

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: July 19, 2023

Final Decision Date Deadline: July 19, 2023

**STATEMENT OF THE ISSUE:** The Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance empowers the Richmond Rent Board to hire and evaluate the performance of the Executive Director. The Board hired the Executive Director, Nicolas Traylor, in July 2017, and on April 18, 2018, after a closed session evaluation, the Board adjusted Mr. Traylor's salary from \$125,000 to \$148,000. As of July 2018, Mr. Traylor's salary has not been adjusted to the budgeted amount(s). Consistent with the directives of Human Resources Department, City policy and the Brown Act, the Rent Board is meeting in closed session on July 19, 2023, to evaluate the performance of Mr. Traylor.

Finally, in addition to approving adjusting the Executive Director's salary to the Fiscal Year 2023-24 budgeted amount, per the Executive Management MOU with the City of Richmond, which was approved on June 20, 2023, the Executive Director's is due the following additional salary adjustments:

1. 2024 COLA increased from 4% to 5%
2. 2025 COLA increased from 4% to 5%
3. Longevity Pay effective first full pay period in July 2023, in the following manner: 2% at 5 years of service; or 4.5% at 10 years of service; or 9% at 20 years of service (Mr. Traylor is due to receive the 2% Longevity Pay for 5 years of service effective July 1, 2023).

## INDICATE APPROPRIATE BODY

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> City Council               | <input type="checkbox"/> Redevelopment Agency                             | <input type="checkbox"/> Housing Authority     | <input type="checkbox"/> Surplus Property Authority          | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> |   |

## ITEM

- |   |  |                                 |
|---|--|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) |  |                                 |
| <input type="checkbox"/> Public Hearing   | <input type="checkbox"/> Regulation  | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement   | <input checked="" type="checkbox"/> Rent Board As Whole                          |                                 |
| <input type="checkbox"/> Grant Application/Acceptance                                 | <input type="checkbox"/> Claims Filed Against City of Richmond                   |                                 |
| <input type="checkbox"/> Resolution   | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) |                                 |

**RECOMMENDED ACTION:** CONSIDER APPROVING the adjustment of the Executive Director's salary from the Fiscal Year 2018-19 budgeted amount of \$148000 to the Fiscal Year 2023-24 budgeted amount of \$188,080, in addition to any qualifying Executive Management MOU authorized salary adjustments, effective starting July 1, 2023.

AGENDA ITEM NO:

**J-1.**

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# AGENDA REPORT

**DATE:** July 19, 2023

**TO:** Chair Cantor and Members of the Rent Board

**FROM:** Charles Oshinuga, General Counsel

**SUBJECT:** Adjustment of Executive Director's Salary per Executive Management MOU and to FY 2023-24 Budgeted Amount

## STATEMENT OF THE ISSUE:

The Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance empowers the Richmond Rent Board to hire and evaluate the performance of the Executive Director. The Board hired the Executive Director, Nicolas Traylor, in July 2017, and on April 18, 2018, after a closed session evaluation, the Board adjusted Mr. Traylor's salary from \$125,000 to \$148,000. As of July 2018, Mr. Traylor's salary has not been adjusted to the budgeted amount(s). Consistent with the directives of Human Resources Department, City policy and the Brown Act, the Rent Board is meeting in closed session on July 19, 2023, to evaluate the performance of Mr. Traylor.

Finally, in addition to approving adjusting the Executive Director's salary to the Fiscal Year 2023-24 budgeted amount, per the Executive Management MOU with the City of Richmond, which was approved on June 20, 2023, the Executive Director's is due the following additional salary adjustments:

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3. Longevity Pay effective first full pay period in July 2023, in the following manner: 2% at 5 years of service; or 4.5% at 10 years of service; or 9% at 20 years of service (Mr. Traylor is due to receive the 2% Longevity Pay for 5 years of service effective July 1, 2023).

