



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
[www. CityofSacramento.org](http://www.CityofSacramento.org)

Consent
May 12, 2009

**Honorable Mayor and
Members of the City Council**

Title: Supplemental Agreement: Tentative Agreement in the Police Department Unit

Location/Council District: City-wide

Recommendation: Adopt a **Resolution** approving Supplemental No. 1 to City Agreement 2005-0053 covering employees in the Police Department Unit, and extending it through June 28, 2013.

Contact: Dee Contreras, Director of Labor Relations, 808-5424 or Lisa Hutchin, Labor Relations Officer.

Department: Labor Relations

Division: All

Organization No: 1610

Description/Analysis

Issue: The City of Sacramento is forecasting a \$50 million budget deficit in Fiscal Year (FY)2009/10. To address the deficit, the Police Department has proposed reductions totaling \$6.4 million, resulting in the elimination of sixty-seven (67) positions. Faced with possible layoffs, the City approached the Sacramento Police Officers Association (SPOA) and requested to meet and confer regarding the budget shortfall. This discussion resulted in a tentative agreement to "freeze" step increases for two fiscal years, beginning June 20, 2009, and delay the salary adjustment due on June 20, 2009. It was agreed that the previously bargained-for five percent salary adjustment would be spread out over a

two and one-half year period from midyear of FY2010/11 to the end of FY2012/13, with an additional one and one-half percent (1.5%) included over the four year term. The tentative agreement will save the General Fund approximately \$6 million in FY2009/10 and \$11.5 million through FY2013/14.

Policy Considerations: Approval of the Addendum by the City Council fulfills the City's legal obligation under the Meyers-Milias-Brown Act, adheres to the City's positive labor-management relations concept, and guarantees labor stability to 2013.

Environmental Considerations: Not applicable.

Rationale for Recommendation: Discussions between the City and the SPOA resulted in a tentative agreement to "freeze" step increases for two years, beginning June 20, 2009, and delay the annual salary adjustment to January of 2011. Additionally, the previously agreed-to five percent salary adjustment has been spread across a two and one-half year period, with an additional one and one-half percent (1.5%) increase in January of 2013. The City and SPOA have agreed to guarantee no layoffs of SPOA members during FY2009/10. Additionally, it provides a five percent (5%) longevity pay increase to senior employees for a period of eighteen months, to avoid a negative impact on their retirement.

Financial Considerations: The tentative agreement will result in approximately \$6 million in General Fund savings during FY2009/10. The remaining term of the agreement will result in an increase of approximately \$9.6 million. These increases will be partially offset by \$5.6 million (\$1.4 annually) in salary savings within the Police Department. Further details are provided in Attachment 1.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: Dee Contreras
Dee Contreras, Director of Labor Relations

Approved by: Gus Vina
Gus Vina, Assistant City Manager

Recommendation Approved:

for Gus Vina
Ray Kerridge
City Manager

Table of Contents:

Report	pg. 1-3
Attachments	
1 Additional Financial Information	pg. 4
2 Resolution	pg. 5
3 Exhibit A – Addendum Covering Police Dept Unit	pg. 6
4 Exhibit B – Salary Schedules	pg. 9

Attachment 1

Additional Financial Information

FY2009/10 \$6.042 million in salary savings from foregoing a 5% salary adjustment and step increases.

Approximately 37 employees qualify for senior officer/employee pay of 5%, however they will be required to furlough 104 hours/year, so the cost is neutral.

FY2010/11 \$873,000 increase in expense for 2% salary increase at mid-year and foregoing step increases.

FY2011/12 \$3.1 million increase in expense for 1% salary increase at midyear, resumption of step increases, and continuation of adjustments approved in FY2010/11.

FY2012/13 \$5.7 million increase in expenses for 1% salary increase at the beginning of the fiscal year, 2.5% salary increase at mid-year, and continuation of adjustments approved in FY2010/11 and FY2011/12. Step increases will be trued up on July 31, 2013.

Savings \$11.5 million in savings over the term of the agreement based on the current SPOA contract.

RESOLUTION NO. _____

Adopted by the Sacramento City Council

Agreement Covering the Police Department Unit (2009 – 2013)

BACKGROUND

- A. Pursuant to the Meyers-Milias-Brown Act governing public sector collective bargaining, the City has met and conferred with the Sacramento Police Officers Association, which is the recognized employee organization for employees in the Police Department Unit, regarding a three-year contract extension, delay in step increases and a delay in the 2009 salary adjustment.
- B. The parties have reached an agreement on the following terms and conditions: contract extension, two year step increase freeze, delay in the annual salary adjustment, and longevity pay for senior employees. The Addendum which describes these terms is in Exhibit A. The salary schedule for 2011, 2012 and 2013 is in Exhibit B.
- C. The terms of the agreement are consistent with the obligations of the City to bargain in good faith, are in line with the City's strategic goals and serve the interests of the City, the Police Department and the community by continuing positive labor relations.

