

# **EMPLOYMENT AGREEMENT**

BETWEEN

**NORTH COUNTY FIRE  
PROTECTION DISTRICT**

AND

**KEITH MCREYNOLDS**



**COVERING THE PERIOD OF**

**July 1, 2022 — June 30, 2025**

## KEITH MCREYNOLDS

This Agreement is made and entered into between **KEITH MCREYNOLDS** (hereinafter referred to as "**MCREYNOLDS**") and **NORTH COUNTY FIRE PROTECTION DISTRICT** (hereinafter referred to as "**DISTRICT**") in order to provide, in writing, the terms and conditions for the employment of **MCREYNOLDS** by the **DISTRICT**.

**NOW THEREFORE, IT IS HEREBY AGREED as follows:**

### 1.0. EMPLOYMENT:

The **DISTRICT** hereby employs **MCREYNOLDS**, who accepts said employment, to serve as its Fire Chief/Chief Executive Officer. **MCREYNOLDS** agrees to serve in said position pursuant to the terms and conditions set forth in this Agreement.

### 2.0. TERM OF EMPLOYMENT:

2.1. The term of this agreement shall be from July 1, 2022 through June 30, 2025. This agreement will be reviewed annually as described in Section 6 and upon renewal, the contract will automatically extend for an additional twelve (12) month period on the yearly anniversary date, July 1st, so that the contract term remains three (3) years. However, the **DISTRICT'S** Board of Directors ("**BOARD**") may notify **MCREYNOLDS** on or before May 1st of any year, that the provision for the annual extension has been terminated. In that event, the automatic extension provision shall be terminated and the Employment Agreement shall expire at the end of the then existing period. **MCREYNOLDS** may notify the **DISTRICT** prior to May 1st of any year that he does not desire the extension, in which case the automatic extension shall be terminated and the Employment agreement shall expire at the end of the then existing three-year (3) period.

2.2. RESIDENCY: **MCREYNOLDS** shall live within a thirty (30) minutes response time to the **DISTRICT** Headquarters Station within six (6) months of employment.

### 3.0. COMPENSATION AND BENEFITS:

#### 3.1. ANNUAL COMPENSATION:

3.1.1. BASE PAY: **MCREYNOLDS** will be a salaried, overtime "exempt" employee as defined by applicable labor law. **MCREYNOLDS** is an "at-will" employee and shall receive a base pay of \$230,000 per year beginning July 1, 2022, payable in bi-weekly installments. The **BOARD** may increase said base pay annually, based on **MCREYNOLDS'** performance, as the **BOARD** deems appropriate, as further provided herein. This base pay may not be reduced during the term of this Agreement, except that if the

**BOARD** finds it necessary to reduce salaries of all employees, **MCREYNOLDS'** base pay may be reduced by no more than the average percent salary reduction imposed on all other employees. If the **BOARD** determines it necessary to freeze the compensation of all employees, **MCREYNOLDS'** base pay may also be frozen by **BOARD** action.

3.1.2. **ADDITIONAL COMPENSATION:** On an annual basis, the **BOARD** may choose to provide the Fire Chief/CEO with a performance "bonus" in recognition of appropriate job performance. Such a bonus would be determined following completion of an annual performance appraisal process. The bonus would be paid as a one-time payment upon a specific date determined by the **BOARD**. In lieu of a bonus, the **BOARD** may grant additional time off.

### 3.2. **FRINGE BENEFITS:**

3.2.1. **IN GENERAL:** **MCREYNOLDS** shall be entitled to receive all Management fringe benefits as established from time to time, except as otherwise provided in this Agreement. These benefits shall include retirement, dental, health, post-retirement health, life insurance, annual, sick and holiday leave as set forth in the current Management Compensation Plan and further explained in the following paragraphs.

3.2.1.1. **ANNUAL LEAVE:** The Fire Chief/CEO shall accrue twenty (20) hours Annual Leave per calendar month. Accumulated Annual Leave shall not exceed 600 hours in the accounting period of July 2 to June 30 of any fiscal year. If more than 600 hours of annual leave is accrued **MCREYNOLDS** shall have 100% of the value of all hours in excess of 600 hours, based on the pay rate in the current fiscal year, mandatorily contributed by the District to **MCREYNOLDS'** individual account in the Post-Retirement Medical Benefit Trust. The **BOARD** may allow additional accumulation in unusual circumstances, which require **MCREYNOLDS** to forego vacation for the convenience and benefit of the **DISTRICT**.

