

City Council Guiding Principles and Objectives for Negotiations Related to Employee Compensation

City Council Goal: Fiscal Stability

2008-2010 City Council Objective:

Negotiate in good faith in order to reach agreement on long-term labor contracts that provide for a competitive compensation to assist in the recruitment and retention of a well-qualified workforce, while providing an increased degree of stability/certainty relative to city personnel costs.

Overall Compensation and Benefits

- Review overall compensation package to ensure fiscal stability and sustainability.
- Expand market labor surveys to include full range of compensation and benefits, and explore comparisons with broader range of public agency employers.
- Avoid contract language that binds the City to decisions made by other agencies.
- Explore differential compensation packages for future employees.

Health Benefits

- Effectively manage escalating health benefit costs while maintaining comprehensive, affordable health care coverage for all employees.
- Examine the City's cafeteria health plan cash-out provision, with the goal of reducing costs while still providing appropriate opt-out incentives for employees with alternative health insurance coverage.

Retirement Benefits

- Consider implementing approach whereby City employees contribute to the cost of their retirement benefits.
- Explore City employees sharing in the contribution rate risk inherent in a defined benefit retirement plan.

Retiree Medical Benefits

- Strive to reduce the long term liability of retiree medical costs, while retaining progressive elements of the City's retiree medical insurance benefit.
- Consider implementing a vesting period for eligibility of retirement medical benefits.

Other

- Explore current contract language related to overtime in relation to applicable State and Federal Law.
- Recognize that flexibility may be necessary on the details of the overall compensation package provided that guiding principles are achieved within budgetary constraints.
- Make guiding principles and objectives available to the public and city employees.