## RECOMMENDED ACTION:

CONSIDER APPROVING the adjustment of the Executive Director's salary from the Fiscal Year 2018-19 budgeted amount of \$148,000 to the Fiscal Year 2023-24 budgeted amount of \$188,080, in addition to any qualifying Executive Management MOU authorized salary adjustments, effective starting July 1, 2023.

**FISCAL IMPACT:**

If these matters are approved, there will be no fiscal impact to the Rent Board budget as the requested adjustment to the Executive Director’s salary has been budgeted in the Fiscal Year 2023-24 Rent Program budget.

**DISCUSSION:**

For historical and comparative purposes regarding the Executive Director’s salary, please see the following charts:

<b>HISTORY OF EXECUTIVE DIRECTOR SALARY VS BUDGETED AMOUNTS</b>			
<b>Fiscal Year</b>	<b>Approved Salary</b>	<b>Fiscal Year</b>	<b>Budgeted Salary</b>
<b>2017</b>	<b>\$125,000</b>	<b>2017</b>	<b>\$125,000</b>
<b>2018</b>	<b>\$148,000</b>	<b>2018</b>	<b>\$148,000</b>
<b>2019</b>	<b>\$148,000</b>	<b>2019</b>	<b>\$153,336</b>
<b>2020</b>	<b>\$148,000</b>	<b>2020</b>	<b>\$153,336</b>
<b>2021</b>	<b>\$148,000</b>	<b>2021</b>	<b>\$153,336</b>
<b>2022</b>	<b>\$148,000</b>	<b>2022</b>	<b>\$165,603</b>
<b>2023</b>	<b>\$148,000*</b>	<b>2023</b>	<b>\$188,080</b>

\*Note – effective June 30, 2023, the Finance Department (Payroll) updated the correct retro pay increases for the ratified MOU for Executives and current salary is \$171,329.

**DOCUMENTS ATTACHED:**

Attachment 1 - Board’s adopted Budget for Fiscal Year 2018-19

Attachment 2 - Board’s adopted Budget for Fiscal Year 2023-24 and Fee Study Excerpt

