

# Memorandum



CITY OF DALLAS

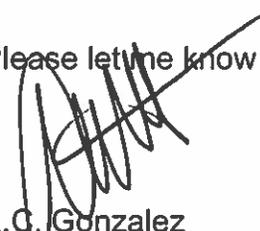
DATE December 1, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **Police and Fire Meet and Confer Briefing**

On Wednesday, December 7, 2016, the City Council will be briefed on Police and Fire Meet and Confer by the Director of Human Resources, Molly Carroll. The briefing materials are attached for your review.

Please let me know if you have any questions or need additional information.

  
A.C. Gonzalez  
City Manager

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager  
Eric D. Campbell, Assistant City Manager

Mark McDaniel, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Police and Fire Meet and Confer Briefing

City Council Briefing  
December 7, 2016



# Overview

- Meet and Confer History
- 2010 Meet & Confer Agreement Summary
- 2013 Meet & Confer Agreement Summary
- Goals for 2016 Agreement
- 2016 Proposed Meet & Confer Agreement
- Financial Provisions of 2016 Agreement
- Non-Financial Provisions of 2016 Agreement
- Meet & Confer Financial Analysis
- Next Steps
- Appendix



# City of Dallas - Meet and Confer History

2009	Texas State Legislature approved Meet and Confer for Dallas uniformed officers
Feb. 24, 2010	City Council authorized the City Manager to enter into meet and confer discussions with the Police & Fire Uniform Coalition Team
September 1, 2010	1 <sup>st</sup> Meet & Confer Agreement approved by Council <ul style="list-style-type: none"><li>• Effective October 1, 2010 through September 30, 2013 (included 6 month extension)</li></ul>
December 11, 2013	2 <sup>nd</sup> Meet & Confer Agreement approved by Council <ul style="list-style-type: none"><li>• Effective October 1, 2013 through September 30, 2016 (included 6 month extension)</li></ul>
November 2, 2016	Meet & Confer Uniform Coalition Team and City Management sign Joint Statement on tentative three year agreement
December 1, 2016	Uniformed officers voted on and approve three year Meet & Confer Agreement

- **Next Step – City Council must approve the Agreement in order to implement.**



# 2010 Meet & Confer Agreement Summary



# 2010 Meet & Confer Agreement Overview

Year 1 (FY10-11)	Year 2 (FY11-12)	Year 3 (FY12-13)
<ul style="list-style-type: none"> <li>• 40 Hours Mandatory City Leave (aka “Furlough Days”)                              <i>(Equates to a 1.9231% pay reduction)*</i> </li> <li>• Comp Time for Overtime</li> <li>• Establish Phase Down Plan</li> <li>• Delay Fire Rookie Classes from Paramedic School</li> <li>• Reduce Number of Fire Rescue Replacements</li> <li>• Delay Truck 10 Implementation to Jan. 2011</li> <li>• Hiring for ½ Attrition in DPD</li> <li>• Modify Loss of Merit Step Procedure in DPD</li> <li>• Off Duty Jobs for Special Events</li> <li>• Time Off For Association Business</li> <li>• Reconfigure Fire Dispatch Schedule</li> <li>• Study Single Career Path in Fire</li> <li>• Suspend Fire Wellness Program</li> </ul>	<ul style="list-style-type: none"> <li>• 24 Hours Mandatory City Leave (aka “Furlough Days”)                              <i>(Equates to a 1.1538% pay reduction)</i> </li> <li>• Reinstate Merit Step Increase (If City Meets Revenue Trigger)                             <ul style="list-style-type: none"> <li>– If revenue trigger is not met, a “Retention Incentive” will go into effect for recently hired officers</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Reinstate (or continue) Merit Step Increase (if City Meets Revenue Trigger)                             <ul style="list-style-type: none"> <li>– If revenue trigger is not met, a “Retention Incentive” will go into effect for recently hired officers</li> </ul> </li> <li>• 3% Across The Board Pay Raise</li> <li>• 2 Additional Holidays for Uniformed Staff</li> <li>• Increase Education Incentive Pay (April 1<sup>st</sup>)</li> </ul>

• *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. See Appendix for Agreement Costs*

