

Agenda Report

DATE: May 9, 2011

TO: Honorable Mayor and City Council

FROM: City Manager

RE: APPROVAL OF AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE PASADENA POLICE OFFICERS ASSOCIATION, FOR THE TERM APRIL 25, 2012 THROUGH APRIL 21, 2013

RECOMMENDATION:

It is recommended that the City Council approve a successor Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Pasadena Police Officers Association (PPOA).

BACKGROUND:

The City and representatives of PPOA have met and conferred in good faith and have reached agreement on an extension of the PPOA MOU, which provides for the following:

1. Salaries: Forego the 2% salary increase scheduled for April 2011. No salary increase is provided in 2012. Provide a 1% salary increase effective January 14, 2013.
2. Gainshare: Provide a 0.75% lump sum payment effective the first pay period following the Council's adoption of this MOU. Provide a 0.75% lump sum payment effective July 2, 2012. The lump sums are full payment for all monetary claims pertaining to 2009 – 2011 Gainshare and for deletion of the Gainshare program from the MOU.
3. Vacation: Vacation hours will be accrued on a pay period basis.

4. Sick Leave: Sick leave will be accrued on a pay period basis. Increase the number of hours that may be accumulated from 1200 hours to 2080 hours. Cap the number of unused hours that may be converted to PERS retirement service credit at 1200 hours. On an annual basis, allow deposit into deferred compensation or cash out of any accumulated sick leave hours above 1200 hours at 50% of value.
5. Health Insurance: Effective January 2, 2012, eliminate the escalator clause from the MOU and freeze the City's contribution for No Insurance and Single coverage at the January 1, 2012 contribution rate. Effective January 1, 2013, City's contribution for 2-party coverage and full family coverage will remain at 2012 contribution rate until the premium of the least expensive 2-party plan and full family plan offered to all employees exceeds the sum of the City's contribution and the PERS mandated contribution to health insurance. Then, the City will contribute an amount, that when combined with the PERS mandated contribution, will cover the cost of the least expensive 2-party and full family plan offered to all employees.
6. Direct Deposit: Effective July 1, 2011, bargaining unit members on direct deposit will not receive a hard copy paycheck statement.

COUNCIL POLICY CONSIDERATION:

The adoption of the Extension of the Memorandum of Understanding between the City of Pasadena and the Pasadena Police Officers Association supports the City Council's strategic goal of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

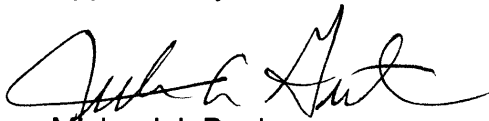
PPOA and The City of Pasadena have an existing MOU contract for fiscal years 2011 and 2012 with an on-going cost of \$533,773 not anticipated in the adopted budget. Adoption of the proposed amendment and extension of the contract will reduce fiscal impact by \$416,773 in fiscal year 2011. In fiscal year 2012, there is no fiscal impact of the adoption of this contract extension. In fiscal year 2013, and for the remainder of the contract term, the fiscal impact of the adoption of this contract extension is \$348,000, \$231,000 of which is on-going.

Respectfully Submitted,



MARY ELLEN SCHUBEL
Interim Director
Department of Human Resources

Approved by:


City Manager

6.00
Michael J. Beck
City Manager