

TO: Mayor and City Council
THRU: Robert G. Wells, City Manager
FROM: Constance L. Munnell, Director of Human Resources
SUBJECT: Salary Adjustments for Sworn Police and Fire Management Employees

ISSUE:

Should the Council approve an additional cost-of-living adjustment of .6% for sworn police management and 1.1% for sworn fire management employees; increase the special assignment pay for sworn police management from \$.49 per hour to 2.5% per hour; and provide the 2.5% special assignment pay to managers who are assigned to specific special units or teams?

RECOMMENDATION:

Staff recommends that effective June 26, 2006, (beginning of the new fiscal year) the City Council approve:

1. an additional .6% cost-of-living adjustment for sworn police management employees (Sergeants, Lieutenants, and Deputy Chiefs);
2. an additional 1.1% cost-of-living adjustment for sworn fire management employees (Battalion Chiefs, Division Chiefs, Deputy Chiefs);
3. increase the special assignment pay for sworn police management from \$.49 per hour to 2.5% per hour;
4. provide special assignment pay for sworn police management who are assigned to specific special units or teams at 2.5% per hour, consistent with union represented employees they supervise.

BACKGROUND:

Traditionally the City Council approves the same annual cost-of-living adjustments for management as received by employees represented by the various unions. The Council approved a new collective bargaining contract with the Salem Police Employees's Union (SPEU) on December 11, 2006. The contract provided for a 3.5% increase for represented employees. In addition, the new contract provided for a change from \$.49 per hour to 2.5% per hour for represented employees assigned to specific special assignments.

The City entered the second year of a two year agreement with the International Association of

Fire Fighters. The collective bargaining contract provided a cost-of-living adjustment of 4%.

On June 12, 2006, the Council approved cost-of-living adjustments for all non-represented employees, effective June 26, 2006, of 2.9%. Police and fire management received this 2.9% increase.

Police employees represented by the union and assigned to specialized assignments such as hazardous duty for motorcycle operations or SWAT previously received \$.49 per hour for extra duty pay. The new contract provided for 2.5% per hour instead of the \$.49 per hour. Police Sergeants who supervise those special units should also receive specialized assignment pay.

FACTS AND FINDINGS:

1. Employees represented by SPEU and IAFF received larger increases effective June 26, 2006, than non-represented employees.
2. The larger increases for represented employee creates salary compaction between the first line supervisors and represented employees. Salary compaction between the different layers creates significant problems if employees receive salaries close to their supervisors, e.g. employees are less likely to apply for those important managerial jobs, employees may make more money than the supervisor(s).
3. There are currently twenty-three (23) Police Sergeants, eight (8) Police Lieutenants, and three (3) Deputy Chiefs that are affected by the additional .6% increase.
4. There are currently six (6) Fire Battalion Chiefs, two (2) Division Chiefs and two (2) Deputy Chiefs that are affected by the additional 1.1% increase.
5. There are four (4) Police Sergeants that currently receive the \$.49 per hour and will receive the 2.5% special assignment pay. There will be an additional six (6) Sergeants who will receive the additional special assignment pay.

FISCAL IMPACT:

The approximate fiscal impact to the general fund for the increases are as follows:

Police management - (.6% salary increase)	\$20, 500
Police special assignment pay - (2.5%)	14,460
Fire management - (1.1% salary increase)	<u>15,400</u>
Total	\$50,360

The Police and Fire Department will attempt to absorb this additional cost from savings within the departments. If the departments are unable to absorb this amount then the appropriate transfer resolutions will be brought to Council.