



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Ian Appleyard
Director, HRM

SUBJECT: Emergency Amendment to
Ordinance No. 12187 C.M.S. (The
Salary Ordinance) for
Salary Adjustments for
Unrepresented Employees

DATE: December 18, 2020

City Administrator Approval


LaTonda Simmons (Dec 21, 2020 10:54 PST)

Date: 12/21/2020

RECOMMENDATION

Staff Recommends that the City Council Adopt:

An Emergency Ordinance Amending Ordinance No. 12187 C.M.S. (“Salary Ordinance”) To:

- 1) Delay The Wage Increase To The Salaries Of Certain Unrepresented Employees In Representation Units CON, U51, UG1, TL1, UK1, UK2, UP1, and US1 As Follows: An Increase Of 1% Delayed From The First Full Pay Period In January 2021 To The First Full Pay Period In July 2021;
- 2) Delay The Wage Increase To The Salaries Of The Unrepresented Chief of Fire, Deputy Chief of Fire Department and Assistant Chief of Fire Department, Representation Units UR1 and UU1 As Follows: An Increase Of 2.5% Delayed From The First Full Pay Period In January 2021 To The First Full Pay Period In July 2021:
- 3) Delay The Wage Increase To The Salaries Of The Unrepresented Chief Of Police And Chief Of Police, Assistant, Representation Unit UN1 As Follows: An Increase Of 3% Delayed From The First Full Pay Period In July 2021 To The First Full Pay Period In January 2022; And
- 4) Authorize the City Administrator To Impose Up To 10 Unpaid Furlough Days On the Chief of Fire and the Chief of Police.

EXECUTIVE SUMMARY

To mitigate the serious impact that the COVID-19 pandemic has had on the City’s finances, the City Administrator is implementing multiple cost-cutting measures, including

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wage-saving measure related to unrepresented City employees. The City Administrator is:

- delaying all scheduled wage increases for the remainder of the fiscal year and is requiring them to take ten (10) floating days of unpaid leave;
- suspending annual wage advancements (i.e. advancements within salary steps or ranges) for unrepresented employees within his appointing authority, and working with other appointing authorities who may wish to do the same; and
- temporarily waiving the same salary increases for himself, as well as several other benefits, that he would otherwise be due under his employment contract with the City. (**Attachment A**)

While the City Administrator has significant independent authority under the Salary Ordinance to implement these cost-saving measures, this Emergency Ordinance is necessary to ensure their full implementation (**Attachment B**). Specifically, Council action is required to:

1. delay any wage increases for the unrepresented Chief of Fire and Chief of Police, and amend the salary schedule accordingly;
2. amend the salary schedule to reflect the City Administrator's decision to delay wage increases for the other unrepresented employees; and
3. impose unpaid leave days on the Chief of Fire and Chief of Police.

BACKGROUND/LEGISLATIVE HISTORY

City Ordinance No. 12903 C.M.S. adopted on November 18, 2008 (**Attachment C**) established the City Council's compensation policies and provisions for City Employees, Officials and Officers. The Ordinance memorializes the authority and discretion the City Council has granted to the City Administrator regarding fixing compensation and supplements City Ordinance No. 12187 C.M.S. (**Attachment D**).

Ordinance 12903, Section 1.20 states, in part, "*Ordinance No. 12187 thereby gives the City Administrator the discretion to grant unrepresented employees the same compensation and other terms and conditions of employment that are provided to represented employees under MOUs, or to provide unrepresented employees less compensation than the compensation that is provided to represented employees in each category or type of compensation.*" (**Attachment C**).

Ordinance 12903, Sections 1.90(1) states, “[t]he salary of the Chief of Fire classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Fire Department, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.” (**Attachment C**).

Ordinance 12903, Sections 1.90(2) states, “[t]he salary of the Chief of Police classification as contained in this ordinance shall be adjusted by a percentage amount equivalent to the average percentage amount of salary adjustment granted to rank and file uniformed employees of the Police Department, who are represented by an employee organization recognized by the City, concurrent with implementation of salary adjustments for said rank and file employees.”. (**Attachment C**).

Cost-cutting measures are necessary to respond to the COVID–19 Pandemic and the negative impacts it has had on the City’s revenues and budget. The City Council adopted an amendment to the Salary Ordinance for unrepresented employees in representation units CON, U51, UG1, TL1, UK1, UK2, UP1, and US1 on November 19, 2019 (second reading) (**Attachment E**), which included a one percent (1%) wage increase effective the first full pay period in January 2021. The attached Emergency Ordinance finalizes the delay of the above increase to the first pay period in July 2021 to assist in closing the Fiscal Year 2020-2021 budget deficit.