BASED ON THE FACTS SET FORTH IN THE APPENDICES, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Addendum covering the Police Department Unit is adopted as attached and the Director of Labor Relations is authorized to execute the agreements.
- Section 2. The salary schedules for the Police Department Unit for years 2011, 2012 and 2013 are adopted as attached.

Table of Contents:

- Exhibit A: Addendum – 3 pages
- Exhibit B: Salary Schedules – 2 pages

Exhibit A

Addendum Covering the Police Department Unit

Term of Agreement

Effective June 20, 2009, Article 23.16a., TERM, will be modified to read as follows:

- a. This Agreement shall remain in full force and effect from June 24, 2005 to, and including June 28, 2013.

Salaries

1. Effective June 20, 2009, Article 5.6, 2009-2010 SALARIES, and Exhibit A-4 will be deleted and replaced with the following:

Article 5.6 2010-2011 SALARIES

Effective January 1, 2011, salary ranges in terms of bi-weekly rates shall be adjusted by two percent (2%), and are set forth in Exhibit A-4

Article 5.7 2011-2012 SALARIES

Effective December 31, 2011, salary ranges in terms of bi-weekly rates shall be adjusted by one percent (1%), and are set forth in Exhibit A-5.

Article 5.8 2012-2013 SALARIES

Effective June 30, 2012, salary ranges in terms of bi-weekly rates shall be adjusted by one percent (1%), and are set forth in Exhibit A-6

Effective December 29, 2012, salary ranges in terms of bi-weekly rates shall be adjusted by two and one-half percent (2.5%) and are set forth in Exhibit A-7.

2. Employees will receive eighty (80) hours of Paid Time Off on June 20, 2009 and forty (40) hours of Paid Time Off on June 19, 2010.
3. Paid Time Off will have no cash value.
4. This agreement may be reopened by the Association on January 1, 2011 should the Police Department receive "stimulus" funds.

Step Increases

1. Effective June 20, 2009, employees who are not at the top step of their salary range will have their salary step frozen for a period of two (2) years. For example, Employee A is at Step C/8 and is due to advance to Step D/9 on September 12, 2009. Employee A's advancement to that step will be suspended until September 12, 2011.
2. Employees who have their advancements suspended will receive eighty (80) hours of Paid Time Off.
3. Paid Time Off will have no cash value.
4. Effective June 18, 2011, the provisions of Article 6.2a., ADVANCEMENT IN RATE OF COMPENSATION, Advancement in Steps, will be reinstated. Employees who are not at the top step of their salary range, and have completed their two-year step freeze period, will advance one (1) step on their anniversary date.
5. On June 29, 2013, employees who are not at the top step of their salary range, on their anniversary date, will be advanced to the salary step they would have been on had their salary not been suspended.

Senior Employee Pay

1. Effective June 20, 2009, full-time employees in the classifications of Dispatcher II and Dispatcher III will receive Senior Employee Pay in the amount of five percent (5%).
2. To qualify for Senior Employee Pay, the employee must have twenty-four (24) or more years of City service, and be at least fifty-four (54) years old.
3. Employees who receive Senior Employee Pay are required to furlough one (1) day per month (104 hours per year). Employees will normally not be scheduled for overtime on their furlough day.
4. Senior Employee Pay will be discontinued on January 1, 2011.
5. Senior Employee Pay is considered to be longevity pay and reportable as special compensation under PERS law.

Senior Officer Pay

1. Effective June 20, 2009, full-time employees in the classifications of Police Officer and Police Sergeant will receive Senior Officer Pay in the amount of five percent (5%).
2. To qualify for Senior Officer Pay, the employee must have twenty-four (24) or more years of PERS Safety service, and be at least forty-nine (49) years old.
3. Employees who receive Senior Officer Pay are required to furlough one (1) day per month (104 hours per year). Employees will normally not be scheduled for overtime, nor will they normally receive on-call pay on their furlough day.
4. Senior Officer Pay will be discontinued on January 1, 2011.
5. Senior Officer Pay is considered to be longevity pay and reportable as special compensation under PERS law.

Layoffs

The City will not lay off any employees in the classifications of Police Officer, Police Sergeant, Community Service Officer, or Dispatchers I, II, and III in Fiscal Year 2009-2010.

Residency Requirement

Effective June 20, 2009, the requirement to live at least thirty-five (35) miles from the freeway interchange at W/X Streets, 29th and 30th Streets, as set forth in Rule 13.3 of the Rules and Regulations of the Civil Service Board, is waived for Police Officers and Police Sergeants who are not currently covered by other policies.

