



**CITY OF SAN CARLOS FY 2010-11 BUDGET
BASE BUDGET EXPENSE AMENDMENT –
PROGRAM CHANGE FORM – PROGRAM ADD**

Priority Tracking	
Department Priority	1
City Manager Priority	10
City Manager Recommended	Y
Council Accepted	

PROGRAM: 01000000 General Fund
REQUEST TITLE: Eliminate Contracted COLA Increases for
Management and Confidential Units Effective 7/1/10

Request Summary

Eliminate the contracted COLA increase of 2.75% which was to be effective July 1, 2010 for the Management and Confidential labor units.

Factors Driving the Request for Change

- In November 2008, Council approved resolutions authorizing the revised Memorandum of Understandings (MOU) for both the Management and Confidential labor units. In both of these resolutions was a COLA increase of 2.75% to be effective July 1, 2010.
- In Spring 2010, City Council through the City Manager requested that these labor units discuss “giving back” this contracted increase to save the City money.
- The total amount of savings given back by these two labor groups for current budgeted positions across all funds totals approximately \$142,000.
- Several of the positions in these units have been listed on the options list as possible eliminations. This form excludes any savings associated with positions that have been listed elsewhere in the budget options to eliminate the possibility of double-counting the savings.
- In addition, this form includes the overhead allocation impact of the 2.75% give back further decreasing the amount of budgeted savings to the General Fund.

Impacts of Change

- Salaries and benefits for most of the positions in these labor units are already less than average of our benchmark jurisdictions. Eliminating the COLA increase will put these positions further out of market.
- Recruiting for vacant positions will become more difficult without competitive salaries.

Alternatives

- 1) Choose no action on the proposed budget amendment.
- 2) Choose alternate amount.

Cost Summary

Line Item Description	Org Number	Object Code	Total Amount
Operating Expense (list detail description below)			
For both Management & Confidential Groups - total by dept			
GENERAL FUND			
City Manager Dept Salaries/Benefits			2,900.00
City Clerk Dept Salaries/Benefits			4,300.00
Community Development Salaries/Benefits			22,300.00
Administrative Services Salaries/Benefits			34,400.00
Police Dept Salaries/Benefits			17,700.00
Public Works Salaries/Benefits			19,700.00
Parks Dept Salaries/Benefits			13,500.00
Total General Fund Operating Costs			\$ 114,800.00
Overhead Allocation Impact (cost to or recovery from other funds)			
From Workers Comp		493201	(1,900.00)
From Risk Mgmt		493301	(2,400.00)
From Sewer		490601	1,700.00
From NPDES		491501	(1,000.00)
From Gas Tax		491601	(100.00)
From RDA		498001	(600.00)
From RDA Housing		498101	100.00
Net General Fund Savings			\$ 110,600.00