

TO: James L. App, City Manager

FROM: Meg Williamson, Assistant City Manager

SUBJECT: Unrepresented Confidential, Professional and Management Group
& Part Time Employees - Status Quo Employment Contract

DATE: June 18, 2013

NEEDS: For the City Council to approve a status quo agreement with Unrepresented employees (Confidential, Professional, Management & Part Time) through December 31, 2013.

FACTS:

1. The City has experienced unprecedented financial challenges since 2008. Organizational spending has been dramatically reduced by decreasing staffing approximately 35% and suspending contractually guaranteed wage and benefit adjustments for multiple years.
2. Labor contracts provided for salary adjustments effective April 1, 2009. However, employees deferred those wage and benefit adjustments through June 2012 (39 months). Employees also agreed to a less costly second tier retirement plan for future employees.
3. While there are some recent indicators that the economy is on the mend, the City remains fiscally conservative until there are stronger signs of recovery.
4. All labor groups were asked to "hold the line" on any wage adjustments for an additional contract year. During those discussions, employees were working out of contract (most contracts expired June, 2012).
5. On May 23, 2013 in recognition of the continuing severity of these economic times, the Unrepresented Confidential, Professional and Management Group made an unconditional offer to continue in a labor agreement through December 31, 2013, with no changes to wages or benefits.
6. The Part Time work force fluctuates, but currently consists of approximately 30 individuals working within various city departments. They are unrepresented by any organized labor group and traditionally their pay structure is benchmarked from the Service Employee International Union (SEIU) salary schedule. They will follow the status quo contract with SEIU that was approved by City Council on May 7, 2013.

ANALYSIS &

CONCLUSION: Although the Paso Robles economy is showing some signs of stability and even modest recovery in retail sales and tourism, the long term stability of that financial trend is yet to be determined. The proposed 18 months of unchanged wage / benefits will assist in the City's financial recovery, at which time the contract terms will be reassessed.

POLICY

REFERENCE: California Government Code, Municipal Code Sec. 2.40.030(c), Layoff Prevention Plan dated 1992, and Resolution 06-115 (S.E.I.U., P.O.A., Unrepresented Confidential, Professional and Management Employees and Part Time Workers wage and salary contracts. Resolutions 09-037, 09-130 and 10-026 accepting offers by all/various employee groups to defer wages for a cumulative 27 months. Resolution 11-119 further suspending annual wage and benefit adjustments through June/July 2012.

FISCAL

IMPACT: The 18 months of employee wage and benefit status quo will assist in the current projected financial year end closure "in the black" without spending general fund reserves.

OPTIONS: For the City Council to:

1. Adopt Resolution No. 13- XXX accepting the offer of Unrepresented employees and authorizing the City Manager to execute appropriate documents for a status quo employment agreement through December 31, 2013.
2. Amend, modify or reject above option.

Attachments:

1. Resolution 13-XX approving a status quo agreement with Unrepresented employees (Confidential, Professional, Management) through December 31, 2013

RESOLUTION NO. 13-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING AN AGREEMENT WITH UNREPRESENTED CONFIDENTIAL, PROFESSIONAL
AND MANAGEMENT GROUP EMPLOYEES / PART TIME EMPLOYEES, FOR STATUS QUO
EMPLOYMENT CONTRACTS THROUGH DECEMBER 31, 2013

WHEREAS, the City has experienced unprecedented financial challenges since 2008 which required organizational spending be dramatically reduced; and

WHEREAS, labor contracts provided for salary adjustments effective April 1, 2009, but employees deferred those wage and benefit adjustment through June 2012 (39 months); and

WHEREAS, while there are some recent indicators that the economy is on the mend, the City remains fiscally conservative until there are stronger signs of recovery; and

WHEREAS, all labor groups were requested to "hold the line" on any wage adjustments for an additional contract year; and

WHEREAS, the Unrepresented Confidential, Professional and Management Group has made an unconditional offer to continue in a labor agreement through December 31, 2013 with no changes to wages or benefits; and

WHEREAS, the part time work force is unrepresented and their pay structure is benchmarked from the Service Employee International Union (SEIU) salary schedule of which a status quo contract with SEIU was approved by City Council on May 7, 2013.

NOW, THEREFORE, LET IT BE RESOLVED by the City Council of the City of El Paso de Robles to accept the offer from the Unrepresented Confidential, Professional and Management Employees for a status quo employment agreement through December 31, 2013, and hereby authorize the City Manager to execute documents to memorialize this agreement.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 18th day of June 2013 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk