

AGENDA BILL

**Beaverton City Council
Beaverton, Oregon**

SUBJECT: Management COLA

FOR AGENDA OF: 06-21-10 **BILL NO:** 10122

Mayor's Approval: *Denny Doyle*

DEPARTMENT OF ORIGIN: HR *web*

DATE SUBMITTED: 06-14-10

CLEARANCES: Finance *[Signature]*
City Attorney *[Signature]*
Asst. to the Mayor *[Signature]*

PROCEEDING: Consent Agenda

EXHIBITS:

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$375,257 Management Fiscal Increase	BUDGETED \$375,257*	REQUIRED \$-0-
\$495,296 SEIU Fiscal Increase	\$495,926*	\$-0-
\$211,486 BPA Fiscal Increase	\$211,486	\$-0-

*The Amounts Budgeted are included in the FY 2010-2011 Proposed Budget approved by the Budget Committee. The Proposed FY 2010-2011 Budget was approved by the Budget Committee on May 27, 2010, and was forwarded to the City Council for adoption at tonight's Council Meeting.

RECOMMENDED ACTION:

Council approve the following effective July 1, 2010:

- A 2.95% fiscal adjustment for management employees.
- A 1.95% fiscal adjustment for SEIU employees, and a 2% contribution to a HR-VEBA account which is comprised of trading 1% of the fiscal adjustment along with a 1% City match
- A 1.5% fiscal adjustment for BPA employees.

HISTORICAL PERSPECTIVE:

Management Fiscal Increase

Historically, Council has approved a fiscal increase for management employees that equaled the adjustment given to employees in the bargaining unit, which represents the general employee unit SEIU (Service Employees International Union).

INFORMATION FOR CONSIDERATION:

The SEIU contract stipulates that employees in that bargaining unit will receive an adjustment equal to the West Region CPI-W (Urban Wage Earners and Clerical Workers) annual average for a twelve- month period ending December 2009, with a minimum of 1.5% and a maximum of 4%. That CPI increase for year end 2009 was 2.95%; however, the SEIU's adjustment will be 1.95% due to their negotiating a trade of 1% of their COLA for a contribution to a new VEBA account, and the City agreed to match with a 1% contribution.

The estimated cost to provide a 2.95% fiscal increase to management employees for Fiscal Year 2010-11 is approximately \$375,257, including salaries, payroll taxes and fringe benefits. This amount is included in the FY 2010-11 Proposed Budget that is scheduled for adoption at tonight's Council Meeting.

The Beaverton Police Association (BPA) contract stipulates that employees in that bargaining unit will receive an adjustment equal to the Annual PDX-CPI-W increase ending December 31, 2009, with a minimum of 1.5% and a maximum of 4%. That CPI increase for December 31, 2009, was .7%; therefore, the BPA will receive a 1.5% COLA.