



**REPORT TO COUNCIL,
REDEVELOPMENT AGENCY
SUCCESSOR AGENCY AND
HOUSING AUTHORITY**

**City of Sacramento
915 I Street, Sacramento, CA
95814-2671**

www.cityofsacramento.org

**Consent
April 23, 2013**

**Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Housing Authority Board
Honorable Chair and Members of the Redevelopment Agency Successor
Agency Board**

**Title: 2013 Benefit Recommendations for Unrepresented Employees of
Sacramento Housing and Redevelopment Agency (SHRA)**

Location/Council District: Citywide

Issue: Sacramento Housing and Redevelopment Agency (SHRA) is seeking authorization to change employee benefits for unrepresented employees of SHRA.

Recommendation: 1) Adopt a **City Resolution** authorizing the Sacramento Housing and Redevelopment Agency (SHRA) to approve benefit changes for exempt management and confidential (unrepresented) employees 2) a **Housing Authority Resolution** authorizing the Sacramento Housing and Redevelopment Agency (SHRA) to approve benefit changes for exempt management and confidential (unrepresented) employees, and 3) a **Redevelopment Agency Successor Agency Resolution** acknowledging that the Sacramento Housing and Redevelopment Agency (SHRA) is authorized to approve benefit changes for exempt management and confidential (unrepresented) employees.

Contact: La Shelle Dozier, Executive Director, 916-440-1319, James Shields, Director of Administration, 916-440-1319

Presenters: Not Applicable

Department: Sacramento Housing & Redevelopment Agency

Benefit Recommendations for Unrepresented Employees

Description/Analysis

Issue: This report recommends that the City Council and Housing Authority of the City of Sacramento authorize SHRA to approve the benefit changes covering confidential and exempt (unrepresented) Sacramento Housing and Redevelopment Agency employees as follows:

1. Retirement Plan and Contribution.

Under the current level of unrepresented benefits, the Agency pays the first four percent (4%) of an employee's seven percent (7%) Public Employees Retirement System (PERS) contribution. Effective July 1, 2013, the Agency will pay two percent (2%) of the employee's seven percent (7%) PERS contribution. Effective January 1, 2014, the Agency will pay one percent (1%) of the employee's seven percent (7%) PERS contribution. Effective January 1, 2015, all unrepresented employees will pay the entire seven percent (7%) PERS contribution.

In accordance with the California Public Employees Pension Reform Act of 2013 (PEPRA), all new employees hired on or after January 1, 2013, who are considered "new members" under the PEPRA shall be in the 2% at 62 CalPERS retirement formula described in PEPRA and will pay the entire seven percent (7%) PERS contribution.

2. Vacation.

Effective May 4, 2013, the maximum annual leave accrual limits for all full-time unrepresented employees shall be as follows:

- (1) Zero through three (3) years of service a maximum of 230 hours;
- (2) Beginning with year four (4) and through year ten (10) of service a maximum of 340 hours;
- (3) Beginning with eleven (11) and through fifteen (15) years of service a maximum of 400 hours;
- (4) After fifteen (15) years of service a maximum of 460 hours.

There will be no change in the current accrual rates.

During any year in which an exempt or confidential employee has an accrued vacation balance of 160 hours or more, the employee may elect to take up to eighty (80) hours of vacation in pay rather than time.

3. Longevity Pay.

- (1) Unrepresented employees who have been employed by the Agency for a period of twenty (20) to twenty-four (24) years on January 1 of each year shall receive longevity pay of \$350 on the second payday of January.
- (2) Employees who have been employed by the Agency for a period of twenty-five (25) to twenty-nine (29) years on January 1 of each year shall receive \$550 on the second payday of January.

Benefit Recommendations for Unrepresented Employees

- (3) Employees who have been employed by the Agency for a period of thirty (30) years or more in January 1 of each year shall receive \$750 on the second payday of January.

4. Supplemental Leave

- (1) On January 1 of each year, Exempt employees will be credited with eighty (80) hours of supplemental leave that may be taken in addition to vacation. Supplemental leave will be available for immediate use.

SHRA Internal Agency policies, procedures, and Personnel Rules will be updated to comply with all approved benefit changes.

Policy Considerations: The recommended actions in this report are consistent with Agency Policy and labor relations practices and have been reviewed by the City and County Labor Relations Department. Proposed changes are also consistent with SHRAEA contract ratified on March 5, 2013.

Environmental Considerations: The proposed actions consist of governmental fiscal activities which do not involve a commitment to any specific project, and as such, does not constitute a "project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(4). The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) 24 CFR 34(a) (3).

Rationale for Recommendation: The Agency has been in labor negotiations with the SHRA Employees Association (SHRAEA) and the American Federation of State, County and Municipal Employees (AFSCME) Local 146. The SHRAEA membership ratified a three-year agreement on March 5, 2013, and the Agency has reached a three-year tentative agreement with AFSCME. The recommended changes to unrepresented employees PERS contributions, vacation accrual limits, and longevity pay are the same as those in the recently ratified SHRAEA agreement. In addition, we are also recommending changes to unrepresented employee vacation payout limits and increasing supplemental leave.