# 2013 Meet & Confer Agreement Summary



# 2013 Meet & Confer Agreement Summary

## Financial Provisions - Overview

Year 1 (FY13-14)	Year 2 (FY14-15)	Year 3 (FY15-16)
<ul style="list-style-type: none"> <li>• Reinstated Merit Steps</li> <li>• Added “Swift Water Pay” as a special pay item in Fire Dept.</li> </ul>	<ul style="list-style-type: none"> <li>• Merit Steps</li> <li>• Effective April 1, 2015, 4% Across-the-Board Increase (over term of Agreement)               <ul style="list-style-type: none"> <li>• Tied to Property Tax and Sales Tax Floor benchmarks</li> </ul> </li> <li>• Eliminated two additional holidays awarded in 2010 Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Merit Steps</li> </ul>

- Agreement includes a six month extension through March 21, 2017 if no new agreement reached prior to September 30, 2016
- City cannot act unilaterally until the Agreement expires
- See Appendix for Agreement Costs



# Goals for 2016 Agreement



# Overall Strategy for 2016 Agreement

1. Increase starting pay to be more competitive with other cities
2. Increase pay for early career officers to stem attrition
3. Maintain competitive pay for topped out officers
4. Establish a 'lateral program' to allow Dallas to recruit from other agencies and compensate those officers for their experience
5. Contractually stipulate that pay structures established in Meet & Confer Agreement supersede and preempt the 1979 Pay Referendum ordinance
  - The City's position remains that the 1979 pay adjustments were one time only and that the City met all its obligations at the time of the ordinance



# 2016 Proposed Meet & Confer Agreement



# 2016 Proposed Meet & Confer Agreement

## Financial Provisions - Summary

Year 1 (FY16-17)	Year 2 (FY17-18)	Year 3 (FY18-19)
<ul style="list-style-type: none"> <li>• Step increase - “Double-steps”</li> <li>• Add a 2% top step to all ranks</li> <li>• Drop bottom step from all ranks</li> <li>• New starting pay:               <ul style="list-style-type: none"> <li>• \$46,870 - Police Officer or Fire Rescue Officer</li> <li>• \$45,916 - Fire Prevention Officer</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Step Increase - “Single-step”</li> <li>• Add a 2% top step to all ranks</li> <li>• Drop bottom step from all ranks</li> <li>• New starting pay:               <ul style="list-style-type: none"> <li>• \$49,207 - Police or Fire Rescue Officer</li> <li>• \$48,371 - Fire Prevention Officer -</li> </ul> </li> <li>• Increase Certification Pay (see next slide)</li> </ul>	<ul style="list-style-type: none"> <li>• Step increase - “Double-step”</li> <li>• Add a 2% top step to all ranks</li> <li>• Drop bottom step from all ranks</li> <li>• New starting pay:               <ul style="list-style-type: none"> <li>• \$51,688 Police Officer, Fire Rescue and Fire Prevention Officers</li> </ul> </li> <li>• <b>Starting October 1, 2018 the starting pay for a Police Officer with a Bachelor’s degree will be \$55,288.</b></li> </ul>



# Increase Certification Pay

- Effective the first day of the first uniformed pay period after January 1, 2018, rates for Certification Pay (Texas Commission on Law Enforcement and Texas Commission on Fire Prevention) will be adjusted as follows:

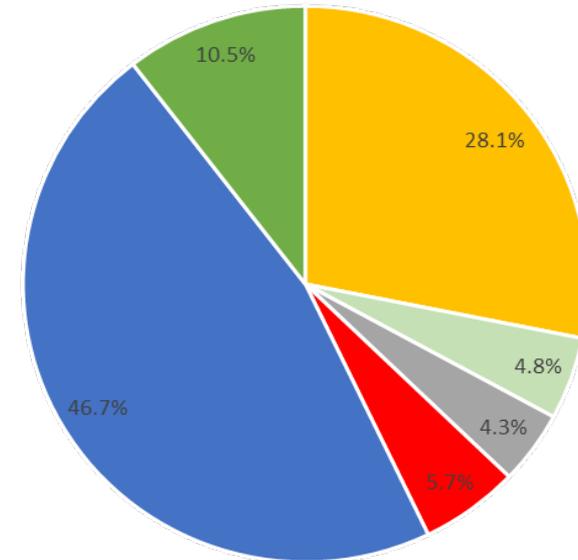
	<b>Intermediate</b>	<b>Advanced</b>	<b>Master</b>
<b>Police Current</b>	\$200/month		\$500/month
<i>Police New</i>	<i>\$200/month</i>	<i>\$400/month</i>	<i>\$600/month</i>
<b>Fire Current</b>	\$175/month	\$250/month	\$500/month
<i>Fire New</i>	<i>\$200/month</i>	<i>\$400/month</i>	<i>\$600/month</i>



