



5.14

OFFICE OF
LABOR RELATIONS

DEE CONTRERAS
DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

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May 11, 2004

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: FY2004/05 PROPOSED BUDGET – LABOR RELATIONS
DEPARTMENT (B-14)**

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

This report provides information on the FY2004/05 Proposed Budget for the Office of Labor Relations and requests an intent motion to approve the budget as proposed.

**CONTACT PERSONS: Dee Contreras, Director of Labor Relations, 808-5424
Lori Jennings, Labor Relations Officer, 808-5424**

FOR COUNCIL MEETING OF: May 25, 2004

SUMMARY:

This report provides information on the FY2004/05 proposed budget for the Office of Labor Relations. It includes a department description, budget summary, department profiles and department measures to assist in balancing the City's budget.

COMMITTEE/COMMISSION ACTION: N/A

BACKGROUND INFORMATION:

- Labor Relations is a city-wide support department providing assistance to City departments as well as SETA and SHRA, in negotiations, discipline processing, contract administration and other employee and labor issues.

FINANCIAL CONSIDERATIONS:

The FY2004/05 proposed budget for the Office of Labor Relations includes 8 full-time equivalent (FTE) positions. The department has a total budget of \$878,700, of which \$588,000 is supported by the General Fund. For more information on the department's budget and staffing, please see Attachments A and B. Highlights of the proposed budget for the department include:

- Maintaining the vacancy in the Labor Relations Manager position to provide general fund savings of \$50,000 and use of the \$54,000 balance of the salary savings to provide temporary staffing during 2005 general negotiations

ENVIRONMENTAL CONSIDERATIONS:

This report concerns administrative activities that will not have any significant effect on the environment, and that do not constitute a "project" as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

POLICY CONSIDERATIONS:

General bargaining in 2005 in the face of the City budget streamlining will create staffing shortfalls in processing daily work output in the Office of Labor Relations and create delay in handling some discipline and grievance issues.

ESBD EFFORTS:

No goods or services are being purchased under this report.

Respectfully submitted,



Dee Contreras
Director of Labor Relations

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

City Council
FY2004/05 Proposed Budget – Labor Relations Department
May 25, 2004

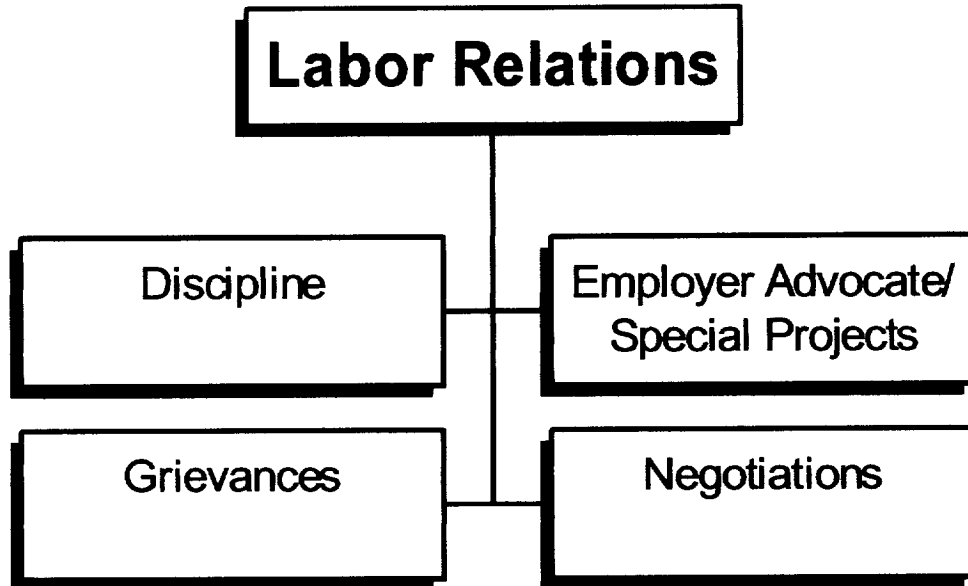
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Section

14

LAUNCH RELATIONS



Org chart effective FY2004/05

LABOR RELATIONS

Consistently providing professional Labor Relations Services aimed at enhancing the workforce and promoting positive relationships between the City and its labor groups.

DESCRIPTION

- Provides labor relations services for the City of Sacramento, Sacramento Housing and Redevelopment Agency and Sacramento Employment and Training Agency.
- Negotiates and administers labor agreements.
- Promotes, facilitates and models excellent management/union relations.
- Advise management in handling employee grievance and disciplinary issues.
- Identifies and resolves workplace issues (problems.)
- Represents and advocates for the City.
- Trains managers and supervisors on effective labor relations.

MORE INFORMATION

Please see the following for more information about the Office of Labor Relations.

- **Key Contacts**

Department Head

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921 – 10th Street Room 601
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Administrative Assistant

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OBJECTIVES FOR FY 2004/05

- Complete 2004 fire negotiations with Local 522.
- Complete general 2005 bargaining with all other units.
- Implement health plan and contribution reform.
- Identify discipline trends and provide department assistance for early intervention.

