

**Meet and Discuss Proposals
Management Response to Mesa United Fire Fighters Association
May 13, 2009**

1. Request: **Increase bereavement leave for 56-hour employees from the current 30 hours to 48 hours (2 shift days).**
Response: Approved with the understanding that the 48 hours have to be taken in adjacent or consecutive shifts.
2. Request: **Allow probationary employees to be eligible for the City's Industrial Injury Program (IIP).**
Response: Approved. Currently the Industrial Insurance Program (IIP) is a benefit offered by the City of Mesa to supplement the state-mandated workers' compensation insurance program. If an employee meets the eligibility requirements of the Industrial Insurance Program, the City will supplement the employee's lost wages that are not paid by the Workers' Compensation Insurance Program. The program will be modified to include probationary full-time employees. Part-time employees will still be ineligible for this program.
3. Request: **Review implications of the 4-day schedule/personal days.**
Response: The City Manager has requested further analysis of increasing the personal leave bank by 4 hours. With implementation of the city's new 4/10 work schedule, we increased flexibility for using existing personal day hours by allowing employees to take time in increments as small as one hour.
4. Request: **Reinstate the retiree healthcare plan immediately until options are explored and decided upon with the direction of City Council.**
Response: Each employee organization (United Fire Fighters, Fraternal Order of Police, and Mesa Police Association) has been asked to identify alternatives and options for addressing the issues the City is facing with regards to the city's significant OPEB (Other Post-Employment Benefits) liabilities; currently estimated at over \$664 million. Joint meetings will be held beginning in late May or early June with representatives from all parties coming together and having the opportunity to discuss and evaluate all viable solutions.

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5. Request: **Convene Labor Management Task Force to address personnel rules regarding employee representation for personnel investigations and disciplinary meetings. (One issue: Document in writing the City's investigation protocols to ensure continuity and consistency in implementation.)**

Response: Management will continue to work and collaborate with employee groups, maintaining an open dialogue, to discuss issues and alternatives with the personnel rules. Establishing written guidelines and procedures to memorialize best practices is sound management practice and management will work to develop the necessary documentation on investigation protocols. However, there are serious concerns with allowing employee representatives to attend investigation interviews due to the possible chilling effect and confidentiality issues that could arise with their presence. Further evaluation, analysis and discussion are necessary before a decision is made on this request.

6. Request: **Evaluate and consider changes to the Employee Benefits Task Force and Executive Team (Employee Benefits Advisory Committee – EBAC).**

Response: The EBAC will be refocused to handling appeals and oversight of the benefits plan document. A city-wide management/employee committee will be established to evaluate and review benefit policies/issues and proposed changes in practice, with the City Manager appointing representatives to serve on the committee.

7. Request: **Review final draft of proposed personnel rule changes from last year's task force.**

Response: Personnel rule changes were delayed this year as management focused on addressing the financial challenges associated with the fiscal year 08/09 and 09/10 budgets. As the budget development process winds down, the City Manager will be able to devote the necessary time and attention to the proposed recommendations to determine the appropriate course of action for individual recommendations.

8. Request: **Is the city moving towards a Pay for Performance System?**

Response: The City is not moving towards a Pay for Performance System. Management is researching tools that would help supervisors recognize exceptional performers including the possibility of adding a third tier to the rating scale.

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Management Response to Fraternal Order of Police
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Study Session
May 21, 2009
Attachment 2 (Page 1 of 2)

1. Request: **Implement lost pay adjustments, cost of living raises, any future cost of living raises as well as the 2% deduction in pay, making all sworn employees whole.**

Response: This will not be included in the proposed budget. It is management's priority to restore the 2% pay reductions and reinstate merits when the city's financial situation improves to the point where restoration of pay is viable and sustainable.

2. Request: **Continue merit pay for officers, sergeants and lieutenants.**

Response: This will not be included in the proposed budget (see #1 above). Estimated cost is \$1,090,041

3. Request: **Place overtime for officers, sergeants and lieutenants to attend court on their scheduled time off back into budget.**

Response: The proposed budget includes funding pending ongoing negotiations with Phoenix-Mesa Gateway to be reimbursed for police coverage at the airport. Reimbursement amount is approximately \$334,540.

4. Request: **Increase hours for Personal Days from 8 to 10.**

Response: The City Manager has requested further analysis of increasing personal leave bank by 4 hours. With implementation of the city's new 4/10 work schedule, we increased flexibility for using existing personal day hours by allowing employees to take time in increments as small as one hour.

5. Request: **Allow sworn police employees the opportunity to get compensatory bank time pay out once a year.**

Response: No action at this time. Currently there is a 100 hour limit on compensatory time balances. Compensatory time payout would be similar to vacation payout in that the employee would pay 25% federal tax. Employees pay lower taxes on overtime than on comp time pay out. Allowing a once per year payout could present an unbudgeted expenditure potentially as high as \$500,000-\$750,000 for all sworn personnel in both the Police and Fire Departments with additional impacts from PSPRS contribution increases related to higher pensions. The level of usage by employees of a buyout program is unknown.

6. Request: **Allow officers to opt out of being paid holiday time in exchange for taking floating holidays.**

Response: The City Manager has requested further analysis including evaluating administrative requirements such as payroll and FLSA as well as any potential fiscal impact.