# Percentage Pay Increase During Three-Year Agreement Term

- Over 57% of Officers will receive at least a 25% pay increase over the three year term of this Agreement

Percentage Pay Increase over term of Agreement



■ Less than 10% ■ 11 to 14.9% ■ 15 to 19.9%  
■ 20 to 24.9% ■ 25 to 29.9% ■ 30 or More

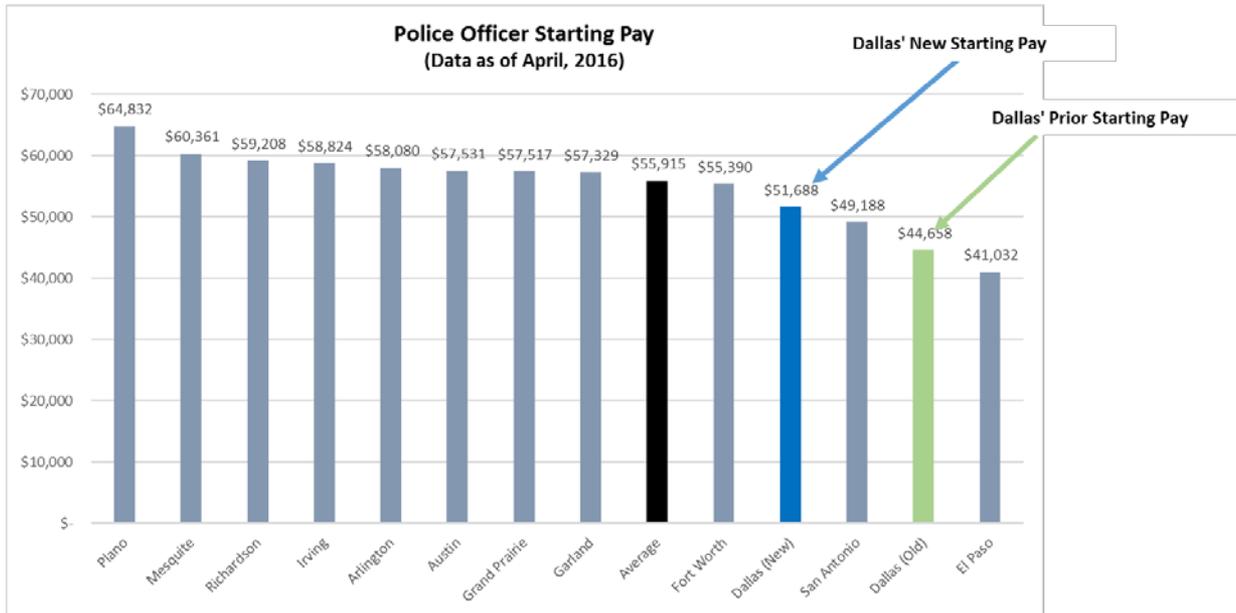


# Dallas' Pay Compared to Market (Reminder)



# Police Officer Starting Pay

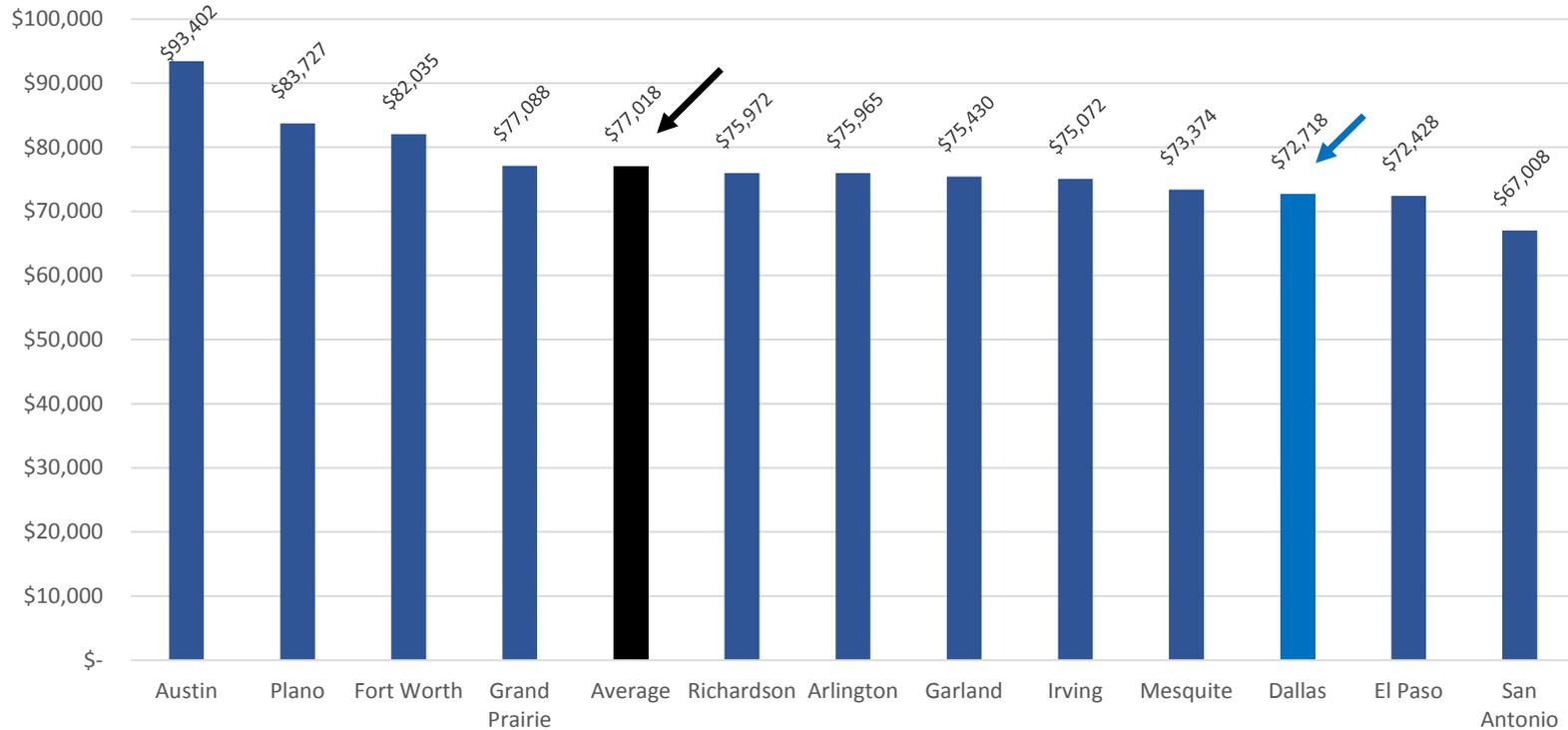
(data as of April, 2016)



- Dallas' starting pay for police officers has been significantly below market.
- With the new Meet & Confer agreement, starting pay will be much more competitive.
- **Beginning on October 1, 2018, the starting salary for a Police Officer with a bachelor's degree will be \$55,288**



# Dallas Top Step Pay – Police Officer Rank



- Dallas' top base pay for Police Officers is \$4,300 (5.9%) below the market average.