SHRA exempt management and confidential (unrepresented) employees have not received a Cost of Living Adjustment (COLA) since 2008 and plan for none in 2013. Salary ranges are not scheduled for any changes for SHRA unrepresented classifications.

Financial Considerations: The impact of these benefit changes are projected to result in a three-year overall cost savings of \$749,500 to the Agency.

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M/WBE Considerations: The items discussed in this report have no M/WBE impact; therefore M/WBE considerations do not apply.

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

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Approved as to form:


Agency Counsel

APPROVED AS TO FORM:


CITY ATTORNEY



RESOLUTION NO. 2013 –

Adopted by the Sacramento City Council

on date of

2013 BENEFIT RECOMMENDATIONS FOR UNREPRESENTED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY EMPLOYEES

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (Agency or SHRA) has been in labor negotiations with both the SHRA Employees Association (SHRAEA) and AFSCME Local 146. The SHRAEA membership ratified a three-year agreement on March 5, 2013, and the Agency is continuing negotiations with AFSCME.
- B. The proposed changes to unrepresented employee Public Employee Retirement System (PERS) contributions, vacation accrual limits, and longevity pay are the same as those in the recently ratified SHRAEA agreement.
- C. The SHRA exempt management and confidential (unrepresented) employees have not received a Cost of Living Adjustment (COLA) since 2008 and plan for none in 2013. Salary ranges are not scheduled for any changes for SHRA unrepresented classifications.
- D. The proposed action consists of governmental fiscal activities which do not involve a commitment to any specific project, and as such, does not constitute a “project” under the California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(4). The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) 24 CFR 34(a)(3).

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

- Section 1. All evidence presented having been duly considered, the findings, and declarations set forth above are true and correct.
- Section 2. The Sacramento Housing and Redevelopment Agency is authorized to approve the benefit changes covering confidential and exempt (unrepresented) employees as outlined below.

Benefit Recommendations for SHRA Unrepresented Employees

A. Retirement Plan and Contribution.

- (1) Effective July 1, 2013, the Agency will pay only 2% of the employee's 7% PERS contribution.
- (2) Effective January 1, 2014, the Agency will pay only 1% of the employee's seven percent (7%) PERS contribution.
- (3) Effective January 1, 2015, all unrepresented employees will pay the entire 7% PERS contribution.
- (4) In accordance with the California Public Employees Pension Reform Act of 2013 (PEPRA), all new employees hired on or after January 1, 2013, who are considered "new members" under the PEPRA shall be in the 2% at 62 CalPERS retirement formula described in PEPRA and will pay the entire 7% PERS contribution.

B. Vacation.

Effective May 4, 2013, the maximum annual leave accrual limits for all full-time unrepresented employees shall be as follows:

- (1) Zero through 3 years of service a maximum of 230 hours
- (2) Beginning with year 4 and through ten 10 years of service a maximum of 340 hours
- (3) Beginning with year 11 and through 15 years of service a maximum of 400 hours
- (4) After 15 years of service a maximum of 460 hours.
- (5) There will be no change in the current accrual rates. During any year in which an exempt or confidential employee has an accrued vacation balance of 160 hours or more, the employee may elect to take up to eighty (80) hours of vacation in pay rather than time.

C. Longevity Pay.

- (1) Unrepresented employees who have been employed by the Agency for a period of 20 to 24 years on January 1 of each year shall receive longevity pay of \$350 on the second payday of January.
- (2) Employees who have been employed by the Agency for a period of 25 to 29 years on January 1 of each year shall receive \$550 on the second payday of January.
- (3) Employees who have been employed by the Agency for a period of 30 years or more in January 1 of each year shall receive \$750 on the second payday of January.

D. Supplemental Leave

- (1) On January 1 of each year, Exempt employees will be credited with eighty (80) hours of supplemental leave that may be taken in addition to vacation. Supplemental leave will be available for immediate use.

Section 3. The SHRA is authorized to update its Internal policies, procedures, and personnel rules to comply with benefit changes as outlined in this resolution.



RESOLUTION NO. 2013 –

Adopted by the Housing Authority of the City of Sacramento

on date of

2013 BENEFIT RECOMMENDATIONS FOR UNREPRESENTED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY EMPLOYEES

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (Agency or SHRA) has been in labor negotiations with both the SHRA Employees Association (SHRAEA) and AFSCME Local 146. The SHRAEA membership ratified a three-year agreement on March 5, 2013, and the Agency is continuing negotiations with AFSCME.
- B. The changes to unrepresented employee Public Employee Retirement System (PERS) contributions, vacation accrual limits, and longevity pay are the same as those in the recently ratified SHRAEA agreement.
- C. The SHRA exempt management and confidential (unrepresented) employees have not received a COLA since 2008 and plan for none in 2013. Salary ranges are not scheduled for any changes for SHRA unrepresented classifications.
- D. The proposed action consists of governmental fiscal activities which do not involve a commitment to any specific project, and as such, does not constitute a “project” under the California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(4). The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) 24 CFR 34(a)(3).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action as stated above are approved.
- Section 2. The Sacramento Housing and Redevelopment Agency is authorized to approve the benefit recommendations covering confidential and exempt (unrepresented) employees as outlined below.