Attachment 3 - Executive Management MOU Excerpts

**REVISED PROPOSED FISCAL YEAR 2018-19 RENT PROGRAM BUDGET | ADOPTED: APRIL 23, 2018**

						TOTAL ALLOCATED FY 17-18	BUDGETED FY 2018-19	Comments
Obj. Code	Title	FY 18-19 Salary	Benefits (at 55% of Salary)	FY 18-19 Salary & Benefits	TOTAL (1 employee)			Salary Assumptions (includes Step Increase)
			0.55					
400001	<b>EXECUTIVE STAFF</b>	\$ 530,552	\$ 291,804	\$ 822,356	\$ 822,356	\$ 582,834	\$ 822,356	
	Executive Director*	\$ 148,000	\$ 81,400	\$ 229,400	\$ 229,400	\$ 214,908	\$ 229,400	\$9,024 - \$14,364
	Deputy Director*	\$ 101,896	\$ 56,043	\$ 157,939	\$ 157,939	\$ 150,418	\$ 157,939	\$8,087 - \$12,873
	Staff Attorney	\$ 140,328	\$ 77,180	\$ 217,508	\$ 217,508	\$ 108,754	\$ 217,508	\$9,024 - \$14,364
	Hearing Examiner	\$ 140,328	\$ 77,180	\$ 217,508	\$ 217,508	\$ 108,754	\$ 217,508	\$9,024 - \$14,364
400002	<b>MANAGEMENT STAFF - 1021</b>	\$ 242,235	\$ 133,229	\$ 375,464	\$ 375,464	\$ 252,632	\$ 375,464	
	Rent Program Services Analyst	\$ 85,891	\$ 47,240	\$ 133,131	\$ 133,131	\$ 80,963	\$ 133,131	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
	Rent Program Services Analyst	\$ 82,102	\$ 45,156	\$ 127,258	\$ 127,258	\$ 80,963	\$ 127,258	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
	Administrative Analyst	\$ 74,242	\$ 40,833	\$ 115,075	\$ 115,075	\$ 90,706	\$ 115,075	\$6,357 \$6,674 \$6,977 \$7,315 \$7,684
400003	<b>LOCAL 1021 STAFF</b>	\$ 121,100	\$ 66,605	\$ 187,705	\$ 187,705	\$ 69,465	\$ 187,705	
	Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	\$ 93,853	\$ 69,465	\$ 93,853	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873
	Administrative Aide	\$ 60,550	\$ 33,303	\$ 93,853	\$ 93,853	\$ -	\$ 93,853	\$4,910 \$5,115 \$5,360 \$5,602 \$5,873
400006	<b>PART TIME/TEMP STAFF</b>	\$ 66,740	\$ -	\$ -	\$ -	\$ 62,024	\$ 66,740	
	Administrative Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
	Administrative Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
	Administrative Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
	Administrative Student Intern	\$ 16,685				\$ 15,506	\$ 16,685	\$15.54 \$17.20 \$18.81 \$20.51 \$22.07
400031	<b>Overtime/Comp Time</b>					\$ 12,000	\$ 5,000	
*Salary increases for Executive Staff are discretionary in nature. Figures shown represent maximums and are subject to Board or Director approval.								
<b>TOTAL SALARIES AND BENEFITS</b>						<b>\$ 978,953</b>	<b>\$ 1,457,265</b>	
<b>Cost Pool and Risk Management:</b>								
400574	General Liability and Worker's Comp					\$ 52,981	\$ 68,563	Workers Compensation - \$2,748 per employee, General Liability - \$3,485 per employee (combined total \$6,233 per employee.) 10 FTEs FY 18-19
400591	Space at 440 Civic Center Plaza					\$ 52,275	\$ 52,275	Space at 440 CCP is based on the percentage of total square footage occupied. This percentage is then applied to the total annual debt service. Rent Program is presumed to occupy 0.9% of Civic Center's total square footage. The percentage was applied to the total annual debt service for FY 2016-17 to determine the cost.

		TOTAL ALLOCATED FY 17-18	BUDGETED FY 2018-19	Comments
400586	Indirect Cost	\$ 51,454	\$ 51,454	Indirect Costs are charges allocated to City Departments to reimburse the General Fund for administrative services by central service departments (i.e. City Council, City Manager, City Attorney, City Clerk, Finance, HR, etc.) Allocations are determined in the City's cost allocation plan completed by an external consultant. Since the Rent Program dept. is new, it was not included in the current cost allocation plan. Staff recommended using the allocation of a department similar in size. In this case, the City Manager's Office was used as the basis.
400552	Supplemental Liability Insurance Policy (SLIP)	\$ 25,000	\$ 25,000	General liability policy for the Rent Control program.
<b>Sub-Total Cost Pool + Risk Management</b>		<b>\$ 181,710</b>	<b>\$ 197,292</b>	
<b>IT Costs</b>				
400220	IT Professional Services and Startup Costs	\$ 29,500	\$ 3,000	IT Services - Contract with DataTree for property verification data (\$250 per month); Contract with Superion for database development
400601	Annual IT Costs (Including replacement funding)	\$ 18,683	\$21,683	General PC software and costs.
<b>Sub-Total IT Expenses</b>		<b>\$ 48,183</b>	<b>\$ 24,683</b>	
<b>Legal Costs</b>				
400206	Outside Legal Counsel (Litigation)	\$ 120,000	\$ 120,000	Outside legal counsel to respond to litigation pertaining to the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance. Previous litigation was dismissed without prejudice on Saturday, May 6, 2017. The budgeted amount reflects estimate for anticipated future litigation.
400206	Rent Program Legal Counsel (Contract)	\$ 160,000	\$ -	Contract legal services to support the Rent Program Department.
400206	Community Services Agency Contracts	\$ 150,000	\$ 150,000	Legal services to provide assistance to Tenants that have paid the Maximum Allowable Rent, are being evicted (Unlawful Detainer), and are able to provide evidence that their Landlord is not in compliance with the Fair Rent, Just Cause for Eviction, and Homeowner Protection Ordinance.
<b>Sub-Total Legal Expenses</b>		<b>\$ 430,000</b>	<b>\$ 270,000</b>	