# Dallas Special Pay

- Dallas offers a number of special pay items including:
  - Education Incentive Pay
  - Certification Pay
  - Service Pay (also called Longevity Pay)
  - Detective Assignment Pay
  - Field Training Officer Pay
  - Patrol Duty Pay
  - Police Shift Assignment Pay
  - Aircraft Rescue (ARFF) Pay
  - EMS Assignment Pay
  - Arson Investigator Pay
  - HAZMAT Pay
  - Urban Search and Rescue Pay
- Dallas relies more heavily on special pay than other cities
- When one compares Dallas' top pay including special pay, pay top pay is competitive

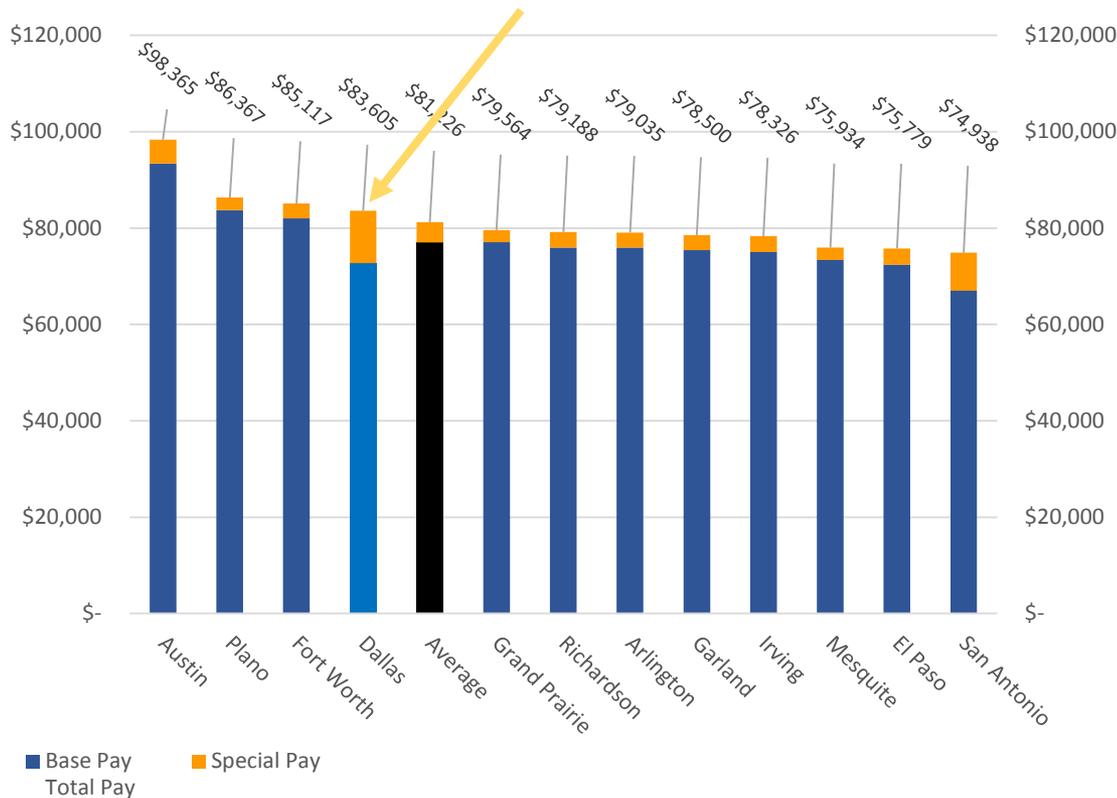


Does Dallas' pay look better  
when combining Base pay and  
Special pay  
(data as of April, 2016)



