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Staff Report for a City of San Leandro City Council Resolution Approving the San Leandro Management Organization Memorandum of Understanding for the Period January 1, 2022 through December 31, 2022

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council approve a resolution ratifying the Memorandum of Understanding between the City of San Leandro and the San Leandro Management Organization for the period covering January 1, 2022 through December 31, 2022.

BACKGROUND

The San Leandro Management Organization (SLMO) Memorandum of Understanding (MOU) expired on December 31, 2021. SLMO represents 35 employees and is comprised of managers and directors. Over the course of several meetings, the City’s negotiating team and SLMO representative met and conferred in good faith over the terms and conditions of employment for a successor MOU. A tentative agreement was successfully reached in December 2021 and is presented to the City Council for approval.

Analysis

The proposed term for the MOU is for the period January 1, 2022 through December 31, 2022. A one-year term is proposed because a comprehensive classification and compensation study of management positions is currently in progress. Due to the contracts short term, the wage increase was the sole focus of negotiations.

Under the proposed agreement, SLMO employees will receive a six (6%) percent salary increase effective January 1, 2022. In the previous MOU, SLMO agreed to forego a cost-of-living salary increase in FY 2020-2021 due to financial challenges anticipated by the COVID-19 pandemic. The

last wage increase SLMO members received was 3% effective January 1, 2020.

Previous Action

On September 7, 2020, by Resolution No. 2020-127, the City Council approved the prior MOU for the period July 1, 2020 through December 31, 2021.

Fiscal Impacts

This MOU is effective January 1, 2022. The estimated total cost for the one-year MOU is \$421,752 for the proposed 6% wage increase. A 2% salary increase was included in the City's biennial budget. Therefore, funding is required for the additional 4% increase, which is an estimated \$281,168 for the term of this agreement ending on December 31, 2022.

Budget Authority

This labor contract will require Council authority to increase the Fiscal Year 2021-22 and Fiscal Year 2022-23 adopted wage and benefit budgets by \$140,584 respectively. This will require an appropriation from the General Fund unrestricted fund balance to the corresponding salary allocations as programmed into the city's biennial budget as adopted June 28th, 2021.

ATTACHMENT(S)

- San Leandro Management Organization Memorandum of Understanding (MOU)

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