

Memorandum



DATE August 2, 2010
TO Honorable Mayor and Members of the Dallas City Council
SUBJECT Briefing on the Police and Fire Meet and Confer Agreement

Through the meet and confer process, City Management and the Uniform Coalition Team have agreed in principle to a three year agreement. A Joint Statement reflecting concurrence with the proposed agreement is being prepared. The proposed agreement will need to be voted upon by the associations' membership before it is presented to you for final approval on your Council Agenda.

You will be briefed on the terms of this agreement at the August 4, 2010 City Council meeting. Attached you will find a briefing on the proposed Police and Fire Meet and Confer Agreement.



Mary K. Suhm
City Manager

cc: Deborah Watkins, City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest Turner, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Office
Helena Stevens-Thompson, Assistant to the City Manager

Police and Fire Meet and Confer Briefing

**City Council Briefing
August 4, 2010**



Overview

- Meet and Confer Overview
- Process Overview
- Proposed Agreement
- Budget Overview
- Tax Revenue Triggers
- Next Steps

Meet and Confer Overview

- 2009 – Texas State Legislature approved Meet and Confer.
- Feb 5, 2010 – Uniform Coalition Team submitted petition to City Manager to Meet and Confer.
- February 24, 2010 – Council accepted petition and authorized management team to begin discussions with the Uniform Coalition Team.
- March through July 2010 – Meet and Confer meetings held.

Process Overview

- The Uniform Coalition Team originally submitted 39 proposals.
- Due to current economic conditions, difficult to implement proposals with financial impact.
- Teams worked together to develop an agreement that helps the City's budget and provides benefits to Police and Fire Groups in future years.

Proposed Agreement

- Three Year Agreement
- Budget Saving in Year One with additional costs in Year Three.
- Draft Agreement Includes:
 - Compensation changes
 - Modified hiring strategy for one year
 - Revised staffing plans in Fire
 - Delayed Implementation/Purchase of Fire Equipment
 - Procedural Changes

Proposed Agreement - Overview

Year 1	Year 2	Year 3
<ul style="list-style-type: none"> • 40 Hours Mandatory City Leave (aka “Furlough Days”) <i>(Equates to a 1.9231% pay reduction)*</i> • Comp Time for Overtime • Establish Phase Down Plan • Delay Fire Rookie Classes from Paramedic School • Reduce Number of Fire Rescue Replacements • Delay Truck 10 Implementation to Jan. 2011 • Hiring for ½ Attrition in DPD • Modify Loss of Merit Step Procedure in DPD • Off Duty Jobs for Special Events • Time Off For Association Business • Reconfigure Fire Dispatch Schedule • Study Single Career Path in Fire • Suspend Fire Wellness Program 	<ul style="list-style-type: none"> • 24 Hours Mandatory City Leave (aka “Furlough Days”) <i>(Equates to a 1.1538% pay reduction)</i> • Reinstate Merit Step Increase (If City Meets Revenue Trigger) <ul style="list-style-type: none"> – If revenue trigger is not met, a “Retention Incentive” will go into effect for recently hired officers 	<ul style="list-style-type: none"> • Reinstate (or continue) Merit Step Increase (if City Meets Revenue Trigger) <ul style="list-style-type: none"> – If revenue trigger is not met, a “Retention Incentive” will go into effect for recently hired officers • 3% Across The Board Pay Raise • 2 Additional Holidays for Uniformed Staff • Increase Education Incentive Pay (April 1st)

* Fire Personnel in the Emergency Response Bureau work a schedule that is not the ‘Standard’ 40/hrs per week. Because of this, all work hours must be adjusted to account for their modified schedule. For the purpose of this agreement, hours quoted are based on a standard work schedule.

Year 1 (FY2010-2011) - Details

Proposal Name	Description	Cost/Savings
Mandatory City Leave (40 Hours)	<p>Equates to a 1.9231% reduction in pay effective 10/1/2010.</p> <p>Officers will receive a separate bank of paid leave for use throughout the year.</p>	(\$7,500,000)
Comp. Time for Overtime	<p><u>Police</u></p> <p>No overtime for 18 months (from 10/1/10 thru 3/30/12). Instead will receive comp. time at 1.5 hour per hour worked after 40 hours per week.</p> <p><i>Exceptions:</i></p> <ul style="list-style-type: none"> • Field Training Officers (FTO) OT • State Fair/Super Bowl OT • Grant funded and other reimbursed OT • OT for catastrophic emergencies, approved by the City Manager <p><u>Fire Investigations, Arson, Admin</u></p> <p>No overtime for 18 months (from 10/1/10 thru 3/30/12). Instead will receive comp. time at rate of 1.5 hours per hour worked after 40 hours per week.</p> <p><u>Fire Operations</u></p> <p>No change to Fire Operations overtime.</p>	<p>(\$8,657,500) in FY10-11</p> <p>(\$4,328,750) in FY11-12</p>

