



WORKING THE BASICS: PROPOSED BUDGET REVIEW

COALITION OF LA CITY UNIONS

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LA CITY UNIONS**

BASICS OVERVIEW

Introduction - Gavin Koon IUOE Local 501

- 1. Protect City worker purchasing power***
- 2. Building Back Better: Negotiated Workforce Development for entry level and Bridge class hiring, TLH, contracting in***
- 3. Staffing levels: Our Ongoing Concern***
- 4. Fair benefit rights for ALL city workers***
- 5. Cost savings work: past policy collaboration and Alternative Dispute Resolution***



PROTECT LA CITY WORKER PURCHASING POWER

**COALITION OF
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EMPLOYER POWERHOUSE

BIGGER THAN LA PRIVATE SECTOR EMPLOYERS

FTE in FY 2021

- **City of LA = 46,073 (includes proprietaries)**
- **LA's largest private sector employer = 40,876**

SOURCE: CITY OF LA, CAFR FY 2021; LOS ANGELES BUSINESS JOURNAL

CITY OF LOS ANGELES						
Los Angeles County Principal Employers (Non-Government) Current Year and Nine Years Ago						
Employer	2021			2012		
	Employees	Rank ⁽¹⁾	Percentage of Total County Employment	Employees	Rank ⁽¹⁾	Percentage of Total County Employment
Kaiser Permanente	40,876	1	1.0 %	36,508	1	0.8 %
University of Southern California	22,465	2	0.5	16,623	3	0.4
Target Corp.	20,000	3	0.5	14,250	4	0.3
Northrop Grumman Corp.	18,000	4	0.4	18,000	2	0.4
Cedars-Sinai Medical Center	16,309	5	0.4	12,000	6	0.3
Amazon	16,200	6	0.4	--	--	--
Allied Universal	15,326	7	0.4	--	--	--
Providence Health & Services Southern California	14,935	8	0.3	11,403	8	0.3
Ralphs/Food 4 Less/Kroger	14,585	9	0.3	13,200	5	0.3
Walt Disney Co.	12,200	10	0.2	10,500	10	0.2
Boeing Co.	--	--	--	11,249	9	0.3
Bank of America Corp.	--	--	--	12,000	7	0.3
All Others	4,100,804	--	95.6	4,209,967	--	96.4
TOTAL ⁽¹⁾⁽²⁾	4,291,700		100.0 %	4,365,700		100.0 %

Source:

