.



Jacob R. Day,
Mayor



City of Salisbury Fire Department Policies and Procedures Manual Standard Operating Guidelines



SOP:	Effective August 8, 2022
Subject: Volunteer Member Incentive Program	Revised:
Section: Personnel	Category: Volunteers
Issued by: John W. Tull, Chief of the Department	

Purpose: To provide active Volunteer Members of the City of Salisbury Fire Department with a benefit incentive, provided certain requirements are met.

Policy:

- I. An Administrative Board shall be established to oversee this Policy and shall consist of five (5) members to include the:
 - A. Deputy Volunteer Fire Chief; and
 - B. Two (2) Volunteer Members of The Salisbury Fire Department, Incorporated; and
 - C. Two (2) Volunteer Members of Salisbury Fire Company, No. 2, Inc.
- II. The Policy Year shall be the 12-month period beginning on July 1 and ending on June 30 each year.
- III. The Calendar Year shall be the 12-month period beginning on January 1 and ending on December 31 each year.
- IV. To be eligible for Membership benefits under this Policy, a Member must:
 - A. Be an active Volunteer Member of either the Salisbury Fire Department, Incorporated or the Salisbury Fire Company, No. 2, Inc.; and
 - B. Be at least 18 years of age; and

C. Complete a “Year of Benefit Service.” A Member completes a Year of Benefit Service, if he or she completes the following requirements within one (1) Calendar Year:

- i. Is operationally cleared for service and off of probation; and
- ii. Participates in twenty-four (24) hours of verifiable, hands-on company drills/training; and
- iii. Provides a minimum of thirty-six (36) hours of staff time per month:
 1. Totaling a minimum of 108 hours per quarter; and
 2. Totaling a minimum of 432 hours annually; and
 3. Not miss more than one meeting per quarter.
- iv. Members who are injured while in the performance of their duties shall be covered under the Workers Compensation Policy and maintain their eligible service requirements.
- v. Members injured/sick for all other reasons shall maintain eligible service if, and only if, they have met all of the requirements outlined in this Section.

vi. Members voluntarily requesting a personal leave of absence shall maintain eligible service if, and only if, they have met all of the requirements outlined in this Section.

V. Each Year of Benefit Service shall be calculated utilizing the Fire Department's computer systems:

- 1) Chief Backstage for staff time; and
- 2) Fire House software for training.

VI. Stipend Schedule

A. Volunteer Members who have met the eligibility requirements set forth above and are in good standing according to the City's Master Roster on June 30th of each year may receive stipends from the City as a Membership benefit. Stipends shall be calculated based upon "Years of Benefit Service" and distributed upon each 5-year anniversary.

- 1) After 5 Years of Benefit Service, a Member may receive a one-time stipend of up to \$2,500.
- 2) After 10 Years of Benefit Service, a Member may receive a one-time stipend of up to \$3,000.
- 3) After 15 Years of Benefit Service, a Member may receive a one-time stipend of up to \$3,500.
- 4) After 20 Years of Benefit Service, a Member may receive a one-time stipend of up to \$4,000.

- 5) After 25 years of Benefit Service, a Member may receive a one-time stipend of up to \$4,500.
 - 6) After 30 years of Benefit Service, a Member may receive a one-time stipend of up to \$5,000.
- B. A Volunteer Member whose service is interrupted by resignation or involuntary termination shall be deemed to have suffered a Break in Service.
 - C. If a Volunteer Member suffers a Break in Service before reaching the aforementioned milestones, and subsequently resumes participation, all previous creditable time shall be disregarded in calculating Years of Benefit Service.
 - D. For purposes of this Policy, approved leave, such as medical leave, will not be deemed a Break in Service.

VII. Amendments, Termination, and Other Rights

- A. Amendments. The City of Salisbury reserves the right to make any amendment or amendments to this Policy at any time.
- B. Right to Terminate. The City may terminate this Policy at any time in whole or in part.
- C. No Funding Obligation. The obligation of the City to pay any stipends under this Policy shall be unfunded and unsecured and shall be at all times subject to the City's budgetary rules, restrictions, and applicable ordinances. Any stipends paid under this Policy shall be

made from the general assets of the City, which general assets are subject to the claims of creditors of the City.

D. Disclaimer. Nothing in this Policy constitutes an express or implied contract or warranty of any benefits between the City and any Volunteer Member.

E. Applicable Law. This Program shall be construed and enforced in accordance with the laws of Maryland.

**THIRD AMENDED ADOPTION AGREEMENT
THE CITY OF SALISBURY VOLUNTEER FIREFIGHTERS'
LENGTH OF SERVICE AWARDS PROGRAM**

The passage of this Third Amended Adoption Agreement (“Agreement”) by the Sponsor amends the Volunteer Length of Service Awards Program (“LOSAP”) established by the Master Plan in 1991, which remains in full force and effect, except as amended by this Third Amended Adoption Agreement.

The name of the plan shall be CITY OF SALISBURY VOLUNTEER FIREFIGHTERS’ LENGTH OF SERVICE AWARDS PROGRAM (“Plan”).

The following are the provisions of the Plan:

SECTION 1

SPONSOR: City of Salisbury
Govt. Office Bldg.
P. O. Box 4118
Salisbury, MD 21803-4118
410-548-3100

SECTION 2

PLAN ADMINISTRATOR: City of Salisbury
Govt. Office Bldg.
P. O. Box 4118
Salisbury, MD 21803-4118
410-548-3100

SECTION 3

DESIGNATED DATES:

A. EFFECTIVE DATE OF ADOPTION AGREEMENT: January 1, 1991

B. ANNIVERSARY DATE: July 1 in each year.

C. ENTRY DATE: As of August 8, 2022, there shall be no additional members admitted to the Plan.

SECTION 4

PLAN YEAR: The Plan Year shall be the 12-month period beginning on July 1 and ending on June 30 each year.