					TOTAL ALLOCATED FY 17-18	BUDGETED FY 2018-19	Comments
<b>Professional and Admin Services</b>							
400201	Contractor to focus on Compliance				N/A	\$ 97,500	Mass-mailing and exemption verification project; issuing correspondence; taking legal action. Assumes \$150/hour for 10-15 hours per week.
400201	Management Partners				\$ 20,000	\$ -	Professional services and technical assistance to assist with startup program design, processes, and administration. Services are likely to conclude by the end of FY 2017-18.
400201	Additional Subject Matter Experts				\$ 30,000	\$ -	Contracts with subject matter experts to assist with drafting and reviewing regulations and other Rent Board policies
400201	Contract Hearing Examiner Services				\$ 6,025	\$ 57,000	Contract attorney to act as a backup hearing examiner in the event there is (1) a conflict of interest between either party and the Staff Hearing Examiner or (2) backup services are needed to adequately handle the volume of petitions submitted in the first operational year of the Hearings Unit. Assumes 6 petitions per fiscal year, 38 hours per petition, at a rate of \$250 per hour.
400201	Mediation Services				\$ 30,000	\$ -	Contract with mediation service provider
400201	Translation Services				\$ 30,000	\$ 15,000	Translation services to ensure that all forms and notices are available in both English and Spanish, at a minimum, and for oral translation, as it may be advantageous for administration. Assumes 4,500 words per month @ \$0.14/word and 10 hours of verbal translation per month @ \$50.00/hour.
<b>Sub-Total Professional &amp; Admin</b>					<b>\$ 116,025</b>	<b>\$ 169,500</b>	
<b>Other Operating Expenses</b>							
400231	Postage & Mailing				\$ 75,000	\$ 50,000	Costs of mailing include production, printing, proofing, and postage
400233	Copying & Duplicating				\$ 50,000	\$ 5,000	Bulk printing of materials for public outreach and information.
400304	Copy Machine Rental				\$ 5,000	\$ 5,000	Cost of rental and maintenance of Xerox machines in 440 Civic Center Plaza.

					TOTAL ALLOCATED FY 17-18	BUDGETED FY 2018-19	Comments
400322	Miscellaneous Expenses				\$ 10,000	\$ 10,000	Miscellaneous expenses associated with program development and operations.
400341	Office Supplies and Furniture				\$ 6,000	\$ 21,000	Cost of general office supplies, timestamp, and office furniture (e.g. desk chairs.)
400344	Computer/Phone Supplies				N/A - New Line Item (previously included in misc expenses)	\$ 6,300	10 computer monitors @ \$300.00; 8 headsets @ \$379.95; 1 phone setup @ \$200
400272	Community Education				\$ 20,000	\$ 10,000	Materials for community workshops and other outreach events.
400242	Mileage				\$ 1,000	\$ 1,000	Use of City pool car.
400243	Training / Conferences				\$ 15,000	\$ 10,500	Cost of attending Mediation Training for 7 staff members (\$1,500 per person)
400401	Phone				\$ 1,200	\$ 1,200	Cell phone for Executive Director.
400262	Books and Educational Materials				\$ 200	\$ 200	Educational and reference materials.
	UC Berkeley Public Service Internship Program Interns				N/A	\$ 3,000	The Rent Program has partnered with the UC Berkeley Public Service Center to host two interns at the Rent Program Office. The requested financial contribution for the Public Service Internship Program is a \$1,500 stipend per intern for the academic year.
400271	Ad & Promotional materials				\$ 2,000	\$ 2,000	Posting of community events and other information in publications; use of Canva graphics; Adobe InDesign subscription (\$240 annually)
	<b>Sub-Total Other Operating</b>				<b>\$ 185,400</b>	<b>\$ 125,200</b>	
	<b>TOTAL OPERATING EXPENSES</b>				<b>\$ 961,318</b>	<b>\$ 786,675</b>	
	<b>Reserves:</b>						
	Operating Reserve (17%)				\$ 329,846	\$ 381,470	As recommended by the Government Finance Officers Association (GFOA.)
	Risk Reserve (8%)				\$ 155,222	\$ 179,515	Risk Management reserve fund.
	<b>Sub-Total Reserves</b>				<b>\$ 485,068</b>	<b>\$ 560,985</b>	
	<b>GRAND TOTAL</b>				<b>\$ 2,425,339</b>	<b>\$ 2,804,925</b>	