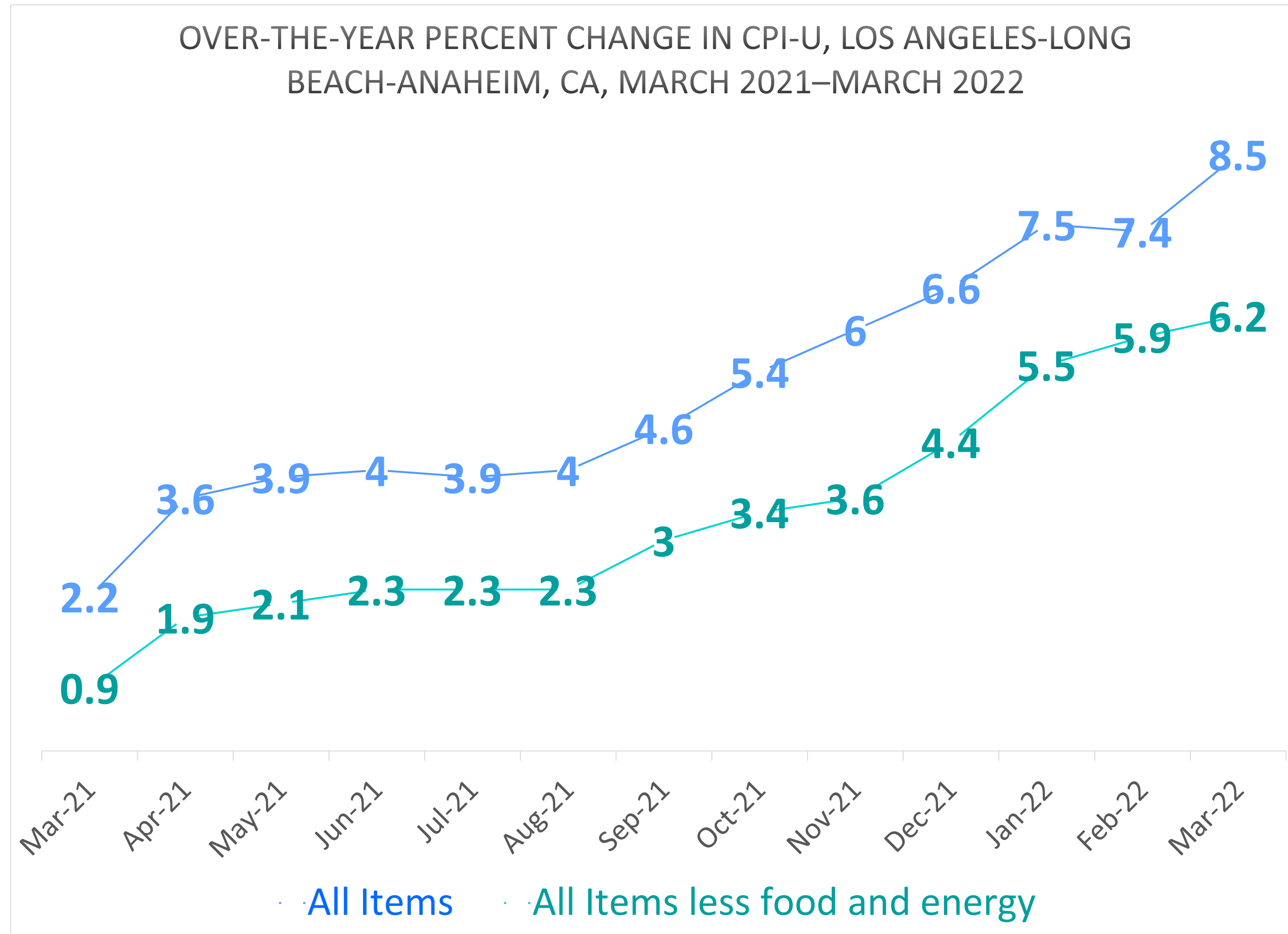
(1) Los Angeles Business Journal (LABJ) - The information on this list was provided by representatives of the employers themselves. Companies are ranked by the current number of full-time employees in L.A. County. Several companies may have qualified for this list, but failed to submit information or do not break out local employment data.

(2) Total County Employment per California EDD labor force report (<http://www.labormarketinfo.edd.ca.gov>).

This report was completed based on information from various sources and is intended for use as a general guide only. The City does not warrant accuracy of this data. Inquiries should be directed to the individual employer.

CITY OF LOS ANGELES					
Number of City Government Employees by Function/Program - (Continued) Full-Time Equivalent Last Ten Fiscal Years					
	Fiscal Year				
	2021	2020	2019	2018	2017
BUSINESS-TYPE ACTIVITIES	14,408	15,184	14,919	14,583	14,266
Los Angeles Convention Center	8	10	9	8	11
Water and Power	10,550	10,704	10,364	10,044	9,794
Airports ⁽⁴⁾	2,938	3,557	3,666	3,647	3,578
Harbor ⁽⁴⁾	912	913	880	884	883
PENSION SYSTEMS	296	275	266	250	256
City Employees' Retirement System	180	156	147	138	140
Fire and Police Pension System	116	119	119	112	116
GRAND TOTAL	46,073	49,432	48,244	47,368	46,622

PROTECT CITY WORKER PURCHASING POWER



- ***Bureau of Labor Statistics says inflation is at a 40-year high of 8.5%***
- ***2021 CPI increase = 6.6%***
- ***March 2022 trend = 8.5%***
- ***Given no base raises in 2021 and a 4% raise in 2022, our members need to maintain their shrinking purchasing power***
- ***15.1% - 4% = 11.1% loss to worker buying power***

