

2. Salary Increase: Job classes represented in this bargaining group will receive a 4.5% increase to the salary schedule effective July 1, 2022, a 4.5% increase effective July 1, 2023, and a 3% increase effective July 1, 2024.
3. One-Time Payment: Employees represented by the bargaining group will receive a one-time, non-pensionable payment of \$2,500 on August 1, 2022, or pay period following Council ratification of a new MOU, whichever occurs later. This payment will not contribute to Classic or PEPRAs employees' pensions and is just to normal payroll taxes. This payment is one-time payment only and is not scheduled to recur in the future.
4. Cost of Health Insurance Premium: For employees hired on or after July 1, 2014, the Town will increase its maximum contribution from \$1,850 to \$1,950 on July 1, 2022, \$2,000 on July 1, 2023, and \$2,050 on July 1, 2024, toward the cost of the premium for the family Kaiser health plan, less the payment for the P.E.R.S. medical plan. At no time shall the Town contribution for the Kaiser family health plan exceed the premium costs in effect per the then-current P.E.R.S. - Kaiser contract year.
5. Addition of Juneteenth as a holiday.
6. Non-Economic Items: in addition to the items discussed above, agreement was reached on other proposals, which reflect minor changes to existing provisions with little or no significant cost. The attached draft MOU includes all the changes agreed to by the parties. These negotiated MOU sections include:
 - Recognition and Cooperation (Section 1): Revision of language in section 1 and clarification of language in letter G and H.
 - Salaries and Equity Adjustments (Sections 2b and 2d): Revised the language benchmark positions. Modified the language for frequency of step increase.
 - Working Hours and Overtime (Section 4c): Revised compensatory time leave bank.

FISCAL IMPACT

The current total annual salary and benefit cost to the Town for the 23.80 full-time equivalent (FTE) positions of SEIU is \$2,543,815. The additional ongoing cost of the successor MOU beyond the FY2021-2022 budget is:

	<u>FY2022-23 (4.5%)</u>	<u>FY2023-24 (4.5%)</u>	<u>FY2024-25 (3%)</u>
Wages:			
Base Salary	\$77,172	\$88,303	\$62,406

Other costs:

Pension*	\$7,477	\$8,538	\$6,006
Taxes (Medicare, SS)	<u>\$5,904</u>	<u>\$6,229</u>	<u>\$4,591</u>
Total Cost	\$90,553	\$103,070	\$73,003

*This pension cost results only from the negotiated wage increase and does not include the annual contribution of lump sum unfunded pension liability. With the assumption of the terms and conditions of the pension benefit plan remains unchanged.

The cost is \$90,553 for fiscal year 2022-2023, \$103,070 for fiscal year 2023-2024, and \$73,003 for fiscal year 2024-2025. In addition, there is a cost of \$57,500 in one-time payments, which includes Social Security and Medicare taxes. These one-time payments will not contribute to Classic and PEPRAs employee pension costs.

CONCLUSION

The action recommended for the Council is to conduct the public hearing on the Proposed Memorandum of Understanding (MOU) between the Town of San Anselmo and SEIU Local 1021. Pending the outcome of the public hearing, the next step will be to incorporate any changes identified by Council and bring back a resolution seeking approval of the Memorandum of Understanding between the Town of San Anselmo and SEIU Local 1021 for the period of July 1, 2022, through June 30, 2025.