

“Working Together Works”

IFPTE – 21 ♦ City of Oakland Chapters



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Local 21 Fights City Demands for 10% Givebacks
Last November, the Union proposes that the City extend our contract for an additional two years with no changes. The City responded by proposing to extend the contract in tandem with to a laundry list of economic demands. This included increasing the employee retirement contribution from 3% to 8% of gross pay; eliminating overtime for most employees; abolishing management leave, professional development allowances, and automobile allowances; reducing standby pay; and forming a committee to “study” possible “cost savings” in medical benefits (most likely leading to demands for increased employee payment for health care).

In negotiations, the City has “clarified” that this is not the full extent of its economic demands, and that it is insisting on getting 10% givebacks from the miscellaneous unions (Local 21, SEIU 1021, and IBEW). To add insult to injury, the City is also insisting that 5% come in the form of an increased employee retirement contribution. City negotiators stated that the City is not interested in alternatives to the retirement contribution, but is open to different ways of structuring the additional 5%.

Local 21’s Principles & Positions on Oakland’s Budget Crisis

To date, the Union has not agreed to any concessions. We continue to hold firm to our insistence on basing any agreement on core principles:

1. No concessions should be made until there is a comprehensive solution to the entire budget deficit.

2. There must be a fair and equitable sharing of economic sacrifices. Public safety departments, unrepresented managers, and elected officials must all shoulder part of the burden of balancing the budget.

3. Any agreement must be voted on by a secret ballot vote of the union membership after full information is provided.

4. Negotiations are a two-way street. If the City wants economic concessions, the Union expects something in return – a reduction in working hours or more days off, flexible work schedules, improvements to contract language on fair treatment and due process, etc.

5. The Union is willing to support and work for the passage of new revenue measures, but these are more likely to pass if they are seen as part of a broader solution. Support for ballot measures should include assurances that revenue enhancements will preserve jobs and benefits, and not be used to fund additional overtime in public safety, the hiring of high-paid temporary employees, or costly outside contracts.

***Finally!* Finance Committee Does 180° Turn and Recommends Early Retirement Incentives**

On Tuesday, April 7, the Finance Committee voted 3 to 1 to move forward with the implementation of an early retirement incentive (CalPERS’ “Golden Handshake”). Months of research and tireless advocacy by Local 21 members and staff have paid off – several council members changed their minds, and the presentation by personnel staff was far more

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favorable than in the past. Deputy City Administrator Marianna Marysheva stated that the administration supports early retirement incentives because they will save money – “the only unknown is how much money will be saved.” It was also revealed that the administration has already started the process to amend the City’s contract with CalPERS.

This issue will move to the City Council for a vote on May 5. With three votes from Finance Committee members Quan, Kernighan and Nadel (De La Fuente is adamantly opposed), and Council members Brunner and Kaplan on record as supporting the incentive, we appear to have won enough support to make retirement incentives part of the City’s mixture of budget balancing measures. The City may be able to offer the program as soon as early June.

Meanwhile, the Personnel Department has asked the Union to assist in identifying members who intend to take advantage of this program, which provides two years of additional service credit to eligible employees opting to retire within a short window (probably June – August, 2009). The extra two years credit will allow employees who are retirement eligible to gain an additional 5.4% in monthly retirement income by retiring now, rather than waiting two more years. For many, this will mean the difference between retiring and waiting to accrue more service time, and continued employment for some who would otherwise be laid off.

Local 21 Beats Back DIT Layoffs

At the March 31 City Council meeting, Local 21 was able to shutdown the City’s plan to layoff seven members in the Department of Information Technology (DIT) on April 17. The City provided the union with no notice of the layoffs and completely ignored our contract language provision which requires 60-day notice. Our message to the Council was simple: Follow the rules and respect our contract! They got the message and voted unanimously, 8-0 to overturn the proposed layoffs.

Thank you to all the Local 21 members who turned out for the meeting, especially our members in DIT, and many others who came to help save these jobs and to protect our contractual rights. This shows we can make a difference when we work together!

Local 21 Rumor Control

Members are understandably concerned about what may happen to their pay and benefits in these difficult times. While the City is already making demands for 10 percent givebacks, it is important to dispel rumors of other cuts that have not been proposed:

1. The City has not proposed to reduce medical benefit coverage – it has indicated it wants to explore ways to “reduce costs,” which could lead to higher employee payments down the road, but there is no specific proposal on the table at this time.
2. The City has not proposed to reduce or eliminate the retiree medical benefit. This payment has not been increased above \$425 for over 6 years, but there is no proposal to cut it back.
3. The City has not proposed to modify retirement benefits. The 2.7% @ 55 plan will remain in force. What is at stake is the City’s insistence on employees increasing their contribution from 3% to 8%.
4. The City has stated unequivocally that it will not seek retroactive cuts. Any economic givebacks would be prospective.
5. While negotiations continue, the contract remains in force. All benefits and terms of employment remain unchanged, and the union continues to enforce the contract through negotiation and, where necessary, by filing grievances.

Coming Soon! Local 21 Budget Town Hall Meetings
Local 21 will be holding meetings to discuss the Budget with our members during the week of April 20-24. Stay tuned for specific details on times and locations!