3.2.2. Upon separation from employment, one hundred percent (100%) of the value of all remaining unused Annual Leave shall be contributed to the **MCREYNOLDS'** individual account in the Post-Retirement Medical Benefit Trust at the rate of pay in effect at the time of separation from the **DISTRICT**. All or a portion of this value may also be used to pre-fund any premium payments due for participation in the group portion of the Post-Retirement Medical Benefit Trust.

3.2.3. **SICK LEAVE:** The Fire Chief/CEO shall accrue twelve (12) hours of sick leave per calendar month.

- 3.2.3.1. On June 30 of each year, if **MCREYNOLDS** has accumulated in excess of 540 hours of Sick Leave, those excess hours shall be converted to cash value, based on **MCREYNOLDS'** salary for the current fiscal year. That cash value shall be immediately paid into **MCREYNOLDS'** individual account in the Post-Retirement Medical Benefit Trust in accordance with all applicable laws and regulations.
- 3.2.3.2. Upon separation of employment, one hundred percent (100%) of the value of all remaining unused Sick Leave shall be contributed to **MCREYNOLDS'** individual account in the Post-Retirement Medical Benefit Trust and/or an approved 457 Plan at the rate of pay in effect at the time of separation from the **DISTRICT**. For "CLASSIC" **EMPLOYEEES** (as defined by the California Pension Reform Act of 2013), all or a portion of the accrued Sick Leave may be credited to the **EMPLOYEE'S PERS** Retirement in order for said **EMPLOYEE** to retire early.
- 3.2.4. **HOLIDAY LEAVE:** The Fire Chief/CEO shall be entitled to the following twelve (12) holidays. If a holiday falls on a Saturday or Sunday, the leave period shall commence on Friday or Monday. If community or fire department activity requires the Fire Chief/CEO to work on a holiday (for example, the 4<sup>th</sup> of July), the Fire Chief/CEO may exchange the holiday for another day off.
- 3.2.4.1. New Year's Day;
  - 3.2.4.2. Presidents Day;
  - 3.2.4.3. Martin Luther King Day;
  - 3.2.4.4. Memorial Day;
  - 3.2.4.5. Juneteenth (Freedom Day)
  - 3.2.4.6. Independence Day;
  - 3.2.4.7. Labor Day;
  - 3.2.4.8. Columbus Day;
  - 3.2.4.9. Veteran's Day;
  - 3.2.4.10. Thanksgiving Day;
  - 3.2.4.11. The Day After Thanksgiving; and
  - 3.2.4.12. Christmas Day.
- 3.2.5. The Fire Chief/CEO may select three (3) of his existing holidays and utilize them as floating holidays.
- 3.2.6. **BEREAVEMENT LEAVE:** The Fire Chief/CEO shall be entitled to bereavement leave consisting of three (3) days per event. This leave shall be limited to deaths that occur within the immediate family to include spouse, child, brother, sister, parent, in-laws and other blood relatives.

- 3.2.7. **COURT LEAVE:** If summoned by a court to appear for the purpose of qualifying or serving as a juror or for the purpose of appearing as a witness is entitled to court leave for that period of service.
- 3.2.8. **UNIFORMS:** Required uniforms shall be provided by the **DISTRICT**.
- 3.2.9. **HEALTH CONTRIBUTION:** The **DISTRICT** agrees to offer the PERS Health Benefits Program and pay a portion of the associated premiums as specified in this paragraph. The Fire Chief/CEO agrees that he is liable for the difference between the total cost of the health plan he chooses and the **DISTRICT'S PERS** health benefit contribution.
- 3.2.9.1. The **DISTRICT** agrees to maintain a cafeteria-style benefit plan to be available to the Fire Chief/CEO. Benefits which are available through this plan include dental insurance, vision care, life insurance, long term disability (LTD), AD&D, Flexible Spending Account (FSA) plan and health insurance.
- 3.2.9.2. The **DISTRICT** agrees to pay an amount equal to ninety percent (90%) of the current Blue Shield HMO premium for the Fire Chief/CEO's designated coverage (employee + family). With the exception of the Flexible Spending Account (FSA), the **DISTRICT** agrees to pay all administrative fees/costs associated with the above programs. The Fallbrook Firefighters Association agrees to reimburse The District for any direct costs incurred by low participation in the Flexible Spending Account (FSA) plan.
- 3.2.10. It is mutually agreed by all parties that excess funds (\$182.19 monthly per individual employee) shall be made available for the purchase of life, dental, vision and/or health insurance as provided for in the NCFPD cafeteria plan. NCFPD agrees to pay \$2.20 (or current cost) on behalf of all eligible employees for the purchase of a \$10,000 life insurance policy as required by FDAC for plan participation. The balance of said excess funds may at **MCREYNOLDS'** discretion, be used for the purchase any cafeteria plan benefit. Any unused portion of said excess funds shall revert back to NCFPD and shall not be available to the employee for any purpose.
- 3.2.11. **EXECUTIVE LEAVE:** In recognition of the fact that **MCREYNOLDS** does not receive compensatory time, works non-standard hours, is always on call, attends numerous night meetings and works many weekends and holidays, he shall be entitled to eighty (80) hours of personal leave each fiscal year of the contract, which leave is in addition to other leave provided in this agreement. This leave will be credited on July 1 of each year. The eighty (80) hours will be paid time, but shall not be accrued from year-to-year and shall not be credited as vacation time or used to increase any other benefit.