BUILDING BACK BETTER: WORKFORCE DEVELOPMENT

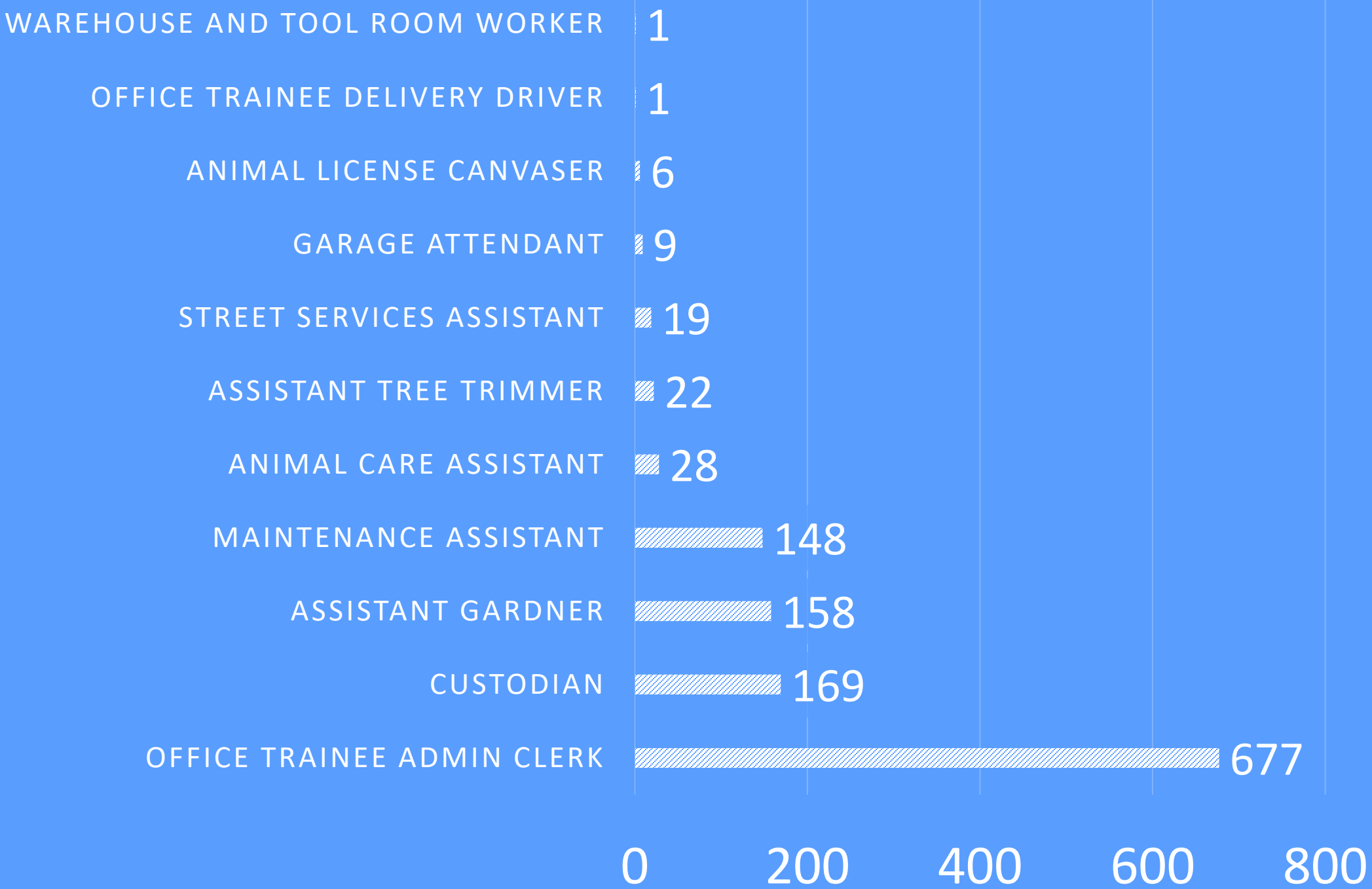
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UNION AND CITY WORKFORCE DEVELOPMENT

