



City of San Leandro

Meeting Date: September 6, 2016

Staff Report

File Number: 16-434

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.H.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
Acting Assistant City Manager

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution Clarifying the Requirement for Uniforms for Certain Employees in the San Leandro City Employees' Association (SLCEA) Prior to January 1, 2016

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council approve a resolution clarifying the uniform requirement for certain employees in the San Leandro City Employees' Association (SLCEA) prior to January 1, 2016. This resolution is required by the California Public Employees Retirement System (CalPERS).

BACKGROUND

In 2014, CalPERS audited San Leandro's compliance with CalPERS regulations, policies and requirements and in September 2014, issued its audit report. Since that time, the City has been working with CalPERS to resolve the audit findings. One of the final findings to be addressed is that the City did not report the monetary value for City-purchased uniforms as special compensation attributable to certain employees.

To resolve this audit finding, CalPERS requires two actions:

- 1) Include language in a written labor agreement specifying that uniforms purchased by the City and received by employees would be reported as special compensation; and
- 2) Submit a resolution approved by the City Council clarifying that uniforms were not required prior to January 1, 2016.

The first requirement has been addressed by adding language to the SLCEA Memorandum of Understanding (MOU) for the period January 1, 2016 to December 31, 2020 specifying that the monetary value of uniforms received by certain Public Works and Community Development employees would be reported as special compensation.

The second requirement must be addressed with the approval of a resolution clarifying that uniforms were not required for certain employees in the SLCEA group prior to January 1, 2016 and therefore not subject to be reported to CalPERS as special compensation per California Code of Regulations (CCR) Section 571. This resolution is intended to satisfy CalPERS' requirement to resolve the audit finding.

Fiscal Impacts

There is no fiscal impact with the approval of this resolution.

PREPARED BY: Emily Hung, Human Resources Manager, City Manager's Office



City of San Leandro

Meeting Date: September 6, 2016

Resolution - Council

File Number: 16-435

Agenda Section: CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Jeff Kay
Acting Assistant City Manager

FINANCE REVIEW: David Baum
Finance Director

TITLE: Resolution Clarifying the Requirement for Uniforms for Certain Employees in the San Leandro City Employees' Association (SLCEA) Prior to January 1, 2016

WHEREAS, the City of San Leandro is currently a party to a Memorandum of Understanding (MOU) with the San Leandro City Employees' Association (SLCEA) labor group that is from January 1, 2016 to December 31, 2020; and

WHEREAS, Section 20.3 of the aforementioned SLCEA MOU provides for City issued uniforms be given to department identified SLCEA job classifications in the Public Works and Community Development departments; and

WHEREAS, certain department identified SLCEA job classifications in the Public Works and Community Development departments are required to wear uniforms as part of their daily work operations to properly identify them during work hours; and

WHEREAS, prior SLCEA MOUs including the SLCEA MOU covering January 1, 2013 through December 31, 2015 provided no guidance - for CalPERS purposes - on the issuance of City provided uniforms to department identified SLCEA job classifications in the Public Works and Community Development departments; and

WHEREAS, due to no guidance for CalPERS purposes on the issuance of City provided uniforms to department identified SLCEA job classifications in the Public Works and Community Development departments in neither the SLCEA MOUs before January 1, 2016 nor other City policies, such uniforms were not required prior to January 1, 2016; and

WHEREAS, Section 571 of the California Code of Regulations (CCR) requires the City to report to the California Public Employees' Retirement System (CalPERS) the value of City issued and required uniforms provided to employees as special compensation; and

WHEREAS, the City of San Leandro wishes to clarify with CalPERS that uniforms were not required for department identified SLCEA job classifications in the Public Works and Community Development departments prior to January 1, 2016 and therefore not subject to be reported as special compensation to CalPERS per Section 571 of the CCR.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San

Leandro clarifies with and for the California Public Employees' Retirement System (CalPERS) that uniforms were not required for department identified SLCEA job classifications in the Public Works and Community Development departments prior to January 1, 2016 and therefore under California Code of Regulations section 571 are not subject to be reported to CalPERS as special compensation.