

Santa Rosa City Employees Association

These updates are an effort on the part of the President, Tony Alvernaz, to provide timely information to our membership.

May 20, 2010

Budget Update

Santa Rosa's budget struggles continue. On Tuesday May 4th, the City Council received the Spring Financial update. In addition to the financial update, staff presented a new list of proposed FY 2010/11 budget deficit reduction options. These options were developed by an interdepartmental team of the City's Executive Staff and will help offset the City's General Fund structural deficit. The options have been reviewed with each department's management and were initially communicated to employees, union representatives, and the City Council in a memo from the Interim City Manager dated March 25, 2010. Since that date, departments have more fully fleshed out the details and impacts of the proposed reductions.

The proposed cuts include \$4,747,375 in ongoing and \$1,418,730 in one time savings for a total of \$6,166,105. There are 32.15 positions eliminated, 22 of those are filled. Of the 22 filled positions 19.5 are SRCEA jobs totaling \$1,121,085. The proposed Rec and Park cuts will eliminate 14 filled positions and the proposed Community Development cuts will elimination 3 code enforcement officers.

SRCEA Reductions Pulled Off the Reduction List

The following SRCEA cuts were pulled off the list pending further evaluation and/or identification of revenue offsets:

Eliminate Code Compliance function	200,000
Eliminate NRP	154,000
Close Ridgway Swim Center	96,328
Close Senior Center	102,098
Close Finley Swim Center	208,102
Close Finley Community Center	<u>143,026</u>
	\$ 903,554

These items are deferred for the present time to allow for additional analysis and identification of options to mitigate or offset the respective program costs. The remainder of the items that were presented to Council in study session on May 4th are being incorporated into the proposed 2010/11 budget. Council will have the option to adopt the recommended cuts (or add to, or delete from, the reduction options) at the budget hearings.

Other cuts will need to be found to replace those that have been pulled.

Negotiations - What Does The City Want?

A 5% concession is equal to \$1,925,000 dollars or a 12 day furlough. (1 day a month).

Change the 2.5% @ 55 contract language. Right now the language states the City cannot implement it unless the other miscellaneous bargaining units agree to it. They want to change that language to allow them to implement it now regardless of the other units agreeing to it. Potential savings from the implementation of the 2-tiered retirement range from \$900,000 to \$1.19 million after a 5 year period, depending on turnover.

No COLA

No additional time off for 9/80's

1 year contract

Footwear allowance for POAs

Vision care upgrade

What we have offered

Six furlough days equal to 2.31% of salary (\$888,461) for term of the contract

No COLA for the term of the contract

2.5 % @ 55 language change in exchange for a side letter indicating that all future salary surveys will not use PERS retirement benefit comparisons – salary to salary comparisons only

Eight hours additional vacation/comp time for 9-80s

\$190 for POA footwear allowance (23 x \$190 = \$4370)

Shift differential for all positions required to work shift work.

Eye care upgrades (\$50/employee)

Deferred Compensation loan availability

Language clean-up

Where do we go from here?

The city cannot guarantee that there will not be more layoffs even if we agree to their proposal

We feel we have given enough.

11 people laid-off	savings \$ 1,190,000 or 3.00%
55 filled position lost	savings \$ 5,500,000 or 14.00%
6 furlough days	savings \$ 888,461 or 2.31%
No Cola (based on 10 yr avg)	savings \$ 1,155,000 or 3.00%
Total	savings \$ 8,733,461 or 22.31%

We are currently meeting with individual council members to discuss these numbers and our position in hopes of reaching some consensus.

Thanks for your patience and support.

Tony