

# Agenda Report

April 5, 2004

TO: City Council

FROM: City Manager

RE: Approval of the Memorandum of Understanding Between the City of Pasadena and the American Federation of State, County and Municipal Employees for the Term July 7, 2003, through July 2, 2006.

## RECOMMENDATION:

It is recommended that the City Council approve a successor Memorandum of Understanding between the City of Pasadena and the American Federation of State, County and Municipal Employees (AFSCME) for the period July 7, 2003, through July 2, 2006.

## BACKGROUND:

The City and representatives of AFSCME met and conferred in good faith and the AFSCME membership has ratified the tentative agreement reached by the parties. Economic adjustments include the following:

1. Salaries: Effective September 8, 2003, each step of the Salary Step Schedule for all classifications shall be increased by 4%. Effective June 28, 2004, each step of the Salary Step Schedule for all classifications shall be increased by 3.5%. Effective June 27, 2005, each step of the Salary Step Schedule for all classifications shall be increased by 3%.
2. Equity Adjustments: Effective September 8, 2003, the following classifications shall receive pay equity adjustments in addition to the general increases indicated in paragraph 1 above as follows:
  - a. Warehouse Worker: 4.5%
  - b. Storekeeper: 4.5%
  - c. Light Equipment Operator: 4.5%
  - d. Water System Operator: 6%
  - e. Equipment Mechanic I – III: 2.5%
  - f. Jailor: 6%
  - g. Senior Utilities Services Advisor: 10%
  - h. Child Care Monitor: 11%

Effective June 28, 2004, the classification of Jailor shall receive an additional 7% pay equity adjustment.

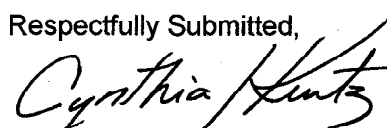
3. Health Insurance: Effective March 8, 2004, the City's contribution to the Employee Option Benefit Fund (EOBF) shall be increased to \$651.17 per month. Effective January 1, 2005 and January 1, 2006, the City's contribution to the EOBF shall be adjusted by 65% of the average change (increase or decrease) in the Kaiser South and Cigna family rates. Effective March 8, 2004, the current cap of \$383 per month that employees may place in Deferred Compensation accounts shall be removed.
4. Standby Pay: Effective upon adoption of this MOU by the City Council, employees required by management to be on standby wherein said employees are restricted in their personal activities and must respond on short notice shall be paid \$1.00 per hour for each hour of standby status. Management retains full discretion to determine what, if any, employees shall be on standby status.
5. Shift Differential: Effective upon adoption of this MOU by the City Council, shift differential pay for employees working the swing and graveyard shifts shall be increased to \$1.40 per hour.
6. Acting Assignment Pay: When an employee is assigned on a temporary basis to the duties of an unfilled position, and such employee assumes the full duties and responsibilities of that position, such employee shall be compensated from the first full day at a rate of pay which is no less than a one step increase over the employee's current pay step.
7. Leave Time for Part-Time Employees: Part-time employees working at least 25 hours per week shall receive pro-rated holiday, sick and vacation time.
8. Witness Leave: An employee who is subpoenaed or required to appear in court or other administrative body as a witness wherein the employee is not a party to the case (unless the employee is a co-defendant with the City), the employee shall be granted paid leave for required appearances. The employee shall remit to the City all fees received for said appearances except mileage reimbursement.
9. Service Credit for Unused Sick Leave: Upon agreement of all Miscellaneous (i.e. non-safety) bargaining units, the City shall amend its contract with the Public Employees Retirement System to provide service credit for unused sick leave upon retirement.

#### FISCAL IMPACT:

The annual fiscal impact of the implementation of this MOU between the City of Pasadena and AFSCME is estimated at \$763,508 for the first year of the MOU, \$778,107 for the second year, and \$368,487 for the third year of the MOU, including salary and related benefit costs. Approximately 75% of these expenses will be in funds other than the General Fund. Funding to cover a 3% increase in salaries and increases in benefit costs were incorporated into each department's budget for fiscal year 2004. Given the timing of the first salary increase (September, 2003) it is anticipated that the

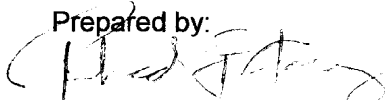
3% which was budgeted for a full year will be sufficient to cover the costs of the increase in the current year. Effected departments will be expected to absorb the impact of the equity adjustments within their current appropriations. In the event existing appropriations prove insufficient to cover the cost of this agreement offsetting reductions will be identified in the fourth quarter of this fiscal year. Funding for the fiscal year 2005 increase will be included in next year's recommended budget.

Respectfully Submitted,



CYNTHIA J. KURTZ  
City Manager

Prepared by:



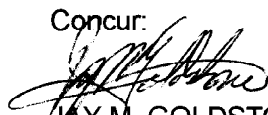
RICHARD F. KUNZ  
Human Resources Manager

Approved by:



KARYN S. EZELL  
Director of Human Resources

Concur:



JAY M. GOLDSTONE  
Director of Finance