CALENDAR YEAR: The Calendar Year shall be the 12-month period beginning on January 1 and ending on December 31 each year.

SECTION 5

ENTITLEMENT AGE (Retirement Age): Entitlement Age shall be the first day of the month coincident with, or following, attainment of age sixty (60), with at least ten (10) Years of Benefit Service after his/her commencement of participation in the Plan.

SECTION 6

YEARS OF BENEFIT SERVICE:

A. For purposes of calculating benefits for Plan participants, a Year of Benefit Service shall be credited to the Member upon a Member's completion of the following requirements within one (1) Calendar Year:

- i. The Member must be operationally cleared for service and off of probation; and
- ii. The Member must participate in twenty-four (24) hours of verifiable, hands-on company drills/training; and
- iii. The Member must provide a minimum of thirty-six (36) hours of staff time per month:
 1. Totaling a minimum of 108 hours per quarter; and
 2. Totaling a minimum of 432 hours annually; and
 3. Not miss more than one meeting per quarter.
- iv. Members who are injured while in the performance of their duties shall be covered under the Workers Compensation Policy and maintain their eligible service requirements.
- v. Members injured/sick for all other reasons shall maintain eligible service if, and only if, they have met all of the requirements outlined in Section 6(A)(i-iii).
- vi. Members voluntarily requesting a personal leave of absence shall maintain eligible service if, and only if, they have met all of the requirements outlined in Section 6(A)(i-iii).

B. Each Year of Benefit Service shall be calculated utilizing the City's Fire Department's computer systems:

- i. Chief Backstage for staff time; and
- ii. Fire House software for training.

SECTION 7

FORMULA FOR MONTHLY BENEFIT PAID AT ENTITLEMENT AGE:

- A. \$20.00 multiplied by Years of Benefit Service completed after the Effective Date of Plan and provided the member is in "Good Standing" with his/her volunteer corporation.
- B. Accrual of Years of Benefit Service did not start until after the member had successfully completed a probationary period and was deemed operationally ready to serve.
- C. Total Years of Benefit Service credited hereunder shall not exceed twenty-five (25) years.
- D. \$500.00 is the maximum monthly benefit that may be earned under the Plan.

SECTION 8

PRE-RETIREMENT DEATH BENEFIT:

- A. INSURED (Life Insurance): The greater of \$10,000.00 face amount or the present value of the Member's Accrued Benefit.

- B. NON-INSURED: The pre-retirement death benefit for Members not receiving life insurance coverage is the present value of their Accrued Benefit.

SECTION 9

VESTING REQUIREMENTS:

A. VESTING SCHEDULE:

- a. 10 Years of Benefit Service = 100% vested in the Plan.

- B. Any Member who is not 100% vested by August 8, 2022, shall be removed from the Plan.

- C. Members terminating due to attainment of Entitlement Age, Death or Disability, who are 100% vested, shall have full rights to their Accrued Benefits.

- D. If a Member suffered a Break in Service prior to the time the Member had earned at least ten (10) Years of Benefit Service, the Member shall be treated as a new Member upon his/her return to Membership and his/her prior Years of Benefit Service shall be cancelled.

- E. BREAK IN SERVICE: A Member whose service is interrupted by resignation or involuntary termination shall be deemed to have suffered a Break in Service.

- F. CESSATION OF MEMBERSHIP: An individual cannot be an active Member of any of the City's volunteer fire departments once he/she has begun receiving benefits under this Plan.

SECTION 10

AMENDMENTS, TERMINATION, AND OTHER RIGHTS

- A. AMENDMENTS: The City of Salisbury reserves the right to make any amendment or amendments to this Agreement at any time.
- B. RIGHT TO TERMINATE: The City may terminate this Agreement at any time in whole or in part.
- C. NO FUNDING OBLIGATION: The obligation of the City to pay any stipends under this Agreement shall be unfunded and unsecured and shall be at all times subject to the City's budgetary rules, restrictions, and applicable ordinances. Any benefits paid under this Program shall be made from the general assets of the City, which general assets are subject to the claims of creditors of the City.
- D. DISCLAIMER: Nothing in this Agreement constitutes an express or implied contract or warranty of any benefits between the City and any Volunteer Member, whether active or retired.
- E. APPLICABLE LAW: This Agreement shall be construed and enforced in accordance with the laws of Maryland.

Executed as of the 29th day of August, 2022.

CITY OF SALISBURY

By 
Mayor, City of Salisbury

Witness: 



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: Julia Glanz, City Administrator
From: John W. Tull, Fire Chief
Subject: LOSAP Resolution and Proposed Changes
Date: July 28, 2022

In 1991, the City established a Length of Service Awards Program (LOSAP), which is governed by the 1991 Master Plan (“LOSAP Master Plan”) and effectuated through an Adoption Agreement, to provide a benefit to the retired volunteer members of the Fire Department in recognition to their service to the City. This agreement has been amended several times over the years and the volunteer members of the Fire Department have recommended the winding down of LOSAP and the adoption of a Volunteer Member Incentive Policy.

Attached you will find a Resolution, an amended Adoption Agreement and a Volunteer Member Incentive Policy. Thank you in advance for your time and consideration on this request. Unless you or the Mayor have further questions, please forward a copy of this memo and ordinance to the City Council for their consideration.