



News from

## Council President Todd Gloria

City of San Diego ■ District Three

### NEWS RELEASE

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## City and Employees Reach Tentative Five Year Labor Agreement

*SAN DIEGO, CA (May 28, 2013)* – San Diego City Council President Todd Gloria joined his colleagues and the Mayor to announce a tentative five year labor agreement with all six of the City's employee organizations.

**"The tentative agreement we reached today maintains the City's fiscal discipline while strengthening compensation for our dedicated employees,"** said Council President Gloria. **"The City's finances have been rectified by previous agreements with our employees, and will be further strengthened through this agreement."**

Support from the Council for the agreement was based also on the savings it would generate. It is projected that the tentative agreement could save the City roughly \$20 million on the annual required contribution (ARC) to the San Diego City Employees' Retirement System (SDCERS) in each of the five years.

The tentative five year agreement would provide compensation increases totaling 5.25% in the first three years and automatically be reopened in years four and five, meaning the City and employee groups could negotiate new agreements then based on the economic conditions at the time. The City anticipates having budget surpluses in both of those later years.

The tentative agreement announced today gradually restores the 6% compensation cuts that have been in effect for City employees since 2009, which many accepted in order to rectify the City's finances and spare cuts to critical services.

Employee organizations must now ratify the tentative agreement.

**"Reaching this tentative deal is another demonstration of the collaborative mindset of the San Diego City Council. Too often, labor negotiations are seen as partisan battles. This City Council continues to put policy above politics, and the results benefit our citizens, our employees, and taxpayers,"** said Council President Gloria. **"I ask our employees to ratify the agreement negotiated with the leaders of your organizations so we can all continue to work together to move San Diego forward."**

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