# ITEM J-1 ATTACHMENT 2

## ADOPTED FY 2023 - 2024 RENT PROGRAM BUDGET AND FEE STUDY

FEE STUDY														
		Type	# UNITS	Proposed Fee	Revenue	(a) + (b) + (c)	Program Fee	Just Cause Fee	Rent Control Fee					
		Fully-Covered	7,749	\$220	\$1,706,273	(a) + (b) + (c)	\$84	\$41	\$95					
		Partially-Covered	10,385	\$125	\$1,298,425	(a) + (b)	(a)	(b)	(c)					
		Total Units	18,134		\$3,004,698									
<b>BUDGET</b>														
Object #	City Account Description	FY 18-19 ACTUALS	FY 19-20 ACTUALS	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ADOPTED	FY 23-24 PROPOSED	Notes	Program Allocation (%)	Program Allocation (\$)	Just Cause Allocation (%)	Just Cause Allocation (\$)	Rent Control Allocation (%)	Rent Control Allocation (\$)
<b>REVENUES</b>														
340445	Fees/Admin Fees	2,189,703	2,681,689	2,764,961	2,332,429	3,062,687	3,004,698	(1)						
361701	Int & Invest/Pool-All Other	367	11,537	6,096	4,619	14,000	20,000							
364867	Revenue from Collections & Other	133	13,042	24,796	19,641	30,000	50,000							
	<b>TOTAL REVENUES</b>	<b>2,190,203</b>	<b>2,706,268</b>	<b>2,795,854</b>	<b>2,356,688</b>	<b>3,106,687</b>	<b>3,074,698</b>							
<b>EXPENSES</b>														
400001	Salaries & Wages/Executive	530,092	639,594	649,356	676,463	724,848	846,234	(2)	55%	465,429	20%	169,247	25%	211,559
400002	Salaries & Wages/Mgmts.-Local 21	294,152	263,080	183,838	147,008	324,846	367,225	(2)	55%	201,974	20%	73,445	25%	91,806
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	152,925	202,332	337,853	(2)	55%	185,709	20%	67,531	25%	84,413
400006	Salaries & Wages/PT-Temp	49,557	45,905	32,244	35,234	35,776	37,565	(2)	55%	20,661	20%	7,513	25%	9,391
400031	Overtime/General	4,778	2,094	1,312	1,793	2,500	2,500	(2)	55%	1,375	20%	500	25%	625
400048	Other Pay/Billingual Pay	6,993	9,064	9,719	7,910	11,172	11,470	(2)	55%	6,309	20%	2,294	25%	2,868
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	4,200	(2)	55%	2,310	20%	840	25%	1,050
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	-	-	-		55%	-	20%	-	25%	-
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	-		55%	-	20%	-	25%	-
400058	OTHER PAY/Retro Pay 2022-23 and Prior	-	-	-	34,200	-	63,615		55%	34,988	20%	12,723	25%	15,904
	<b>Subtotal - Salaries &amp; Wages</b>	<b>1,022,823</b>	<b>1,121,084</b>	<b>1,049,091</b>	<b>1,059,732</b>	<b>1,305,674</b>	<b>1,670,462</b>			<b>918,754</b>		<b>334,092</b>		<b>417,615</b>
400103	P-Roll Ben/Medicare Tax-ER Shor	14,937	16,389	15,313	15,435	18,207	20,774	(3)	55%	11,426	20%	4,155	25%	5,194
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	168,100	232,291	271,329	(3)	55%	149,231	20%	54,266	25%	67,832