A. Retirement Plan and Contribution.

- (1) Effective July 1, 2013, the Agency will pay only 2% of the employee's 7% PERS contribution.
- (2) Effective January 1, 2014, the Agency will pay only 1% of the employee's 7% PERS contribution.
- (3) Effective January 1, 2015, all unrepresented employees will pay the entire 7% PERS contribution.
- (4) In accordance with the California Public Employees Pension Reform Act of 2013 (PEPRA), all new employees hired on or after January 1, 2013, who are considered "new members" under the PEPRA shall be in the 2% at 62 CalPERS retirement formula described in PEPRA and will pay the entire 7% PERS contribution.

B. Vacation.

Effective May 4, 2013, the maximum annual leave accrual limits for all full-time unrepresented employees shall be as follows:

- (1) Zero through 3 years of service a maximum of 230 hours
- (2) Beginning with year 4 and through 10 years of service a maximum of 340 hours
- (3) Beginning with year 11 and through 15 years of service a maximum of 400 hours
- (4) After 15 years of service a maximum of 460 hours.
- (5) There will be no change in the current accrual rates. During any year in which an exempt or confidential employee has an accrued vacation balance of 160 hours or more, the employee may elect to take up to eighty (80) hours of vacation in pay rather than time.

C. Longevity Pay.

- (1) Unrepresented employees who have been employed by the Agency for a period of 20 to 24 years on January 1 of each year shall receive longevity pay of \$350 on the second payday of January.
- (2) Employees who have been employed by the Agency for a period of 25 to 29 years on January 1 of each year shall receive \$550 on the second payday of January.
- (3) Employees who have been employed by the Agency for a period of 30 years or more in January 1 of each year shall receive \$750 on the second payday of January.

D. Supplemental Leave

- (1) On January 1 of each year, Exempt employees will be credited with eighty (80) hours of supplemental leave that may be taken in addition to vacation. Supplemental leave will be available for immediate use.

Section 3. The SHRA is directed to revise internal Agency policies, procedures, and Personnel Rules to comply with approved benefit changes.



RESOLUTION NO. 2013 –

Adopted by the Redevelopment Agency Successor Agency

on date of

2013 BENEFIT RECOMMENDATIONS FOR UNREPRESENTED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY EMPLOYEES

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (Agency or SHRA) has been in labor negotiations with both the SHRA Employees Association (SHRAEA) and AFSCME Local 146. The SHRAEA membership ratified a three-year agreement on March 5, 2013, and the Agency is continuing negotiations with AFSCME.
- B. The proposed changes to unrepresented employee Public Employee Retirement System (PERS) contributions, vacation accrual limits, and longevity pay are the same as those in the recently ratified SHRAEA agreement.
- C. The SHRA exempt management and confidential (unrepresented) employees have not received a COLA since 2008 and plan for none in 2013. Salary ranges are not scheduled for any changes for SHRA unrepresented classifications.
- D. The proposed action consists of governmental fiscal activities which do not involve a commitment to any specific project, and as such, does not constitute a "project" under the California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(4). The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) 24 CFR 34(a)(3).
- E. The Redevelopment Agency Successor Agency's (RASA) authority under AB 1x 26 is limited.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action as stated above are approved.
- Section 2. RASA acknowledges that the Sacramento Housing and Redevelopment Agency is authorized to approve benefit changes covering confidential and

exempt (unrepresented) Sacramento Housing and Redevelopment Agency employees as outlined below.

A. Retirement Plan and Contribution.

- (1) Effective July 1, 2013, the Agency will pay only 2% of the employee's 7% PERS contribution.
- (2) Effective January 1, 2014, the Agency will pay only 1% of the employee's 7% PERS contribution.
- (3) Effective January 1, 2015, all unrepresented employees will pay the entire 7% PERS contribution.
- (4) In accordance with the California Public Employees Pension Reform Act of 2013 (PEPRA), all new employees hired on or after January 1, 2013, who are considered "new members" under the PEPRA shall be in the 2% at 62 CalPERS retirement formula described in PEPRA and will pay the entire 7% PERS contribution.

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C. Longevity Pay.

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Supplemental Leave

- (1) On January 1 of each year, Exempt employees will be credited with eighty (80) hours of supplemental leave that may be taken in addition to vacation. Supplemental leave will be available for immediate use.