() = Savings

Year 1 (FY2010-2011) - Details

Proposal Name	Description	Cost/Savings
Phase Down Plan	<p>When an employee is ready to retire, he or she would give a date certain for retirement. Rather than receiving a lump sum payment for their accrued leave, the officer will receive payments over time.</p> <p>Can purchase benefits at the active employee rate.</p>	n/a
Delay Paramedic School for Fire Rookie Classes	Rookies in Dallas Fire Rescue will not go to paramedic school in FY 10-11. Instead they will fill in for Mandatory City Leave days in Fire Operations and provide a labor force for call backs and peak demand.	(\$540,300)
Reduce Number of Fire Rescue Replacements	The City will purchase only five ambulances rather than nine.	(\$722,220)

() = Savings

Year 1 (FY2010-2011) - Details

Proposal Name	Description	Cost/Savings
Delay Truck 10 Implementation	The implementation of Truck 10 will be delayed until January, 2011.	(\$350,000)
Hiring for ½ Attrition for FY 2010-2011	The City will hire ½ of attrition in the Dallas Police Department.	(\$1,518,607) in FY 10-11
Modify Loss of Step Procedure in DPD	<p><u>Current DPD Policy</u> Officer loses a merit step if they receive a <i>written reprimand or higher</i>.</p> <p><u>New DPD Policy</u> Officer loses a merit step if they receive a <i>one day suspension or higher</i>.</p>	n/a
Off Duty Jobs at City Permitted Events	Special Event Permits requiring Police and Fire Service will be required to hire DPD and DFR Officers. <u>Requires a change to the City's Special Events Ordinance.</u>	n/a

() = Savings

Year 1 (FY2010-2011) - Details

Proposal Name	Description	Cost/Savings
Time Off For Association Business	During future M&C sessions, each participating association will receive 50 hours for that negotiation year to attend Meet and Confer Meetings during work hours.	n/a
Reconfigure Schedule for Fire Dispatch Office	Reduce Overtime cost in the Fire Dispatch Office as a result of schedule revisions.	(\$400,000)
Study Single Career Path in Fire	The City will review in FY 2010-2011 the pros, cons and feasibility of a "single career path" in DFR.	n/a
Suspend Fire Department Wellness Program	The Wellness Program will be suspended effective 10-1-2010.	(\$937,000)

() = Savings

Year 2 (FY2011-2012) - Details

Proposal Name	Description	Cost/Savings
Mandatory City Leave (24 Hours)	Equates to a 1.1538% pay reduction. Officers will receive a separate bank of paid leave for use throughout the year.	(\$4,500,000)
Reinstate Merit Step Increase if City Meets revenue 'triggers'	Merit steps will be reinstated if property tax revenues increase by 3.35% and sales tax revenues increase by 3.5% (See Slides 17 & 18 for full explanation)	\$6,976,277 in FY11-12
Retention Incentive for Recently Hired Officers (one time lump sum payment) (If 'trigger' <u>not</u> met)	This proposal provides a 'Retention Incentive' for officers who are newer with the City. – Recently hired officers more vulnerable to leaving if revenue triggers not met and merit steps not reinstated.	\$1,075,443 in FY 11-12

() = Savings

Year 3 (FY2012-2013) - Details

Proposal Name	Description	Cost/Savings
Reinstate (or continue) Merit Step Increase	If the revenue trigger to reinstate merit steps in year two is not reached, in order for merit steps to be reinstated in year three, the combined increase in tax revenue for year two and year three must meet the established triggers. (See Slides 17 & 18 for full explanation)	\$7,325,091 in FY12-13
Retention Incentive for Recently Hired Officers (one time lump sum payment) (if trigger <i>not</i> met)	This proposal provides a 'Retention Incentive' for officers who are newer with the City. <ul style="list-style-type: none"> – Recently hired officers more vulnerable to leaving if revenue triggers not met and merit steps not reinstated. 	\$410,061 in FY 12-13
3% Across the Board Pay Increase	Based on FY 2009-2010 pay schedule	\$13,927,316
Add Two Holidays for Uniformed Staff	September 11 th and March 31 st	\$3,800,000

