



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 9, 2007

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: New Police Memorandum of Understanding

RECOMMENDATION: That Council:

- A. Ratify the Memorandum of Understanding between the City and the Santa Barbara Police Officers' Association for the period of July 1, 2006, through December 31, 2009, by introduction and subsequent adoption of, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Adopting the Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara Police Officers' Association;
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 06-055, the Position And Salary Control Resolution for Fiscal Year 2007, Affecting the Salaries of Police Sworn, Non-Sworn, and Police Managers;
- C. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Ordinance No. 5356, the Management Salary Plan, for Fiscal Years 2005 through 2008; and
- D. Increase appropriations from General Fund appropriated reserves by \$692,904 in the Fiscal Year 2007 Police Department budget for increased salary and benefit costs.

EXECUTIVE SUMMARY:

Negotiators have reached agreement for a new three and one-half year labor agreement with the Santa Barbara Police Officers Association (P.O.A.) within the parameters provided by the City Council. The agreement provides for salary and benefit increases equivalent to 26.5% for sworn employees including significant special salary adjustments to address recruitment and retention issues. The agreement also provides for salary and benefit increases equivalent to 16.4% for non-sworn employees, including market adjustments for public safety dispatchers.

REVIEWED BY: _____ Finance _____ Attorney

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The current agreement with the Police Management Association (P.M.A.) requires that Police Lieutenants and Captains receive the same salary increases in FY 2007 and FY 2008 as sworn sergeants under their labor agreement. Staff also recommends that the salaries of the Deputy Police Chief and the Police Chief be adjusted in FY 2007 and FY 2008 in order to maintain appropriate differentials among management staff.

Appropriations of \$692,904 to the FY 2007 Police Department budget are necessary to cover the cost of these Police Department increases.

DISCUSSION:

Negotiators from the City and the Santa Barbara Police Officers Association began meeting and conferring on May 11, 2006 with regard to a new labor agreement. In December, negotiators reached a tentative agreement which will provide salary and benefit increases equivalent to 26.5% for sworn employees and 16.4% for non-sworn employees. Staff recommends that Council ratify this new three and one-half year labor agreement.

Salaries

The agreement provides for the following regular base salary increases and special recruitment and retention adjustments for sworn officers and sergeants:

Date	Regular Increase	Recruitment & Retention	TOTAL
July 2006 January 2007	4.0%	1.0% 5.0%	5.0% 5.0%
July 2007 January 2008	2.0% 1.0%	1.0%	2.0% 2.0%
July 2008 April 2009	3.0%	0.5% 2.5%	3.5% 2.5%

The agreement provides for the following regular base salary increases for all non-sworn employees:

Date	TOTAL
July 2006 January 2007	2.0% 2.0%
July 2007 January 2008	2.0% 1.0%
July 2008 April 2009	2.0% 1.0%

Additional labor market adjustments of 2% effective in July 2006 and 2% effective in January 2007 will be provided for public safety dispatch classifications.

Medical Insurance and Cafeteria Plan Allowance

The agreement provides for the following increases to the maximum City contribution to medical insurance:

January 2007	\$162.00 per month
January 2008	\$159.43 per month
January 2009	\$183.21 per month

The maximum cash-out under the cafeteria plan will be increased in January 2009 by \$283 per month.

Retiree Medical

The agreement provides for an increase to the monthly contribution toward retiree medical of \$0.20 per year of service in July 2006, July 2007 and July 2008. In addition, the agreement allows for contributions to continue past age 65 for six named employees who do not qualify for Medicare.

The agreement provides that the City will establish a retiree medical savings account to allow employees to save additional funds on a tax deferred basis for their own retirement health care expenses.

Life Insurance Increases

The agreement provides for increases to basic life insurance of \$40,000 for sworn and \$15,000 for non-sworn employees.

Miscellaneous Agreements

Other agreements include: 8 additional holiday hours per year, a 1 hour increase to standby pay, a 1 hour increase to call-back pay, lunch pay while in court, half hour minimum pay for off-duty phone consultations, a minimum 5-hour rest period between work shifts, eligibility for Citywide transportation demand benefits, and various other agreements related to employer and employee relations.

Police Management Increases

The current labor agreement with the Police Management Association requires that Police Lieutenants and Captains receive the same salary increases in FY 2007 and FY 2008 as

sworn sergeants under their labor agreement. This means that Police Captains and Lieutenants will receive the following increases:

Date	TOTAL
July 2006	5.0%
January 2007	5.0%
July 2007	2.0%
January 2008	2.0%

Under the existing Management Salary Plan, the Deputy Police Chief is scheduled to receive a 4% salary increase in January 2006, and a 3.5% increase in January 2007. The Police Chief is scheduled to receive a 3% salary increase in January 2006, and a 3.5% increase in January 2007. Staff recommends that these salaries be further adjusted in FY 2007 and FY 2008 in order to maintain a minimum 10% differential between levels of police management. This will result in the following adjustments to the regular increases scheduled under the existing Management Salary Plan for the Deputy Police Chief and Police Chief.

Date	Previously Planned	Adjustment	New Total
January 2007	4.0% Deputy Chief 3.0% Chief	+5.0% Deputy Chief +6.0% Chief	9% Both
July 2007	None	+2.0% Both	2% Both
January 2008	3.5% Both	-1.5% Both	2% Both

BUDGET/FINANCIAL INFORMATION:

The annual ongoing budget impact of the three and one-half year P.O.A. agreement is estimated at \$4,187,821, which will not be fully realized until FY 2010. The ongoing budget impact of the Police Management Association increases will be \$265,917, which will be fully realized in FY 2009.

The salary and benefit increases for all employees described in this report will cost \$1,424,915 in the current fiscal year. Approximately \$732,011 has already been budgeted for salary and benefit increases in the FY 2007 Police Department Budget. Staff recommends that Council appropriate an additional \$692,904 from General Fund unappropriated reserves to fund the FY 2007 increases.

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Joan M. Kent, Assistant City Administrator

APPROVED BY: City Administrator's Office



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