

PRESS RELEASE
ISSUE DATE: FOR IMMEDIATE RELEASE

CITY OF ARROYO GRANDE
RENEGOTIATION OF LABOR AGREEMENTS COMPLETED

Arroyo Grande staff recently presented recommendations to the City Council to address a projected shortfall of over \$800,000 in FY 2010-11. The Council approved the majority of the recommendations. Staff was directed to prepare minor revisions and will return with final changes for consideration for adoption at the June 22, 2010 meeting.

A major component of the savings includes reductions in projected salary and benefit costs. At their May 25th meeting, the City Council approved a sidebar agreement with the Arroyo Grande Police Officers Association, which completed successful renegotiation and negotiation of all the City's labor contracts for the second year in a row and the third year for some. Other unions include Service Employees International Union Local 620 and International Association of Fire Fighters Local 4403. According to City Manager, Steven Adams, "Arroyo Grande residents should be very proud of their employees because they have stepped up and sacrificed to help maintain the City's service levels." Adams added that "the changes have focused on delaying raises, reducing salary costs and better managing retirement benefit costs." "It demonstrates a great level of teamwork, cooperation and dedication to the services the City provides and the community depends upon."

/s/
STEVEN ADAMS
CITY MANAGER

DATE: MAY 26, 2010

FOR ADDITIONAL INFORMATION, CONTACT:
STEVEN ADAMS AT
(805) 473-5400