Exhibit B

Salary Schedules

Effective January 1, 2011

		Step 1	Step 2	Step 3	Step 4	Step 5
Community Service Officer	Bi-Weekly	1749.191565	1836.651144	1928.483701	2024.907886	2126.153280
	Hourly	21.864895	22.958139	24.106046	25.311349	26.576916
Dispatcher I	Bi-Weekly	1716.551733	1802.379320	1892.498286	1987.123200	2086.479360
	Hourly	21.456897	22.529741	23.656229	24.839040	26.080992
Dispatcher II	Bi-Weekly	2098.958718	2203.906654	2314.101986	2429.807086	2551.297440
	Hourly	26.236984	27.548833	28.926275	30.372589	31.891218
Dispatcher III	Bi-Weekly	2410.205229	2530.715491	2657.251265	2790.113829	2929.619520
	Hourly	30.127565	31.633944	33.215641	34.876423	36.620244
Police Officer	Bi-Weekly	2188.365811	2297.784101	2412.673306	2533.306971	2659.972320
	Hourly	27.354573	28.722301	30.158416	31.666337	33.249654
Police Sergeant	Bi-Weekly	2859.294948	3002.259695	3152.372680	3309.991314	3475.490880
	Hourly	35.741187	37.528246	39.404659	41.374891	43.443636

Effective December 31, 2011

		Step 1	Step 2	Step 3	Step 4	Step 5
Community Service Officer	Bi-Weekly	1766.683481	1855.017655	1947.768538	2045.156965	2147.414813
	Hourly	22.083544	23.187721	24.347107	25.564462	26.842685
Dispatcher I	Bi-Weekly	1733.717250	1820.403113	1911.423269	2006.994432	2107.344154
	Hourly	21.671466	22.755039	23.892791	25.087430	26.341802
Dispatcher II	Bi-Weekly	2119.948305	2225.945720	2337.243006	2454.105157	2576.810414
	Hourly	26.499354	27.824322	29.215538	30.676314	32.210130
Dispatcher III	Bi-Weekly	2434.307282	2556.022646	2683.823778	2818.014967	2958.915715
	Hourly	30.428841	31.950283	33.547797	35.225187	36.986446
Police Officer	Bi-Weekly	2210.249469	2320.761942	2436.800039	2558.640041	2686.572043
	Hourly	27.628118	29.009524	30.460000	31.983001	33.582151
Police Sergeant	Bi-Weekly	2887.887898	3032.282292	3183.896407	3343.091227	3510.245789
	Hourly	36.098599	37.903529	39.798705	41.788640	43.878072

Effective June 30, 2012

		Step 1	Step 2	Step 3	Step 4	Step 5
Community Service Officer	Bi-Weekly	1784.350316	1873.567831	1967.246223	2065.608534	2168.888961
	Hourly	22.304379	23.419598	24.590578	25.820107	27.111112
Dispatcher I	Bi-Weekly	1751.054423	1838.607144	1930.537501	2027.064376	2128.417595
	Hourly	21.888180	22.982589	24.131719	25.338305	26.605220
Dispatcher II	Bi-Weekly	2141.147788	2248.205177	2360.615436	2478.646208	2602.578519
	Hourly	26.764347	28.102565	29.507693	30.983078	32.532231
Dispatcher III	Bi-Weekly	2458.650354	2581.582872	2710.662016	2846.195117	2988.504872
	Hourly	30.733129	32.269786	33.883275	35.577439	37.356311
Police Officer	Bi-Weekly	2232.351963	2343.969562	2461.168040	2584.226442	2713.437764
	Hourly	27.904400	29.299620	30.764600	32.302831	33.917972
Police Sergeant	Bi-Weekly	2916.766777	3062.605115	3215.735371	3376.522140	3545.348247
	Hourly	36.459585	38.282564	40.196692	42.206527	44.316853

Effective December 29, 2012

		Step 1	Step 2	Step 3	Step 4	Step 5
Community Service Officer	Bi-Weekly	1828.959074	1920.407027	2016.427379	2117.248748	2223.111185
	Hourly	22.861988	24.005088	25.205342	26.465609	27.788890
Dispatcher I	Bi-Weekly	1794.830783	1884.572323	1978.800939	2077.740986	2181.628035
	Hourly	22.435385	23.557154	24.735012	25.971762	27.270350
Dispatcher II	Bi-Weekly	2194.676483	2304.410307	2419.630822	2540.612363	2667.642982
	Hourly	27.433456	28.805129	30.245385	31.757655	33.345537
Dispatcher III	Bi-Weekly	2520.116613	2646.122444	2778.428566	2917.349994	3063.217494
	Hourly	31.501458	33.076531	34.730357	36.466875	38.290219
Police Officer	Bi-Weekly	2288.160762	2402.568801	2522.697241	2648.832103	2781.273708
	Hourly	28.602010	30.032110	31.533716	33.110401	34.765921
Police Sergeant	Bi-Weekly	2989.685946	3139.170243	3296.128755	3460.935193	3633.981953
	Hourly	37.371074	39.239628	41.201609	43.261690	45.424774