# Top Pay for Police Officer Rank

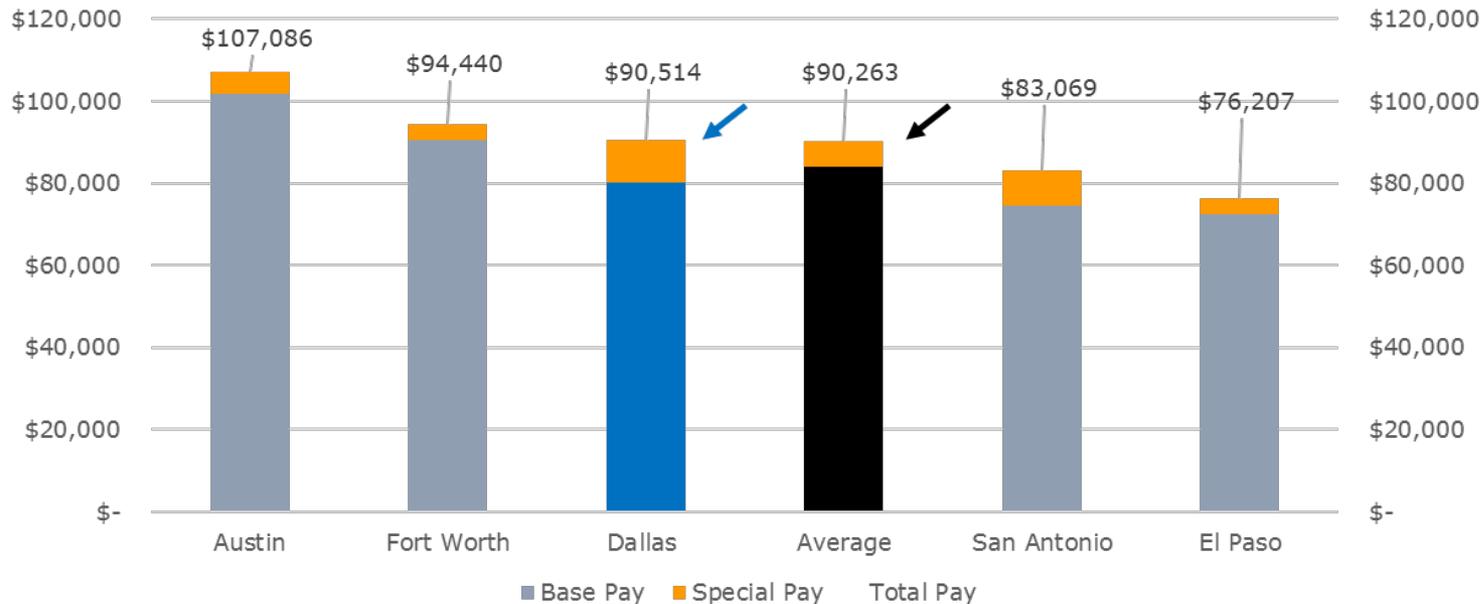
(data as of April, 2016)



- Dallas provides significant compensation in the form of “special pay” including things such as education pay (up to \$3600/year), certification pay (up to \$7,200/year), etc.
- With these special pay elements, Dallas’ pay at the top is very competitive with the market.

# Top Pay for Senior Corporal Rank

(data as of April, 2016)



- 31% - Percent of Senior Corporals who are currently topped out
- 40% - Percent of Police Officers who will be topped out after a double step
- 61% - Percent of Police Officers who will top out by the end of the three year Meet & Confer Agreement
- NOTE: Dallas has more Senior Corporals (1400) than it does Police Officers (1100)



# Top Pay for Sergeant Rank

(data as of April, 2016)



- 47% - Percent of Sergeants who are currently topped out
- 62% - Percent of Sergeants who will be topped out after a double step
- 87% - Percent of Sergeants who will top out by the end of the three year Meet & Confer Agreement



# Top Pay for Lieutenant Rank

(data as of April, 2016)



- 58% - Percent of Lieutenants who are currently topped out
- 72% - Percent of Lieutenants who will be topped out after a double step
- 97% - Percent of Lieutenants who will top out by the end of the three year Meet & Confer Agreement



# Other Provisions



# Lateral Hire Program for Police Officers

- Currently, officers hired from other agencies have to start at Step 1 on the Police Officer pay schedule, no matter how much experience they have
- Additionally, they have to go through the entire Police Academy training program
- Under this Agreement,
  - The Chief can hire officers in at a higher pay step rate to recognize their experience
  - The lateral officers will go through a truncated training program



# Probationary Officers Pay Increases

- Currently, officers have to wait about two years before getting a pay step increase
- Under this agreement, they will be eligible for a pay step increase on their first year anniversary

# Promotional Increases

- This agreement revises how promotional pay increases are calculated.
- Currently, some officers promote after receiving a pay step increase for the fiscal year while others promote before receiving a pay step increase.
- This has long frustrated officers.
- Under this agreement, officers' promotional pay increase will be based on the step they would move to later in the fiscal year if they happen to promote before they get their pay step.

