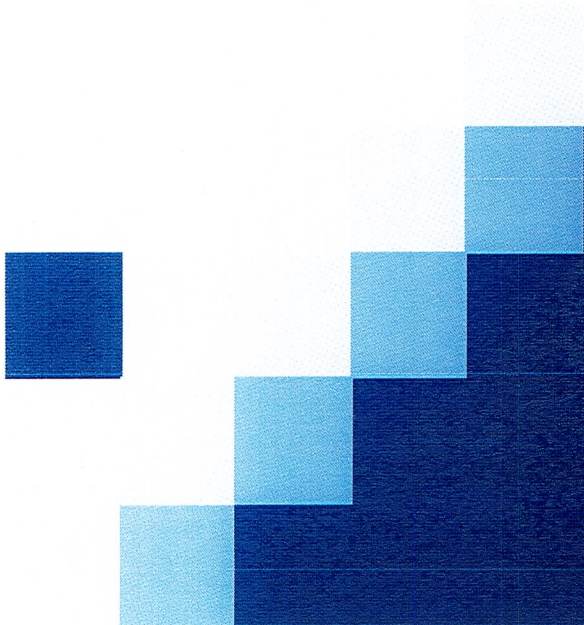




CLV and IAFF, Local 1285 Labor Contract Summary

Submitted after meeting
Date 8/6/2009 Item 72



Historical Perspective

- All contracts over the past 15 years have been multi-year contracts
- All contracts have Step Increases on employee's anniversary date for first 7 to 9 years
 - Most are at 5.0%, but they range from 4.8% to 8.0%
 - In 15 years these have never been re-negotiated
- 15 yr average fiscal year COLAs for bargaining units:
 - Fire: 3.56%; CEA: 3.30%; POA: 3.29%;
PPA: 3.10%; Western CPI: 2.77%



City Fiscal Status

- FY 2010 operating shortfall is \$30M
- FY 2010 through FY 2015 cumulative shortfall, including current negotiated considerations, is about \$224M, averaging \$37M per year
- In order to balance operating budget by FY 2015 with a minimum 10% fund balance, City needs to:
 - Draw down current fund balance by a cumulative \$39M over FYs 2010, 2011, and 2012
 - Transfer a cumulative \$22M from RSF to GF in FYs 2012, 2013, 2014 and 2015
 - Reduce programs or roll back compensation by an additional \$25M in FY 2011



SB 427

- Effective ***January 1, 2010***
- Arbitrators will then need to consider:
 - Other government employee compensation both in and ***out*** of the state
 - The agencies ability to pay ***over the course*** of the multi-year contract, not just the first year



SB 427

- Starting in 2010, the City Manager will then be required to present a report:
 - At a public hearing, within 45 days
 - The issues negotiated/arbitrated
 - The fact finder recommendation or arbitrator decision
 - The fiscal impact of the recommendations or decision on: compensation, reimbursement, funding, benefits, hours, working conditions, other terms and conditions



IAFF Summary

■ Two Year Contract

- Wages and Benefits to be reopened in second year

■ Wages

- No COLA in first year, second year to be negotiated
- City to pick up Employee share of July 2009 3.5% rate increase

■ Medical Benefits

- City contribution increased from \$53 per employee, pay period

■ Union Business Leave

- Increased annual shifts by 45 per year, roll-over increased by 90 shifts per year

■ Education Incentive (new article)

- Employee option to receive annual incentive pay rather than tuition reimbursement
- Associates: \$525; Bachelors: \$1,050; Masters or higher: \$1,300

