

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: March 25, 2011

To: The Heads of All Departments (excluding DWP)

From: Miguel A. Santana, City Administrative Officer 

Subject: **TENTATIVE AGREEMENT WITH THE COALITION OF LOS ANGELES CITY UNIONS – (MOU's 2, 3, 4, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 18, 29, 34, 36, and 37)**

Under provisions contained in current Memoranda of Understanding (MOUs) between the City and employee organizations that comprise the Coalition of Los Angeles City Unions (Coalition), City management and leaders of the Coalition have been engaged in discussions for many months regarding the City's dire financial condition. These discussions have resulted in a tentative agreement to restructure the terms and conditions of existing MOUs to provide the City with financial relief from MOU-related expenditures in the current and future fiscal years. A ratification vote by Coalition union members is currently underway, and is anticipated to conclude by mid April. In the meantime, the tentative agreement contains a number of provisions about which you should be aware immediately.

FURLOUGHS

Effective immediately, the furlough obligation for members of the Coalition who are subject to furlough time is reduced by 6 days to a total of 160 hours for FY 2010-11. In addition, if the tentative agreement is ratified, no Coalition members will be subject to furloughs during FYs 2011-12, 2012-13 or 2013-14. If the Coalition membership does not ratify the tentative agreement, Coalition members who are subject to furloughs shall be responsible for taking the full 208 hours of furlough time during FY 2010-11 as originally outlined at the beginning of the fiscal year.

OVERTIME

Effective April 1, 2011, departments are prohibited from paying cash overtime to Coalition employees whose salaries are paid for by the General Fund (only Traffic Officers and Senior Traffic Supervisors are exempted from this provision). Instead of cash payments, overtime shall be in the form of compensated time off (CTO). To accommodate this change, all Coalition employees will be allowed to accumulate 240 hours of overtime (the legal maximum under provisions of the Fair Labor Standards Act). Departments will be responsible for monitoring overtime accumulation by employees and ensuring that the 240-hour limit is adhered to.

CONTRIBUTION TOWARD RETIREE HEALTHCARE

Effective April 1, 2011 (Pay Period 21), all Coalition employees will begin to contribute 2% of their pensionable pay to help defray a portion of the City's cost of providing retirement healthcare. This contribution will increase to 4% effective July 1, 2011.

SALARY STEPS

Effective April 1, 2011, through June 30, 2012, all regularly-scheduled salary step advancements shall be suspended. Employees who were scheduled to receive a salary step advancement during that time will have their salary step anniversary date increased by two years. This change will be accomplished through PAYSR programming.

COST OF LIVING ADJUSTMENTS (COLA)

Effective July 1, 2011, Coalition members will receive a 2.25% COLA. While the tentative agreement being considered by Coalition members increases the term of the affected MOUs by one year (ending June 30, 2014), no adjustments are being made to the amounts of currently negotiated COLAs. Instead, negotiated COLAs have been rescheduled to become effective at later times.

HOLIDAY CLOSURE

During FY 2011-12, in exchange for a salary reduction of 1.5% per pay period, all Coalition members (regardless of the funding source that pays their salary) shall receive four days off during the week between Christmas Day and New Year's Day holidays (December 27th through December 30th). It is recognized that not all departments will be able to shut down during this holiday period. However, all Coalition members will be entitled to the four days off during the fiscal year.

EXCESS SICK PAY

In lieu of a cash payment for the accumulation of excess sick leave, Coalition members will receive a bank of time which is equivalent in value to the excess sick leave payout. The credit will be deposited into a separate leave bank to be used in a manner similar to vacation or CTO time.

Please contact my office if you have questions or concerns regarding the tentative agreement.

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c: Personnel Directors