FY2004/05 PROPOSED BUDGET

ACCOMPLISHMENTS IN FY2003/04

- Implemented a database management tracking system for discipline.
- Initiated a tracking system for grievances.
- Completed several complex and difficult discipline investigations.
- Successfully defended two unfair labor practice charges filed with Public Employees Retirement Board (PERB).
- Successfully completed binding arbitration with the Sacramento Police Officers Association on health insurance reopener.
- Successfully moved Police Lieutenants to unrepresented management from a represented classification.

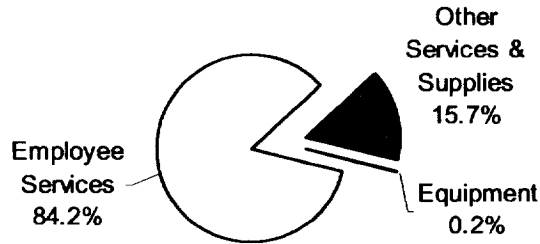
PROPOSED BUDGET/STAFFING CHANGES

- **Reorganizations/Efficiencies**
 - None
- **New Revenues**
 - None
- **Reductions**
 - The Labor Relations Office will leave vacant the position of 1.0 FTE Labor Relations Manager, and reduce funding by approximately \$50,000. The remaining \$54,000 will be used for contracted service as necessary during the 2005 bargaining sessions with the City's recognized employee organizations.

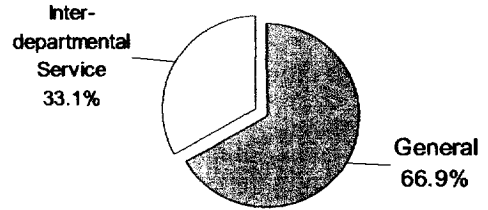
DEPARTMENT BUDGET SUMMARY

Labor Relations Budget Summary	FY	FY		FY	Change
	2002/03 Actual	2003/04 Approved	2003/04 Amended	2004/05 Proposed	More/(Less) Proposed/Amended
Positions (FTE)	8.00	8.00	8.00	8.00	0.00
Budgeted Expenditures					
Employee Services	601,313	820,464	820,464	739,547	-80,917
Other Services & Supplies	74,579	83,653	83,653	137,653	54,000
Equipment	3,126	1,500	1,500	1,500	0
Total:	679,018	905,617	905,617	878,700	-26,917
Funding Summary by Fund/Special District					
General	406,230	642,156	642,156	588,172	-53,984
Inter-departmental Service	272,788	263,461	263,461	290,528	27,067
Total:	679,018	905,617	905,617	878,700	-26,917

Budgeted Expenditures - FY05



Funding Summary - FY05



DIVISION BUDGET SUMMARY

Labor Relations Division Budgets	FY 2002/03 Actual	FY 2003/04 Approved	FY 2003/04 Amended	FY 2004/05 Proposed	Change More/(Less) Proposed/Amended
LABOR RELATIONS	679,018	905,617	905,617	878,700	-26,917
Totals:	679,018	905,617	905,617	878,700	-26,917

STAFFING LEVELS

Labor Relations Division FTEs	FY 2002/03 Actual	FY 2003/04 Approved	FY 2003/04 Amended	FY 2004/05 Proposed	Change More/(Less) Proposed/Amended
LABOR RELATIONS	8.00	8.00	8.00	8.00	0.00

WORKLOAD MEASURES

CATEGORY	DESCRIPTION	WORKLOAD MEASURE	FY2000/01	FY2001/02	FY2002/03
Discipline	Informal and formal corrective actions through termination	Number of Cases	115	135	171
		Successful Outcomes	*	*	*
Grievances	Appeal of application of the labor agreement or applicable policy	Number of Cases	47	46	36
		Successful Outcomes	*	*	*
Threat Assessment Team	Review threats or attacks on or by employees and prepare responses	Number of Cases	*	10	9
		Successful Outcomes	*	10	9
Negotiations	Meet and confer with recognized employee organizations on issues within the scope of bargaining	Completion of Agreements	11	*	0

* Data not tracked this fiscal year

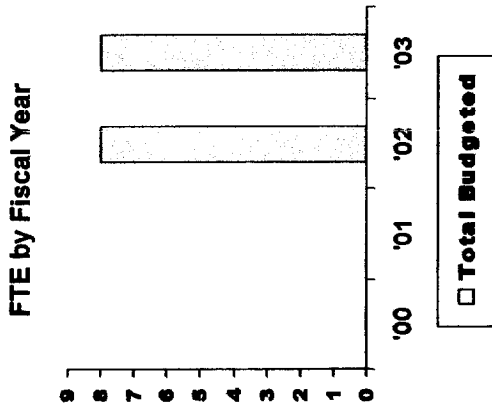
PROPOSED POSITIONS

1610 Labor Relations	<u>FY2003/04</u>	<u>FY2004/05</u>	<u>Change</u>
Administrative Assistant (Exempt)	1.00	1.00	0.00
Administrative Technician (Exempt)	1.00	1.00	0.00
Director of Labor Relations	1.00	1.00	0.00
Labor Relations Manager	1.00	1.00	0.00
Labor Relations Officer	4.00	4.00	0.00
Organization Totals:	8.00	8.00	0.00
Labor Relations Total:	8.00	8.00	0.00