3.2.12. **RETIREMENT:** The **DISTRICT** shall contract with the Public Employees' Retirement System (PERS) to provide, in addition to minimum benefits, retirement benefits described in California Government Code, Section 21363.1, known commonly as three percent at fifty-five (3% at 55). The contract shall also include the following:

- 3.2.12.1. Fourth level of 1959 Survivor Benefits (Section 21574);
- 3.2.12.2. Two years of additional service credit (Section 20903);
- 3.2.12.3. Credit for unused sick leave (Section 20965);
- 3.2.12.4. Post-retirement survivor allowance (Sections 21624, 21626 and 21628);
- 3.2.12.5. One-year final compensation (Section 20042);
- 3.2.12.6. Military Service credit as Public Service (Section 21024);
- 3.2.12.7. **MCREYNOLDS** shall pay the full 9% employee share of the PERS contribution.

3.2.13. **EDUCATION INCENTIVE:** The **DISTRICT** agrees to pay or to reimburse tuition and book costs of any course on job-related subjects. In addition, the **DISTRICT** agrees to pay or reimburse seventy-five percent (75%) of tuition and material costs for upper division and/or post graduate course studies.

3.2.14. **VEHICLE, TRANSPORTATION AND DISTRICT EQUIPMENT:** **MCREYNOLDS** shall be provided a **DISTRICT** Vehicle. **MCREYNOLDS** shall be reimbursed for the actual cost of other modes of transportation used for **DISTRICT** business. In recognition of the fact that **MCREYNOLDS** is always on call, **MCREYNOLDS** may use the vehicle and other **DISTRICT-provided** equipment (cell phone, laptop computer) for more than purely work-related purposes. For purposes of the ethical consideration of a public employee, the personal use of the vehicle, cell phone, laptop computer and office phone is approved without the need for additional approval.

3.2.15. **PHYSICAL EXAMINATION:** **MCREYNOLDS** shall be provided an annual comprehensive physical/medical examination by a qualified physician or medical institution of **MCREYNOLDS'** choice. Such examination shall include a treadmill cardiovascular evaluation. **MCREYNOLDS** shall immediately advise the **BOARD** of any physical or mental condition, which would affect his ability to perform the duties of Fire Chief/CEO.

3.2.16. **PROFESSIONAL DEVELOPMENT:** The **DISTRICT** shall pay the reasonable and necessary costs and allow time for **MCREYNOLDS'** professional development, including professional conferences, seminars, meetings, participation in professional associations, professional dues and subscriptions.

3.2.17. **INDIRECT/BUSINESS EXPENSES:** The **DISTRICT** agrees to reimburse for his



reasonable business-related expenses and such reasonable expense reimbursement shall not be considered additional compensation or wages.

4.0. **DUTIES:**

4.1. **MCREYNOLDS** shall perform the duties of Fire Chief/CEO as established from time to time by law, by the **BOARD** of the **DISTRICT** and as specified in the **DISTRICT'S** job description, **DISTRICT'S** Standard Practices and Rules and Regulations. **MCREYNOLDS** is responsible directly to the **BOARD**. **MCREYNOLDS** shall give full-time to the duties of his office. **MCREYNOLDS** shall have no outside employment.

5.0. **TERMINATION:**

5.1. **BY-NOTICE BY MCREYNOLDS:** **MCREYNOLDS** may resign and thereby terminate this Agreement at any time upon giving **ninety (90) days written notice to the BOARD of the DISTRICT, unless an earlier effective date is agreed to by both parties.** In such event, **MCREYNOLDS** shall continue to render services and be paid regular compensation and benefits up to the date of termination, unless mutually agreed by both parties. Upon such termination, **MCREYNOLDS** shall be entitled to receive only such accrued benefits that may be due and payable at the time, but he shall not be entitled to any severance pay or other compensation.