7. Request: **Allow employees to donate sick and/or vacation time to employees approved for the Medical Leave Assistance Program.**

Response: Management will research and explore this request to expand the program to include donation of sick time. This has an unknown budget impact on payout of sick leave that may otherwise not be used.

8. Request: **Allow spouses of current or retired employees to maintain city medical benefits after the death of the employee.**

Response: Under consideration by management. Currently spouses can stay on the medical plan for six months and then obtain coverage through COBRA for an additional 30 months. After COBRA, the spouse may convert to PSRS/ASRS coverage. This could increase the city's future liabilities by over \$31.5 million. This figure is based on an actuarial study conducted in 2006. This issue will be included in the upcoming discussions with all three employee groups on Other Post Employment Benefits (OPEB).

Meet and Discuss Proposals
Management Response to Mesa Police Association
May 13, 2009

1. Request: **Restore the 2% salary reduction; review last year's plan to implement COLA and market adjustments.**

Response: This will not be included in the proposed budget. It is management's priority to restore the 2% pay reduction and merits when the city's financial situation improves to the point where restoration of pay is viable and sustainable. In addition, once the city's financial situation improves a new market survey will be conducted comparing sworn salaries to other valley cities.

2. Request: **Revise the Personnel Rules and Management Policies to give employees the opportunity to appeal any discipline that would result in economic deprivation (primarily one and two day suspensions).**

Response: The City Manager has requested further study of this request. Currently, employees can grieve suspensions, demotions, and terminations to the City Manager and the City Manager may forward these types of appeals to the Personnel Appeals Board. Employees only have the right to appeal terminations to the Appeals Board; suspensions and demotions are rarely sent to the appeals board for review. In 2008, there were 30 suspensions under 2 days and 19 demotions. Allowing employees to appeal one and/or two day suspensions or demotions could dramatically increase the scope and burden of the Personnel Appeals Board. An alternative would be to allow a pre-deprivation hearing for one and two day suspensions.

3. Request: **Revise the Personnel Rules to allow representatives to speak at all internal discipline hearings/boards.**

Response: Approved to allow representatives to attend PD internal hearings/boards at the employee's request and with supervisory approval. Approval shall not be withheld unless operational needs justify withholding approval. Representatives shall not speak during the hearing unless approved by the chair but will be permitted to give a closing/summary statement on behalf of the employee within any parameters set by the chair.

4. Request: **Revise the Personnel Rules so that employee disciplinary appeals go to the Police Chief first and then to an independent outside hearing officer if the employee chooses to appeal the Chief's decision.**

Response: Currently the Police Chief makes disciplinary decisions as a City Manager's designee. Under the proposal, disciplinary decisions would go back to the Chief via appeal. In addition, with this request, appeals would not go to the City Manager's Office and/or the Personnel Appeals Board. Section 404 of the City Charter establishes the Personnel Appeals Board with authority to render advisory decisions to the City Manager. The City Charter (section 303) also establishes the City Manager as the chief administrative officer of the city, responsible for the administration and coordination of all departments, boards, and affairs assigned to him by the charter. Management may consider an alternative appeals process before being reviewed by the City Manager.

5. Request: **Require the use of Mesa police officers and equipment for traffic/construction within the City of Mesa.**
Response: Approved. Policies have been established requiring the use of Mesa police officers and Department Directors have been notified of the requirement.
6. Request: **Establish a bank of 500 hours to be used by MPA representatives to research and compile information on association issues.**
Response: No action at this time. The City Manager has requested further study to identify administrative and implementation issues and to determine financial impacts if any especially as they may relate to overtime costs.
7. Request: **Allow MPA representatives to explore regional healthcare with the possibility of proposing a separate medical insurance program for police personnel.**
Response: Approved to research options and return to city management with specific defined proposals. The Human Resources Director will raise this issue with other valley cities.
8. Request: **Share exit interview data from sworn personnel.**
Response: Approved. The Police Chief will notify the appropriate personnel to coordinate the sharing of appropriate information when he receives exit interview information from Human Resources.
9. Request: **Move towards a goal of increasing the number of police officers per capita to match the national average.**
Response: No action at this time. Chief Gascon will continue to assess staffing priorities for the department; increased staffing will occur as growth dictates and funding allows.
10. Request: **Increase Holiday pay from 8 hours to 10 hours.**
Response: Under consideration. The City Manager has requested further study regarding the viability of increasing holiday leave hours and the potential financial implications.
11. Request: **Explore incentive retirement packages for sworn personnel.**
Response: No action at this time. This request would likely result in additional retirement liability for the city.

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12. Request: **Review city DUI policy to provide non-disciplinary options for addressing employee issues.**

Response: The City Manager has requested further analysis and asked MPA to submit an alternative DUI proposal for consideration. In any case, we need to better educate the workforce on the Employee Assistance Program. To that end, Human Resources and EAP representatives met with the Police Department's Wellness group on April 7, 2009 to discuss EAP counseling and how EAP can be used for educational purposes.

13. Request: **Ensure that promotions occur from current promotional lists.**

Response: The Human Resource Director will ensure that management policies and Personnel Rules governing promotions are adhered to.

14. Request: **Modify the city's Donated Leave Program from an hour for hour program to a value based program whereby the value of donated leave is based on the donor's hourly rate of pay as it relates to the recipient's hourly rate of pay.**

Response: The City Manager has requested further study to identify administrative and implementation issues and to determine any potential financial impacts.