The City Council also adopted an amendment to the Salary Ordinance for unrepresented employees in representation units UR1 and UU1 March 3, 2020 (second reading) (**Attachment F**), which included a two and a half percent (2.5%) wage increase effective the first full pay period in January 2021. The attached Emergency Ordinance finalizes the delay of the above increase to the first pay period in July 2021 to assist in closing the Fiscal Year 2020-2021 budget deficit.

The City Council also adopted an amendment to the Salary Ordinance for unrepresented employees in representation unit UN1 on November 20, 2018 (second reading) (**Attachment G**), which included a three percent (3%) wage increase effective the first full pay period in July 2021. The attached Emergency Ordinance finalizes the delay of the above increase to the first pay period in January 2022 to assist in closing the Fiscal Year 2020-2021 budget deficit.

ANALYSIS AND POLICY ALTERNATIVES

The Salary Ordinance, at Section 1.20, states in pertinent part, “Ordinance No. 12187 thereby gives the City Administrator the discretion to grant unrepresented employees the same compensation and other terms and conditions of employment that are provided to represented employees under MOUs, or to provide unrepresented employees less compensation than the compensation that is provided to represented employees in each category or type of compensation.” Thus, as permitted through the Salary Ordinance, the City Administrator will delay the following salary increase to the unrepresented employees in Representation Units CON, U51, UG1, TL1, UK1, UK2, UP1, and US1: an increase of one percent (1%) delayed from the first full pay period in January 2021 to the first full pay period in July 2021. The City Administrator will also delay the following salary increase to the unrepresented employees in Representation Unit UU1: an increase of two and a half percent (2.5%) delayed from the first full pay period in January 2021 to the first full pay period in July 2021 (***Attachment B***).

In addition, Council action is required to impose unpaid-leave days on the classifications of Chief of Police and Chief of Fire, which are also unrepresented, and to delay a wage increase for those classification. Because the Salary Ordinance, at section 1.90, contains special provisions that relate to compensation for the Chief of Fire and the Chief of Police, Council action is required to provide clarity that the City Administrator is authorized to reduce compensation in those classifications by imposing unpaid leave. Furthermore, Sections 1.90(1) and (2) provides that that salary for the Chief of Fire and Chief of Police “shall be adjusted” by a percentage equivalent to the average adjustment for rank-and-file, sworn employees of their respective departments (emphasis added). Accordingly, staff recommends that the Council temporarily suspend this provision and delay:

- a two and a half percent (2.5%) wage increase for the Chief of Fire in Representation Unit UR1 (currently scheduled to take effect the first full pay period in January 2021) until the first full pay period in July 2021 (***Attachment B***).
- a three percent (3%) wage increase for the Chief of Police in Representation Unit UN1 (currently scheduled to take effect the first full pay period in July 2021) until the first full pay period in January 2022 (***Attachment B***).

FISCAL IMPACT

The 6-month wage increase delay for unrepresented employees in the applicable representation units will save approximately \$85 thousand in FY 2020-21 across all funds, \$38 thousand of which will be in the General Purpose Fund.

PUBLIC OUTREACH/INTEREST

No public outreach was required other than the required posting on the City's website.

COORDINATION

Additionally, the preparation of this report was coordinated with HRM, City Attorney's Office, Finance Department Budget Bureau, and the City Administrator's Office.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

Race & Equity: There are no social equity opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt an emergency ordinance amending Ordinance No. 12187 C.M.S. ("Salary Ordinance") to:

- 1) delay the wage increase to the salaries of certain unrepresented employees in Representation Units CON, U51, UG1, TL1, UK1, UK2, UP1, and US1 as follows: An increase of 1% delayed from the first full pay period in January 2021 to the first full pay period in July 2021; and
- 2) delay the wage increase to the salaries of the unrepresented Chief of Fire, Deputy Chief of Fire Department and Assistant Chief of Fire Department, Representation Units UR1 and UU1 as follows: An increase of 2.5% delayed from the first full pay period in January 2021 to the first full pay period in July 2021.
- 3) delay the wage increase to the salaries of the unrepresented Chief of Police and Chief of Police, Assistant, Representation Unit UN1 as follows: an increase of 3% delayed from the first full pay period in July 2021 to the first full pay period in January 2022; and

- 4) Authorize the City Administrator to impose up to 10 unpaid furlough days on the Chief of Fire and the Chief of Police.

For questions regarding this report, please contact Ian Appleyard at (510) 238-6450.

Respectfully submitted,



IAN APPLEYARD

Director, Human Resources Management

Reviewed by: Allyson Cook
Assistant Director, Human Resources
Management

Attachment (7):

- A: Ordinance
- B: List of Classifications
- C. City Ordinance No. 12903 C.M.S.
- D. City Ordinance No. 12187 C.M.S.
- E: Amendment to the Salary Ordinance November 19, 2019
- F: Amendment to the Salary Ordinance March 3, 2020
- G: Amendment to the Salary Ordinance November 20, 2018