5.2. **BY NOTICE BY DISTRICT:**

5.2.1. **FOR CAUSE:** The **BOARD** may terminate this contract at any time for cause. "Cause" includes, but is not limited to:

- 5.2.1.1. Intentional or repeated failure to comply with legal requirements or with **DISTRICT'S** policies or directives;
- 5.2.1.2. Commission of any act of fraud, dishonesty, misappropriation of funds, embezzlement, breach of confidence, immoral conduct or other misconduct in rendering of services on behalf of Employer;
- 5.2.1.3. Current illegal use of drugs, substance abuse or being under the influence of alcohol while on duty;
- 5.2.1.4. Repeated discourteous treatment of employees, subordinates, volunteers or the public; or
- 5.2.1.5. Failure or refusal to faithfully, diligently and effectively perform any of the provisions of this agreement.
- 5.2.1.6. Upon such termination, **MCREYNOLDS** shall be entitled to receive only such accrued benefits that may be due and payable at the time, but he shall not be entitled to any severance pay or other compensation.

5.2.2. **AT THE PLEASURE OF THE BOARD OF DIRECTORS:** The **BOARD** may

**terminate MCREYNOLDS' employment and thereby, terminate this Agreement without cause, only upon an affirmative vote of at least four of five (4/5ths) the Board of Directors. If the termination is without cause, MCREYNOLDS shall receive ninety (90) days written notice of the termination, specifying the effective date. Upon such termination, MCREYNOLDS shall be entitled to receive all such accrued benefits as described elsewhere in this agreement that may be due and payable at the time. In addition, as severance pay, MCREYNOLDS shall receive an amount equal to the monthly salary at the time of termination multiplied by the number of months left on the unexpired term of the contract. However, in no case shall the cash settlement be more than the monthly salary multiplied by eighteen (18) months.**

5.2.2.1. **SEVERANCE PAY:** Acceptance of severance pay as defined in 5.2.2., shall constitute a waiver and release of all claims of **MCREYNOLDS** against the **DISTRICT**.

5.3. **BY RETIREMENT:** The employment of **MCREYNOLDS** and this Agreement, shall automatically terminate upon the retirement of **MCREYNOLDS** and upon **MCREYNOLDS** giving **ninety (90) days written notice of such retirement to the DISTRICT**.

5.4. **BY DEATH OR DISABILITY:** The employment of **MCREYNOLDS** and this Agreement shall automatically terminate upon the death of **MCREYNOLDS** or upon the termination of his employment because of permanent disability. As used herein, disability shall have the same meaning and shall be determined in the same manner, as provided under PERS. Neither **MCREYNOLDS** nor his heirs, administrators or assigns shall have any right under this Agreement to salary after such death or disability, but they shall have such rights to accrued benefits as described herein and that may be provided by law and PERS.

## 6.0. **PERFORMANCE AND EVALUATION:**

6.1. The **BOARD** and **MCREYNOLDS** shall, by May 30th of each year, define such goals and performance objectives which they determine necessary for proper operation of the **DISTRICT** in the attainment of the **BOARD'S** policy objectives and shall establish a relative priority among said goals and objectives. This shall be reduced to writing and reviewed and approved by the **BOARD**.

6.2. The **BOARD** shall review and evaluate **MCREYNOLDS'** performance annually in April of each year. Said reviews and evaluations shall be conducted in accordance with specific criteria developed jointly by the **BOARD** and **MCREYNOLDS** which may be added to, or deleted from, as the **BOARD** may from time to time determine in consultation with the Fire Chief/CEO. As a component of the evaluation and no later than May 31st of each year, the **BOARD** will conduct a contract and salary review. Based upon a positive performance evaluation, the **BOARD** will consider



any necessary changes to the contract language or compensation and benefits.

**7.0. OTHER TERMS AND CONDITIONS OF EMPLOYMENT:**

7.1. The **BOARD**, in consultation with **MCREYNOLDS**, may fix any such other terms and conditions of employment, as it may determine from time-to-time, relating to the performance of the Fire Chief/CEO.

**8.0. GENERAL PROVISIONS:**

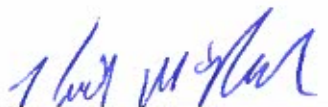


8.1. This Agreement constitutes the entire agreement between the **BOARD** and **MCREYNOLDS**.

8.2. If any provision or any portion of this Agreement is held to be unconstitutional invalid, or unenforceable, the remainder shall be deemed severable, shall not be affected and shall remain in full force and effect.

8.3. This Agreement may be amended only in writing by mutual agreement of the **BOARD** and **MCREYNOLDS**.

8.4. Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 1st day of July, 2022.

