

From: Phil Koen

Sent: Tuesday, June 07, 2022 10:59 AM

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Subject: Agenda items #19 - #22

Dear Honorable Mayor and Members of the Town Council,

The Los Gatos Community Alliance respectfully requests that Agenda items #19 through #22 be pulled from tonight's consent calendar to allow for public discussion and increased transparency. We acknowledge that the terms of the various labor agreements are the result of a long negotiation process and want to thank all parties for their efforts in finding a solution. We want to also thank the Town Council for their hard work on this matter.

Issue

The reason for pulling these items revolves around the lack of transparency in the Staff report. While we understand labor negotiations are confidential and therefore little was disclosed during the process, it is then extremely important that the Staff report be comprehensive and fully transparent in detailing how the Town arrived at these results. This is particularly important when the only benchmark the public had regarding possible increases in salary and benefit expenditures for FY 23 was what was included in the preliminary budget. Clearly, what is being approved tonight is materially greater than what was in the preliminary budget.

Request for more information

The LGCA requests that Staff disclose the following additional information prior to any vote on agenda items #19 through #22:

1. What will be the total salary and benefit expenditures for FY 23 as previously reported on Schedules C-8, C-9, C-10, C-11, C-12, and C-13 after taking into effect all salary adjustments recommended in Agenda items #19-#22?
2. How is the \$2,318,733 (increases to negotiated salary increases) being funded? Since the proposed FY 23 budget did not have an operating surplus, where are the additional sources of funds coming from to cover this increase? Please be specific.
3. A portion of the \$2,318,733 expenditures are one-time in nature. How much are the "one-time payments" and how much will be recurring expenditures beyond FY 23?
4. Please disclose the initial offer letter from the Town to each of the bargaining units so the public has full transparency to the negotiating process. For sake of clarity, the City of San Jose releases to the public all correspondence between bargaining units once agreements have been reached and voted on by the bargaining units. It appears we are at that point.
5. If the Town does not use \$902,579 of the OPEB 115 Trust Assets to "further balance the budget" what other funds could the Town tap to provide the required source of funding? Was this discussed and approved by the Town Council Trust Fund Committee?

Thank you.

Phil Koen
LGCA