

City of Brisbane

Staff Report

To: Honorable Mayor and City Council

From: Senior Human Resources Analyst

Subject: Approve Resolutions 2009-42 related to changes in the General Employees Association Memorandum of Understanding

Date: Meeting of July 13, 2009

Purpose: Maintain the long-term financial health of the City.

Recommendation: Adopt Resolutions 2009-42

Background:

April 2001 - City Council approved a contract for all bargaining groups through June 2008
July 17, 2006 - City Council approved an amended contract for General Employees extending the contract through June 2011.
January 22, 2009 – Staff sent notification to bargaining with closed contracts invoking the recession clause of the contract and indicating we were interested in eliminating the Cost of Living Adjustment (COLA) for the remainder of the contract.

Discussion:

The contract extensions in 2006 had a number of specific provisions. One was to provide a Cost of Living Adjustment to employees based on the Consumer Price Index. A second was to allow the City to meet and confer concerning financial aspects of the contract if the Country was in a recession. As noted above the City has been meeting with our employee groups since January to discuss the impact of the recession on the City and a method for ensuring the long-term financial health of the City.

The General Employees Association have signed a Tentative Agreement which would eliminate the COLA for the next two fiscal years. This change needs to be accepted by the City Council and approved in the attached Resolutions.

Fiscal Impact:

The fiscal impact of the COLA provision is between 2.5% and 5% per year depending on the CPI for the San Francisco area. This will save the City between \$50,000 and \$100,000 a year on an on-going basis.

Measure of Success:

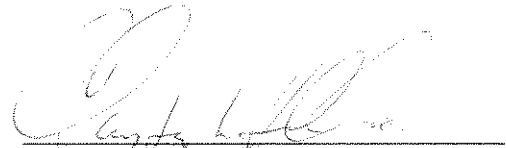
Does the City maintain the 50% reserves over the 5-year projection as outlined in its General Fund Reserve Policy.

Attachments:

Resolution 2009-42



Senior Human Resources Analyst



City Manager

RESOLUTION 2009 - 42

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF BRISBANE AMENDING THE CURRENT
MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF BRISBANE AND THE GENERAL EMPLOYEES ASSOCIATION
EFFECTIVE JULY 1, 2009 THROUGH JUNE 30, 2011**

WHEREAS, on April 9, 2001, the City Council approved Resolution 2001-20 concerning the Memorandum of Understanding between the City of Brisbane and the General Employees Association; and

WHEREAS, on July 12, 2006, the City Council approved Resolution 2006-37 amending the Memorandum of Understanding between the City of Brisbane and the General Employees Association; and

WHEREAS, since the adoption of Resolution 2006-37, the City Council has invoked their right to review the current Memorandum of Understanding, per Article 1. Preamble, based on the current recession the nation is currently facing and have requested to amend Article 4. Classifications and Pay Rates;

WHEREAS, the City of Brisbane and the General Employees Association have met and conferred in accordance with the requirements of the Meyers-Millias-Brown Act; and

WHEREAS, the City and the General Employees Association have reached agreement to amend the current Memorandum of Understanding as follows:

The General Employees Association (“GEA”) and the City of Brisbane (“City”) have agreed that the City will not pay any “wage increase dependent on CPI” that otherwise would be due to employees pursuant to Article 4.A.5 of the current Memorandum of Understanding (“MOU”) between the GEA and the City. The GEA and the City understand, and have agreed, that this side-letter agreement will not reduce the current wage of any employee covered by the MOU.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Brisbane that the Memorandum of Understanding between the City of Brisbane and the General Employees Association as adopted by Resolution 2001-20 and 2006-37 be amended as noted above.

A. SEPI RICHARDSON
Mayor

I hereby certify that the foregoing Resolution No. 2009-42 was duly and regularly adopted at a regular meeting of the Brisbane City Council on July 13, 2009, by the following vote:

AYES:
NOES;
ABSENT:

SHERI MARIE SPEDIACCI
City Clerk