FIRE CHIEF/CEO	NORTH COUNTY FIRE PROTECTION DISTRICT
	
Keith McReynolds	Jeff Egkan, Board President
Approved as to Form:	
	
Robert H. James, District Counsel	

**EXHIBIT A**

**FIRE CHIEF/CEO  
WAGE SCALE**

**EFFECTIVE: JULY 1, 2022**

<b>TIME BASE</b>	<b>RANGE</b>	<b>CONTRACT DATE</b>	<b>Effective Date</b>
Hourly	\$110.58	2022	7/1/2022
Bi-Weekly	\$8,846.15		
Annual	\$230,000		

# NORTH COUNTY FIRE PROTECTION DISTRICT

330 S. Main Avenue • Fallbrook, California 92028-2938 • Phone: (760) 723-2005 • Fax: (760) 723-2072 • Web: www.ncfireca.gov

## BOARD OF DIRECTORS

CINDY ACOSTA  
JEFFERY EGKAN  
KENNETH E. MUNSON  
ROSS L. PIKE  
CHRIS SHAW

KEITH MCREYNOLDS - Fire Chief/CEO  
KRISTEN S. STEINKE - General Counsel  
MAVIS CANPINAR - Executive Assistant/Board Clerk

## SIDE LETTER AGREEMENT FOR FIRE CHIEF/CEO KEITH MCREYNOLDS

July 23, 2024

### CONTINUANCE OF CONTRACT THROUGH JUNE 30, 2027 AND INCREASE IN ANNUAL SALARY:

The purpose of this Side Letter is to: (1) extend the employment contract for Keith McReynolds, Fire Chief, for an additional year until June 30, 2027; and (2) implement an increase in the Fire Chief's annual salary to \$ 250,000 .00. The extension of the term of the contract and the increase in annual salary are the only changes to the employment contract. The following provisions of the Fire Chief's employment contract are hereby updated to read as follows:

#### 2.0. TERM OF EMPLOYMENT:

2.1. The term of this agreement shall be from July 1, 2024, through June 30, 2027. This agreement will be reviewed annually as described in Section 6 and upon renewal, the contract will automatically extend for an additional twelve (12) month period on the yearly anniversary date, July 1st, so that the contract term remains three (3) years. However, the **DISTRICT'S** Board of Directors ("**BOARD**") may notify **MCREYNOLDS** on or before May 1st of any year, that the provision for the annual extension has been terminated. In that event, the automatic extension provision shall be terminated and the Employment Agreement shall expire at the end of the then existing period. **MCREYNOLDS** may notify the **DISTRICT** prior to May 1st of any year that he does not desire the extension, in which case the automatic extension shall be terminated and the Employment agreement shall expire at the end of the then existing three-year (3) period.

#### 3.0. COMPENSATION AND BENEFITS:

##### 3.1. ANNUAL COMPENSATION:

3.1.1. **BASE PAY:** **MCREYNOLDS** will be salaried, overtime "exempt" employee as defined by applicable labor law. **MCREYNOLDS** is an "at-will" employee and shall receive a base pay of \$ 250,000 .00 per year beginning the first pay period after execution of this side letter, payable in bi-weekly installments. The **BOARD** may increase said base pay annually, based on **MCREYNOLDS'** performance, as the **BOARD** deems appropriate, as further provided herein. This base pay may not be reduced during the term of this



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSALE AND RAINBOW

DUTY ~ INTEGRITY ~ RESPECT

***SIDE LETTER AGREEMENT***

***JULY 23, 2024***

***PAGE 2 OF 2***

Agreement, except that if the **BOARD** finds it necessary to reduce salaries of all employees, **MCREYNOLDS'** base pay may be reduced by no more than the average percent salary reduction imposed on all other employees. If the **BOARD** determines it necessary to freeze the compensation of all employees, **MCREYNOLDS'** base pay may also be frozen by **BOARD** action.

**FIRE CHIEF**



Keith McReynolds

7-27-2024

**NORTH COUNTY FIRE PROTECTION DISTRICT**

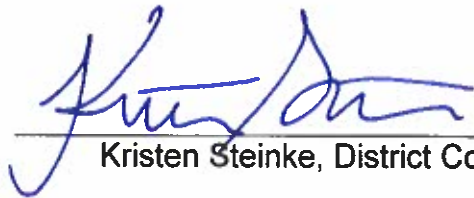


Ross Pike, Board President

July 23, 2024

Board Approval Date

Approved as to Form:



Kristen Steinke, District Counsel