ALTERNATIVES TO TRADITIONAL TESTING

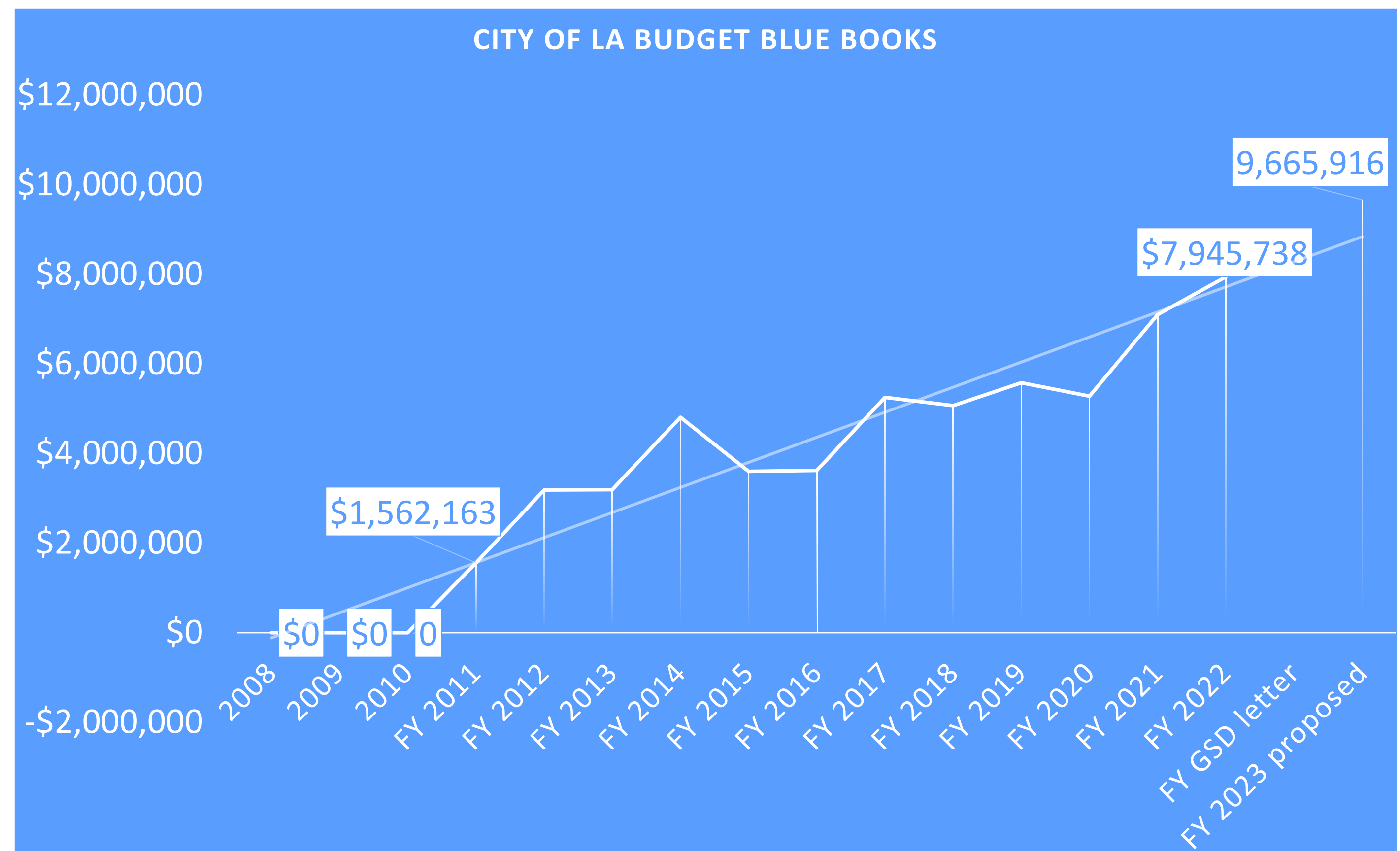
- *TLH result of negotiated agreement with Coalition*
- *Personnel administers the TLH Working Group, co-chaired with labor*
- *1,238 hires as of 2/28/2022*
- *Alternative path to enter city career ladder*
- *Full-time employment*
- *At least \$15.00 an hour*
- *Benefits (health, retirement, commuting)*
- *On the job training & development*