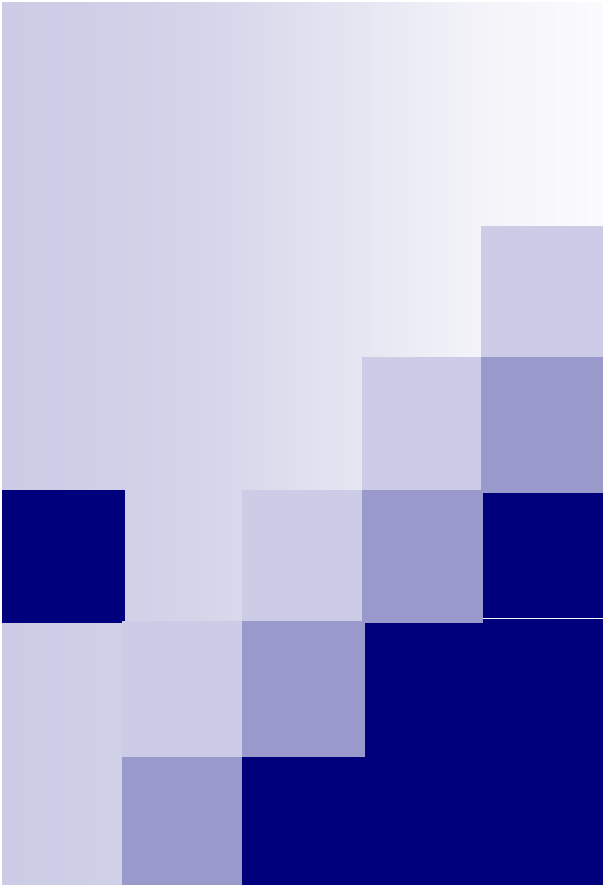
■ Others

- Training Division schedule change
- Promotion/Selection Procedures
- Incorporated Urban Search and Rescue (USAR) MOU
- Clarified tracking of catastrophic leave donations
- Added NFPA standards to physical examinations

IAFF Fiscal Impacts

- 4.4% increase to current F&R wages and benefits (\$4.5 million)
- 2.3% of that attributable to existing articles
- 2.1% of that attributable to proposed article changes

Total FY 2010 Compensation Growth			
Item	Total	Negotiated	Existing
COLA	0.00%	0.00%	0.00%
Steps	0.96%	0.00%	0.96%
PERS/Emplee	0.00%	0.00%	0.00%
PERS/Empler	2.30%	1.15%	1.15%
Trust Fund	0.81%	0.81%	0.00%
Normal Benefits	0.20%	0.00%	0.20%
Other	<u>0.16%</u>	<u>0.16%</u>	<u>0.00%</u>
	<u>4.43%</u>	<u>2.12%</u>	<u>2.31%</u>



Questions?



CEA & POA Fiscal “Triggers”

In consideration for re-opening existing contracts, future layoffs will be limited to the following conditions:

- Workload has diminished;
- CLV decides to eliminate a program or service;
- The Budget Corrective Action Plan is revised due to one of the “triggers” in the general fund fiscal model; those triggers are:
 - Revenue declines more than 2% from the projection during a six month period; or
 - Revenue decline exceeds 50% of the Revenue Stabilization Fund during a six month period.



Recent CEA Re-Negotiations

- Considerations:

- ☐ Extended contract 3 years to FY 2014
- ☐ Reduced FY 2010 COLA from 3.5% to 2.5%
- ☐ Possibility of reducing FY 2011 through FY 2014 COLAs from 3.0% to 2.0% via Resolution

- Estimated savings:

- ☐ \$1,500,000 annually, or 1.0% of the CEA wage and benefit cost for FY 2010



Recent LVPPA Re-Negotiations

- Considerations:

- Reduced uniform allowance from \$712.50 for FY 2010 and \$792.50 for FY 2011

- Estimated savings:

- \$55,000 annually, or 0.5% of the PPA wage and benefit cost for FY 2010 and FY 2011



Recent POA Re-Negotiations

- Considerations:

- ☐ Reduced uniform allowance by \$500 for FY 2010 and FY 2011
- ☐ Reduced City's health and welfare contribution by \$30 in FY 2010 and by \$50 in FY 2011
- ☐ Reduced FY 2011 COLA from 3.5% to 2.5%
- ☐ Increased TILO balance by 40 hrs, and gave one-time award of 24 hrs of TILO

- Estimated savings:

- ☐ \$112,000 in FY 2010 (0.5% of the PPA wage and benefit cost)
- ☐ \$420,000 in FY 2011 (1.2% of the PPA wage and benefit cost)

Negotiation Comparison

CBA	FY 2009 Total Comp (millions)	FY 2010			FY 2011		
		New Contract	Hist.	Diff.	New Contract	Hist.	Diff.
LVCEA	\$148.1	4.7%	5.8%	1.0%	3.8%	4.7%	1.0%
LVPPA	\$6.3	5.8%	6.3%	0.6%	5.8%	5.7%	0.0%
LVPOA	\$24.9	7.1%	7.5%	0.5%	5.8%	7.0%	1.2%
IAFF	\$102.7	4.4%	5.3%	0.9%	??	4.8%	??