Year 3 (FY2012-2013) - Details

Proposal Name	Description						
Increase Education Incentive Pay (Effective 4/1/2013)	Pay Rate						
		0 - 45 hours	45 - 90 hours	90 - 105 hours	105 hours or more	Max w/o Bachelors	Bachelors Degree
	Current	\$0	Every <u>additional</u> 3 hours credit - \$4 per month	Every <u>additional</u> 3 hours credit - \$0	\$0	\$60 per month	\$100 per month
	Effective April 1, 2013	\$0	Every <u>additional</u> 3 hours credit - \$12 per month	Every <u>additional</u> 3 hours credit - \$12 <u>per month</u>	\$0	\$240 per month	\$300 per month

First Year Costs = \$5,721,855

Full Year Cost = \$11,443,710

Budget Overview for Proposed Agreement

Proposal	Contract Term		
	FY10-11*	FY11-12	FY12-13
	Budget +/-(-)	Budget +/-(-)	Budget +/-(-)
5 Days Mandatory City Leave*	\$ (7,500,000)	\$ 7,500,000	
Comp Time for OT Police**	\$ (7,457,500)	\$ (3,728,750)	
Comp Time for OT Fire***	\$ (1,200,000)	\$ (600,000)	
Hiring 29 fewer Police Officers for FY09-10	\$ (1,818,249)		
Hiring 88 fewer Police Officers for FY10-11****	\$ (1,518,607)	\$ (3,565,879)	
Delay rookie classes from going to paramedic school*****	\$ (400,000)		
Savings from no Paramedic School	\$ (140,300)		
Fire Dispatch Office Schedule Changes	\$ (400,000)		
Suspend Fire Wellness	\$ (937,000)	Grant Funded	\$ 937,000
Delay Truck 10 Implementation	\$ (350,000)		
Reduce Number of Fire Rescue Units Purchased from 9 to 5	\$ (722,220)		
3 Days Mandatory City Leave*****		\$ (4,500,000)	\$ 4,500,000
3% Across the Board (effective 10/1/2012)			\$ 13,927,316
Reinstate Steps (if Trigger met)		\$ 6,976,277	\$ 6,976,277
Retention Incentive (if Trigger <u>not</u> met)		\$ 1,075,443	
Steps continue (if Trigger met)			\$ 7,325,091
Retention Incentive (if Trigger <u>not</u> met)			\$ 410,061
2 Holidays*****			\$ 3,800,000
Education Pay Increase (4/1/2013)			\$ 5,721,855
IF REVENUE TRIGGERS MET	\$ (22,443,876)	\$ 2,081,648	\$ 43,187,539
IF REVENUE TRIGGERS NOT MET	\$ (22,443,876)	\$ (3,819,186)	\$ 29,296,232

* Base pay will be reduced by 1.9231%

** Keeps FTO OT of \$851,680 and other Reimbursed OT

*** Only for Admin, Arson, and Inspection units. Comp for OT doesn't work in Operations

**** Assumes 176 Attrition

***** Rookies will be used to fill-in where furloughs are scheduled. Remaining capacity for backfilling OT is \$400,000

***** Base pay will be reduced by 1.1538%

***** Cost for Uniform Staff Only. Cost for implementing for Civilians would be an additional \$3M.

Tax Revenue Triggers

- In order to reinstate salary steps in FY 2011-2012, increases in both property tax and sales revenues listed below must occur:
 - Property Tax: Tax base must increase by 3.35% (equals \$20,120,870 in additional revenue)
 - Sales Tax: Revenues must increase by 3.5% (equals \$7,059,919 in additional revenue)
- The change cannot be attributable to a change in the tax rate or budgeted collection rate.

Tax Revenue Triggers Calculations

- Tax revenue triggers are included in the Agreement to ensure the City is able to meet its financial obligations in future years.
- Before reinstating steps in FY11-12, would need enough revenue to fund the following items:

<i>5 to 3 days Mandatory City Leave (Uniform)</i>	<i>\$3 Million</i>
<i>Hiring for Attrition</i>	<i>\$3.1 Million</i>
<i>Replacement of Ambulances</i>	<i>\$2.2 Million</i>
<i>Replacement of Patrol Cars</i>	<i>\$3.8 Million</i>
<i>8 to 3 Civilian Days Mandatory City Leave (Civilians)</i>	<i>\$4.1 Million</i>
<i>Reinstate Civilian Pay Cuts</i>	<i><u>\$3.8 Million</u></i>
	<i>\$20 Million</i>
<i>Reinstate Steps</i>	<i><u>\$7 Million</u></i>
	<i>Total \$27Million</i>

Next Steps

- The Meet and Confer Team has issued a joint statement agreeing in principle to the three year agreement.
- Agreement will be presented to the Uniform Coalition's membership for approval this month.
 - 65% of those voting must approve the Agreement
- After approval by Coalition's membership, Agreement will be presented to the City Council for final approval.
- Once approved by both the membership and the City Council the agreement will go into effect Oct 1, 2010.

Questions