Labor Relations Department Profile

As of April 2004

Staffing Trends

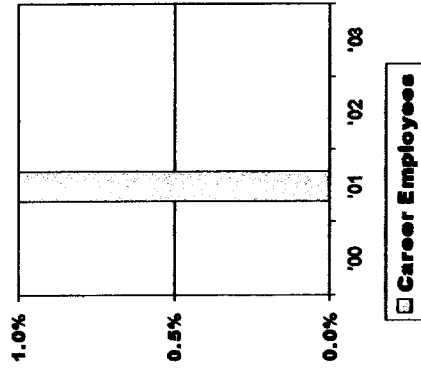


Full Time Equivalent Positions	
Total Positions:	8.00
Management:	6.00
Non-Management:	2.00

Staffing Detail

Average Years of Service	
Total Career:	9
Management:	5
Non-Management:	20

Staff Turnover Rates

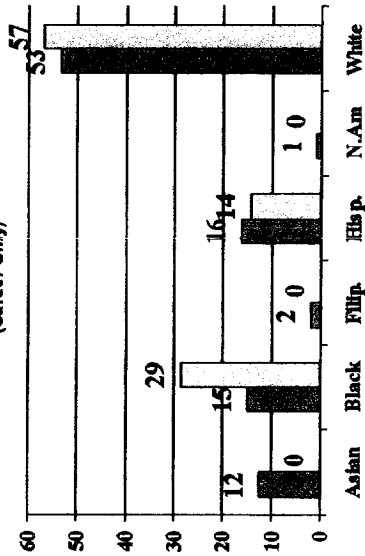


Turnover Rate (Resignations Only)	
Career Employees	0%

Labor Relations Department Profile

Staff Diversity (Career Only)

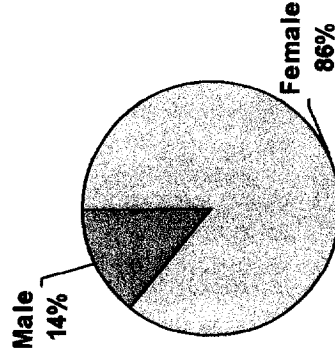
Ethnicity % (Career Only)



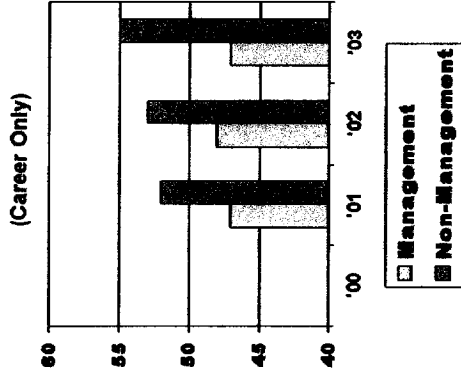
■ Council Goal □ Dept Current

Ethnicity	
Asian	0
Black	2
Filipino	0
Hispanic	1
Native American	0
White	4

Gender	
Male:	1
Female:	6



Average Age (Career Only)



□ Management ■ Non-Management

Average Age	
Total Career:	49
Management:	47
Non-Management:	55

City of Sacramento
FY2004/05 Proposed Budget
Office of Labor Relations

Office of Labor Relations

Overview

- Negotiations, discipline processing, contract administration, grievance representation, policy development, training and problem resolution
- City-wide services as well as SETA and SHRA

Overview – Net General Fund

FY2004/05 Office of Labor Relations

Budget

Budgeted Expenditures \$ 878,700

Less:

Other Funding Sources \$ 290,528

(Inter-departmental
Service)

Less:

General Fund Revenue \$ 63,000

Net General Fund \$ 525,172

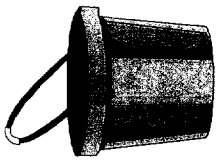
Office of Labor Relations

Workload Measures

- Contract negotiations
- Grievance resolution and representation
- Contract enforcement
- Discipline representation
- Threat Assessment Team management
- Success is measured by outcomes rather than numbers processed

Staffing Detail

Full Time Equivalent Positions:	Average Age:	
Total Positions:	Total Career:	49
Management:	Management:	47
Non-Management:	Non-Management:	55
Turnover Rate:	Average Years of Service:	
(Resignations Only)	Total Career:	9
	Management:	5
Career employees:	Non-Management:	20
	0.0%	



Reductions Office of Labor Relations

- Hold 1.0 FTE Labor Relations Manager position vacant
- Vacancy creates a savings of \$50,000 and balance provides \$54,000 for temporary staffing during 2005 general negotiations