# Pay Step Increase

- Currently, an officer who receives more than a three day suspension is not eligible for a pay step increase
- Under the new agreement, an officer will lose his or her pay step if he or she receives a 30 day suspension or more

# Meet & Confer Financial Analysis



# 2016 Agreement Costs

Final Agreement					
Proposal	Agreement Term			Obligated Cost	
	FY16-17	FY17-18	FY18-19	FY19-20	
FY16-17 Double Step & New 2% Top Step (1st Year Costs)	\$ 15,814,622				
FY16-17 Double Step & New 2% Top Step (2nd Year Costs)		\$ 15,814,622			
FY16-17 Cost to hire at higher pay rate (1st Year Costs)	\$ 499,165				
FY16-17 Cost to hire at higher pay rate (2nd Year Costs)		\$ 499,165			
FY17-18 Single Step & New 2% Top Step (1st Year Costs)		\$ 8,697,957			
FY17-18 Single Step & New 2% Top Step (2nd Year Costs)			\$ 8,697,957		
FY17-18 Cost to hire at higher pay rate (1st Year Costs)		\$ 527,373			
FY17-18 Cost to hire at higher pay rate (2nd Year Costs)			\$ 527,373		
FY17-18 Cost for Increased Certification Pay (1st Year Costs)		\$ 5,236,401			
FY17-18 Cost for Increased Certification Pay (2nd Year Costs)			\$ 1,745,467		
FY18-19 Double Step & New 2% Top Step (1st Year Costs)			\$ 15,134,074		
FY18-19 Double Step & New 2% Top Step (2nd Year Costs)				\$ 15,134,074	
FY18-19 Cost to hire at higher pay rate (1st Year Costs)			\$ 514,736		
FY18-19 Cost to hire at higher pay rate (2nd Year Costs)				\$ 514,736	
<b>Budget Impact</b>	<b>\$ 16,313,787</b>	<b>\$ 30,775,519</b>	<b>\$ 26,619,607</b>	<b>\$ 15,648,810</b>	<b>\$ 89,357,723</b>

*Costs calculated using 27.5% for pension contribution; 1.45% for medicare contribution. Does not include the impact to overtime earnings.*



# Next Steps

Two items on the December 14, 2016 Addendum

1. Resolution for a three-year Meet & Confer Agreement effective October 1, 2016 through September 30, 2019
  - Includes a six-month extension
2. Resolution authorizing Meet & Confer provisions for uniformed executive staff
  - Meet & Confer does not cover executives

# Questions?



# Appendix



# 2010 Agreement Costs

Proposal	Agreement 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) - <b>TRIGGER NOT MET</b>			
Retention Incentive (if Trigger <i>not</i> met)		\$ 1,075,443	
Steps continue (if Trigger met) <b>TRIGGER NOT MET</b>			
Retention Incentive (if Trigger <i>not</i> met)			\$ 410,061
2 Holidays*****			\$ 3,800,000
Education Pay Increase (4/1/2013)			\$ 5,721,855
<b>IF REVENUE TRIGGERS NOT MET</b>	<b>\$ (22,443,876)</b>	<b>\$ (3,819,186)</b>	<b>\$ 29,296,232</b>

\* 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.



# 2013 Agreement Costs

2013 Meet & Confer Agreement					
Proposal	Agreement Term			Obligated Cost	
	FY13-14	FY14-15	FY15-16	FY16-17	
	Budget +/-(-)	Budget +/-(-)	Budget +/-(-)	Budget +/-(-)	
FY13-14 Merit Step Increase (First Year Cost)	\$ 7,600,000				
FY13-14 Merit Step Increase (Second Year Cost)		\$ 7,600,000			
FY13-14 Swift Water Pay	\$ 40,000				
FY14-15 Merit Step Increase (First Year Cost)		\$ 7,600,000			
FY14-15 Merit Step Increase (Second Year Cost)			\$ 7,600,000		
4% ATB (First Year Cost 4/1/15 Implementation)		\$ 9,200,000			
4% ATB (Second Year Cost)			\$ 9,200,000		
FY15-16 Merit Step Increase (First Year Cost)			\$ 7,600,000		
FY15-16 Merit Step Increase (Second Year Cost)				\$ 7,600,000	
<b>Budget Impact</b>	<b>\$ 7,640,000</b>	<b>\$ 24,400,000</b>	<b>\$ 24,400,000</b>	<b>\$ 7,600,000</b>	<b>\$ 64,040,000</b>

