



TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RUMI PORTILLO, HUMAN RESOURCES DIRECTOR

DATE: APRIL 12, 2021

SUBJECT: #8 – FY 2021 AND PRIOR FINANCE COMMITTEE REFERRALS STATUS UPDATE

This memo provides clarification regarding the Finance Committee Referrals Status Update on the following item:

<p><i>Colleagues' Memo on Fiscal Transparency in Labor Negotiations: Workplan and Suggested Terms Requires Informed Conversations w/ Labor Groups. Referred September 2018</i></p>	<p>Human Resources Department</p>	<p>Closed This item was considered by the Finance Committee on September 4, 2018 (CMR #9549). Work was directed to the Human Resources Department to review this with the City's bargaining units and incorporate this in the City's next round of labor negotiations. As a result of the financial implications of the COVID-19 public health emergency, in June 2020, contracts were extended through a one-year roll-over provision with the agreement of zero wage increases. Therefore, the majority of the City's contracts remain closed and staff have not begun the next round of labor negotiations. Contracts are expected to re-open over the coming 12 -18 months if not sooner for some; this work will be included as part of those discussions.</p>
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The status of this item is "Closed" for the following reasons:

- 1) Staff have fully implemented the Finance Committee's recommendation to adjust the method by which bargaining proposals are costed. As directed by the Finance Committee, the costing methodology now includes the Council-adopted discount rate for pension.
- 2) Staff have been directed to bargain directly with each union in the next successor agreement for each group on the topic of transparency in bargaining. This is a mandatory subject of the meet and confer process and falls under Council authority. As such, staff will bring forward the results from bargaining to Council for approval.

DocuSigned by:

Rumi Portillo

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Rumi Portillo
Chief People Officer / Human Resources Director

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Ed Shikada

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Ed Shikada
City Manager