

- 01-Description/Analysis
- 02-Housing Authority Resolution
- 03-City Council Resolution
- 04-Exhibit A - Collective Bargaining Agreement with SHRAEA - Clean
- 05-Exhibit B - Collective Bargaining Agreement with SHRAEA - Redline
- 06-Exhibit C - Collective Bargaining Agreement with AFSCME - Clean
- 07-Exhibit D - Collective Bargaining Agreement with AFSCME - Redline
- 08-Exhibit E - Unrepresented Employee Salary Schedule
- 09-Exhibit F - Represented Employee Salary Schedule 2021
- 10-Exhibit G - Represented Employee Salary Schedule 2022

Description/Analysis

Issue Detail: Represented employees of SHRA are members of either AFSCME or the SHRAEA. The current Collective Bargaining Agreements for both organizations contain no provision to increase medical allowance contributions or salary ranges beyond December 31, 2020.

This report recommends that the City Council and Housing Authority approve the two-year Collective Bargaining Agreement between SHRA and AFSCME employees and SHRA and SHRAEA employees and approve salary range and contribution adjustments included in Exhibits A through D and as outlined below.

Salary Range Adjustments

Effective **January 4, 2021**, all represented employees shall receive a two percent salary range increase.

Effective **January 3, 2022** all represented classifications shall receive a two percent salary range increase.

Cafeteria/group insurance contributions - Currently contributions for health and/or dental benefit costs are currently set at the levels outlined below:

- Employee only: \$759.82 per month
- Employee plus one: \$1180 per month
- Employee plus two or more: \$1535 per month

Effective **January 1, 2021** SHRA's designated cafeteria/group insurance contribution for regular and limited-term full-time employees shall be as follows:

Employee Only: lowest cost HMO Plan at the employee only level plus Dental DMO Plan for

employee only per month (2021)
Employee plus one - \$1,230 per month
Employee plus two or more - \$1,585 per month

Effective **January 1, 2022**, SHRA's designated cafeteria/group insurance contribution for regular and limited-term full-time employees shall be as follows:

Employee Only: lowest cost HMO Plan at the employee only level plus Dental DMO Plan for employee only per month (2022)
Employee plus one - \$1,280 per month
Employee plus two or more - \$1,635 per month

In addition, staff recommends approval of other minor changes to the AFSCME and SHRAEA contract language.

Policy Considerations: The recommended action in this report is consistent with SHRA Policy and labor relations practices. The California Code of Regulations (2CCR 570.5) requires that the City Council approve changes to SHRA's salary schedule at a public meeting. This obligation arises whenever salary ranges are changed to ensure that salary rates are transparent and publicly available. These publicly adopted rates are used by CalPERS to determine the appropriate compensation for each SHRA employee when calculating their pension benefit. Salary schedules for all SHRA job classifications are being re-approved because CalPERS has interpreted section 570.5 to require approval of the entire salary schedule each time there is a change in the salary range for any classification which is provided as Exhibits E through G.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. These labor agreements were published for 10-day review on November 5, 2020 as required.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed actions consist of governmental fiscal activities which do not involve a commitment to any specific project, and as such, does not constitute a "project" under the California Environmental Quality Act (CEQA) Guidelines at 14 California Code of Regulations section 15378(b)(4).

National Environmental Policy Act (NEPA): The proposed administrative and management activity is an exempt activity under the National Environmental Policy Act (NEPA) per 24 Code of Federal Regulations (CFR) section 58.34(a) (3).

Sustainability: Not applicable.

Rationale for Recommendation: SHRA employee members of the SHRAEA voted to ratify the two-year labor agreement on September 25, 2020 and SHRA employee members of AFSCME voted to ratify a two-year labor agreement on October 19, 2020.

Commission/Committee Action: Not applicable.

Financial Considerations: Adoption of the proposed increases in health insurance contributions for SHRA represented employees outlined in this report will result in an additional cost estimated at \$546,129. All salary and benefit costs for the proposed increases have been incorporated into the 2021 SHRA Budget which was approved on August 18, 2020. Additional amounts will be allocated in future budgets as appropriate.

Local Business Enterprise (LBE): Not applicable.