HIRES BY JOB TITLE AS OF 2/28/2022



CONVERT CONTRACT CUSTODIANS TO CITY CAREER LADDER JOBS

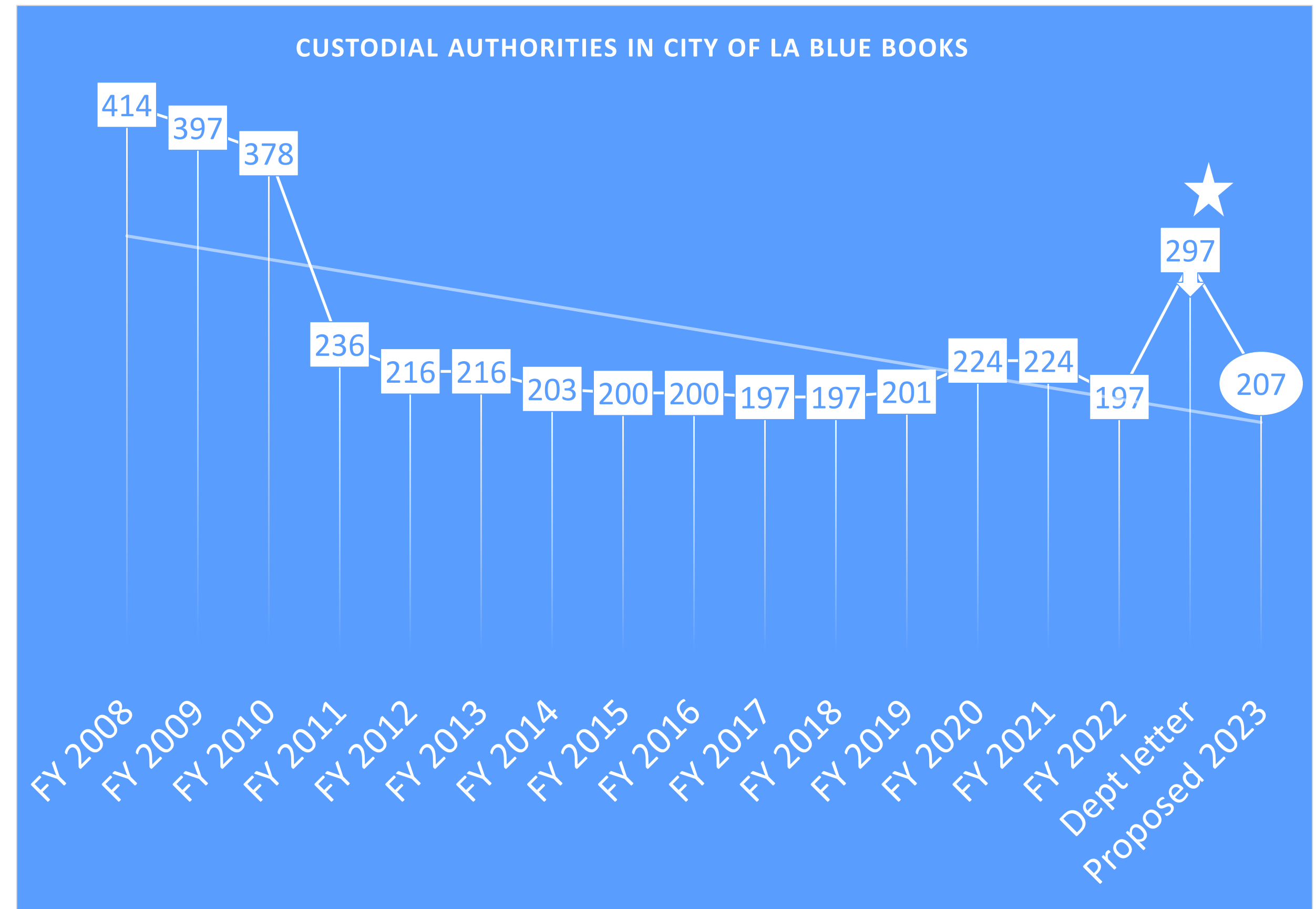
- ***General Services Custodial contract costs increased over 400% since FY 2010-11***
- ***Proposed budget raises contract dollars to \$9.6 million***
- ***Fund GSD for TLH instead***



EXPAND GENERAL SERVICES TLH CUSTODIAL HIRING

CUSTODIAL POSITION AUTHORITIES

- **Budgeted positions for Custodians have shrunk from about 400 to under 200 since FY 2008-09**
- **Union objected to new contracting out of custodial positions last fall. Productive meet and confer process**
- **GSD's budget letter asked for 100 new TLH Custodial positions**
- **Budget only gave 10 new Custodian authorities and increased contract dollars**



3,113 WAITING TO WORK IN THE TLH POOL

AS OF FEBRUARY 28, 2022

- **Council budgeted \$10 million for 750 TLH hires this current fiscal year**
- **Hiring has been slow with Personnel department low staffing**
- **Add back \$10 million this year to proposed budget**



