



**City of Yuba City
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TO: Council Members
FROM: Human Resources
DATE: July 15, 2008
SUBJ: Staff Report Item 17 Correction

An error was found on the Letter of Understanding with Police Sergeants, Item 17. On page 3, under Fiscal Impact, last paragraph, it should read:

Effective July 1, 2009 and July 1, 2010 a 3.5% flat rate salary increase plus equity adjustments to each Police Sergeant.

Please incorporate the corrected staff report into your packet.

CITY OF YUBA CITY
STAFF REPORT

Amended

Date: July 15, 2008
To: Honorable Mayor and Members of the City Council
From: Human Resources Department
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Letter of Understanding with the Police Sergeants

Recommendation: Approve a resolution to ratify the recently negotiated Letter of Understanding with the Police Sergeants, request a supplemental appropriation to the Police Department of \$40,600 and authorize the Director of Finance to make appropriate budget adjustments and set the compensation for certain employees as determined in the Salary Schedule and General Compensation Plan effective June 21, 2008.

Fiscal Impact: The total increase cost for the three (3) years of the Letter of Understanding is as follows:

FY 08-09	\$71,200
FY 09-10	\$110,000
FY 10-11	\$150,000

The FY 08/09 budget included an estimated increase of 3.0%. The amount for FY 08/09 in excess of what was budgeted is \$40,600.

Background:

The current Letter of Understanding (LOU) with Police Sergeants has a start date of July 1, 2004 and an expiration date of June 30, 2008.

The recommended LOU is for three (3) years and will amend certain provisions of the existing LOU and will have an expiration date of June 30, 2011. Police Sergeants general membership have ratified this Agreement.

The LOU which concludes the meet and confer process with the Police Sergeants will be provided prior to the meeting. The recommended terms of the agreement are outlined below.

Analysis:

Terms of the Police Sergeants (LOU)

- 1) The agreement is a three (3) year agreement that will begin on July 1, 2008 and will expire on June 30, 2011.
- 2) Effective July 1, 2008, a flat rate salary increase of 4% which applies towards equity adjustments for all Police Sergeants.
- 3) In lieu of an indexed COLA the City agrees to a 3.5% flat rate salary increase effective on July 1, 2009 and July 1, 2010. Equity adjustments will be specific to each classification and are capped in at 5% per year of the contract per classification with the Police Sergeants.
- 4) The LOU additionally addresses the meet and confer on changes in the Personnel Rules and Regulations concerning layoffs, sick leave use and nepotism.
- 5) As part of this understanding and due to the current economic conditions, both parties have agreed to reopen discussions in order to address the impact on this contract with regard to compensation in the event that the City's overall financial situation, based on all General Fund revenues, either significantly diminishes or improves during the term of this contract. Both parties understand that any changes to this agreement are subject to the mutual consent of Police Sergeants and the City Manager and are also subject to approval by the City Council.
- 6) The City agrees to reference CALPERS contract for "Risk Pooling" benefits.
- 7) A side letter agreement addresses the following:

Callback Pay: A study by the Police Department reviewing callback/standby (on-call) practices will be conducted during a ninety (90) day period following the signing of the contract.

Physical Fitness Program: The Police Department physical fitness policy must be reviewed and adopted within three months from the signing of the LOU.

Survey Cites: Survey cities will be reviewed at the option of the Police Sergeants within six (6) months from the signed date of the LOU.

Fiscal Impact:

The total increase cost for the three (3) years of the LOU is as follows:

FY 08-09	\$71,200
FY 09-10	\$110,000
FY 10-11	\$150,000

The FY 08/09 budget included an estimated increase of 3.0%. The amount for FY 08/09 in excess of that was budgeted is \$40,600.

These costs include:

Effective July 1, 2008 a 4% flat rate salary increase, plus an equity increase adjustment to the Police Sergeant.

Effective July 1, 2009 and July 1, 2010 a 3.5% flat rate salary increase plus equity adjustments to each Police Sergeant.


Alternatives:

1) Do not adopt the proposed agreement and staff will reopen negotiations with the respective representatives.


Recommendation:

Approve a resolution to ratify the recently negotiated Letter of Understanding with the Police Sergeants and authorize the Director of Finance to make appropriate budget adjustments and set the compensation for certain employees as determined in the Salary Schedule and General Compensation Plan effective June 21, 2008.

Prepared By:


Susan Pearson
Human Resources Director

Submitted By:


Steven R. Jepsen
City Manager

Reviewed By:

Department Head

Finance

Police Officers' Association Representative

City Attorney

Other: (Name, Title)