BRIDGE TO JOBS

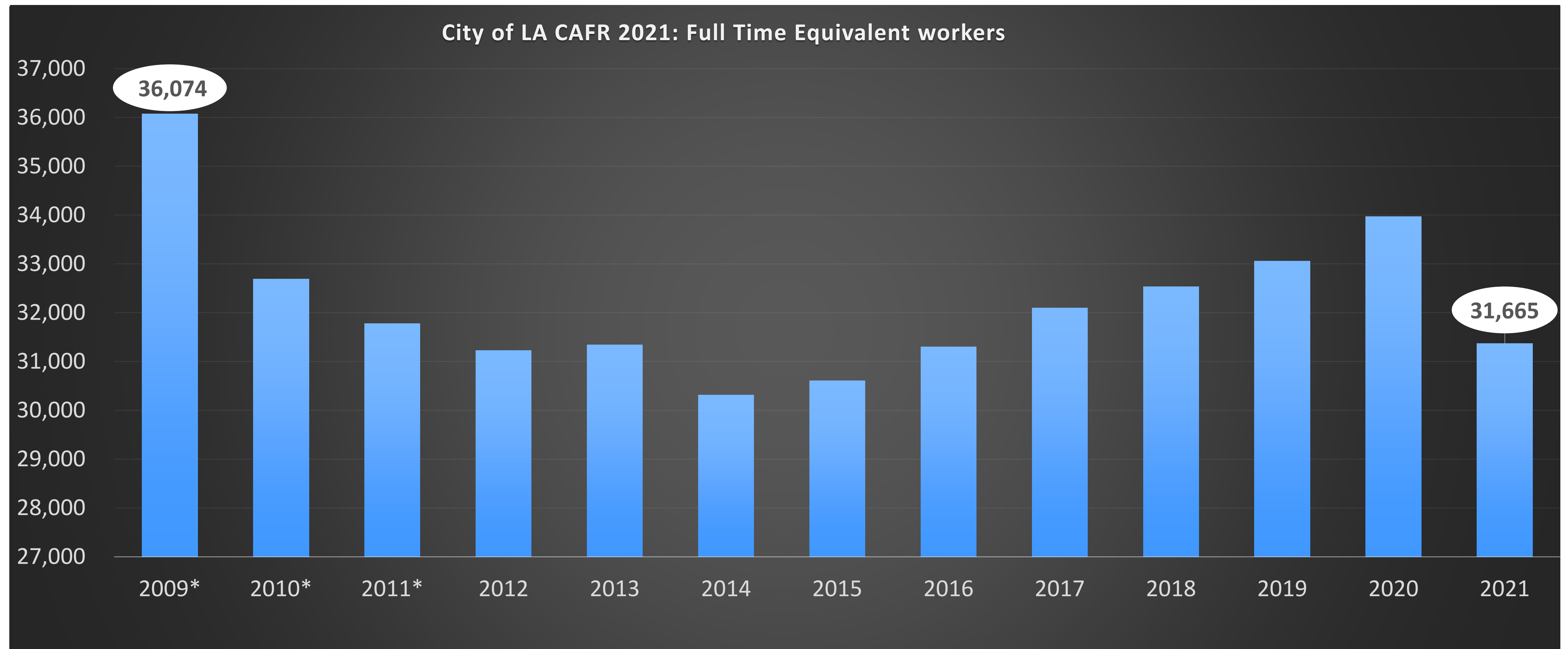
- ***Unions have negotiated use of “bridge” classifications to facilitate hiring to non-entry level positions via the TLH Working Group***
- ***Security Officer title is an example of a possible Bridge Title***
- ***Security contract budgeted amounts requested for FY 2023 represent a 66% increase in cost since 2016, with a proposed cost increase of 15% from the current year***
- ***City Charter 1022 requires that contracts show a cost savings prior to their being let***
- ***Pursue good faith negotiations to expand Bridge classifications***
- ***Ease bottlenecks in the hiring process by staffing HR and Personnel***



STAFFING LEVELS: AN ONGOING CONCERN

WORKFORCE RECOVERY INTERRUPTED

COUNCIL CONTROLLED FTE DOWN 12%, 4,709 DOWN SINCE FY 2008-09



POSITION AUTHORITY VACANCIES

Increase budget transparency with a full list of vacant positions by department and job title in quarterly Financial Status Reports

6,091 empty positions projected for June 30, 2022. Budget doesn't say which positions are vacant.

2022-23 PROPOSED BUDGET PROJECTED VACANCIES AND POSITION AUTHORITIES IN 2021-22

Department	Projected Vacancies on June 30, 2022*			Projected Position Authorities on June 30, 2022*		
	General Fund	Other Funds	Total	General Fund	Other Funds	Total
TOTAL	3,587	2,504	6,091	24,681	12,808	37,489

* Projected vacancies and projected position authorities include resolution authority and substitute positions.

FAIR BENEFIT RIGHTS FOR ALL CITY WORKERS

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PRECARIOUS PART TIME WORK – INTERMITTENT WORKERS

ALL CITY WORKERS DESERVE BENEFITS

- ***Intermittent employees do not receive healthcare or retirement benefits like other city workers. Thousands of Rec and Parks & DOT's Crossing Guards, served as Disaster Service Workers in the height of the pandemic***
- ***The current benefit structure requires a threshold number of hours to qualify for healthcare and retirement benefits. This structure encourages departments to short workers hours to avoid paying for benefits, which is unjust and puts city workers in danger***



NO CITY EMPLOYEE SHOULD BE WITHOUT BENEFITS

- *Provide prorated healthcare subsidy for all Intermittent employees based on compensated time in this budget.*
- *Provide a minimum of one-party Kaiser Permanente coverage so no City employee is left without healthcare in this budget*
- *Currently, part time employees have only a “savings plan” that the City pays into at a rate of about 3% of the employee’s salary*
- *City should study the method and cost of bringing all part time employees into a real retirement plan.*

COST SAVINGS WORK: POLICY COLLABORATIONS

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COMMITTEE AND COALITION WORK

PROBLEM SOLVING

FREED ENCUMBRANCES!

- *Review begun in 2013 of \$27,823,278*
- [*Budget Report Back / City Administrative Officer / Controller / Mayor / City Departments / Coalition of City Unions / Prior Year Encumbrances / New Approach*](#)

BOND DEBT POLICY

- *Hundreds of millions in cost protection from Wall Street sharks*
- [*No Small Fees*](#)
- [*City of Los Angeles Financial Policies / Debt Management Policy Section / Revision*](#)

ADR ALTERNATIVE DISPUTE RESOLUTION

- *Adopted by Coalition, joining SEIU's legacy program. Personnel department implemented in December 2015 Coalition settlement agreement.*
- *Expansion to other civilian bargaining units could save more city \$*

ALTERNATIVE DISPUTE RESOLUTION PROCESS

GOOD FOR WORKERS AND CITY BUDGETS

- 1. Fully fund Personnel for Workers Compensation positions and recommend expansion of ADR to unions that have not yet negotiated the program***
- 2. Program 5 years old with 6 Unions Joint Labor Management Committee (JLM) Coalition Unions and Personnel department***
- 3. Better timelines for service to injured employees, getting employees back to work sooner. Ombudsman reduces worker need for an attorney.***
- 4. City saves money by ADR Worker's Compensations operational efficiencies.***

City of Los Angeles
ADR Summary By Fiscal Year
2017-2018 to 2021-2022

	2021-2022 Fiscal Year To Date (9 Months)	2020-2021 Fiscal Year	2019-2020 Fiscal Year	2018-2019 Fiscal Year	2017-2018* Fiscal Year
ADR New Claims	1,469	1,954	1,906	2,065	1,567
ADR Closed Claims	1,400	1,838	1,950	1,783	1,481
ADR Open Claims at the End of Fiscal Year	3,387	3,209	2,948	2,847	2,394
ADR Settlements	338	526	440	380	264
ADR Request for Mediation	95	118	94	92	79
ADR Mediation/Arbitration Completed	95	74	48	48	20
ADR New Represented Claims Under CCMS Contract	214	217	243	258	157

*Please Note> 2017-2018 numbers are lower due to the fact there were fewer MOU's prior to 5/1/2018.



**RECOMMENDATIONS:
WORK THE MUNICIPAL BASICS**

- 1. Protect City worker purchasing power by planning for a fair wage increase vs. an estimated 11% loss**
- 2. Restore the city workforce. Assess existing vacancies to increase transparency. Hire and promote City employees, including supervisors and managers to assure effective training, oversight, and evaluation of all employees**
- 3. Provide benefits for EVERY City employee, including healthcare for intermittent workers in this budget cycle. Study the implementation of retirement benefits for intermittent part time workers**
- 4. Place sufficient funds in this budget to hire City employees and stop the waste of taxpayer funds contracting out career ladder City jobs (such as allocating 100 more GSD Custodial positions for TLH instead of increasing contract work)**
- 5. Staff up Personnel department. Ease bottlenecks in the hiring process and provide appropriate staffing for Workers Compensation**