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	13,509	17,520	18,031	(3)	55%	9,917	20%	3,606	25%	4,508
400109	P-Roll Ben/Employee Assistance	430	473	422	244	216	234	(3)	55%	129	20%	47	25%	59
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	250	6,750	7,500	(3)	55%	4,125	20%	1,500	25%	1,875
400111	P-Roll Ben/Vision	2,106	2,095	2,049	1,588	2,052	2,158	(3)	55%	1,187	20%	432	25%	540
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,336	4,139	3,931	(3)	55%	2,162	20%	786	25%	983
400114	P-Roll Ben/Long Term Disability	9,408	10,100	9,259	6,952	12,342	11,996	(3)	55%	6,598	20%	2,399	25%	2,999
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	4,440	5,472	5,928	(3)	55%	3,280	20%	1,186	25%	1,482
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	1,140	2,250	2,250	(3)	55%	1,238	20%	450	25%	563
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	692	-	-	-		55%	-	20%	-	25%	-
400121	P-Roll Ben/Worker Comp-Clerical	13,806	12,154	14,541	9,042	24,001	6,923	(3)	55%	3,808	20%	1,385	25%	1,731
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	47,762	-	-	(14)	55%	-	20%	-	25%	-
400127	P-Roll Ben/OPEB	39,338	43,623	42,145	40,276	40,723	32,127	(3)	55%	17,670	20%	6,425	25%	8,032
400130	P-Roll Ben/PARS Benefits	642	434	50	398	-	-		55%	-	20%	-	25%	-
400149	P-Roll Ben/Misc.	123,021	140,616	139,314	128,986	156,287	186,975	(3)	55%	102,836	20%	37,395	25%	46,744
400151	P-Roll Ben/Misc. (UAL)	162,985	235,683	271,234	252,844	287,268	309,894	(3)	55%	170,442	20%	61,979	25%	77,474
	<b>Subtotal Fringe Benefits</b>	<b>611,127</b>	<b>691,706</b>	<b>727,447</b>	<b>694,301</b>	<b>809,518</b>	<b>880,050</b>			<b>484,028</b>		<b>176,010</b>		<b>220,013</b>
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	10,460	143,455	140,900	(4)	55%	77,495	20%	28,180	25%	35,225
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	183,326	210,000	275,000	(5)	10%	27,500	70%	192,500	20%	55,000
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	2,205	-	2,400	(4)	55%	1,320	20%	480	25%	600
400241	Travel & Trng/Meal Allowance	359	-	-	-	-	-		55%	-	20%	-	25%	-
400242	Travel & Trng/Mileage	1,284	17	-	-	-	-		55%	-	20%	-	25%	-
400243	Travel & Trng/Conf, Mtng Trng	280	-	-	-	-	-		55%	-	20%	-	25%	-
400245	Travel & Trng/Tuition Rmb/Cert	800	800	-	-	800	800	(6)	55%	440	20%	160	25%	200
400261	Dues & Pub/Memberships & Dues	824	1,590	1,453	1,437	1,650	1,650	(7)	55%	908	20%	330	25%	413
400263	Dues & Pub/Subscription	1,500	-	-	-	-	-		55%	-	20%	-	25%	-
400271	Ad & Promo/Advertising & Promo Materials	1,559	2,106	1,702	3,928	800	800	(8)	55%	440	20%	160	25%	200
400272	Ad & Promo/Community Events	1,563	1,722	-	-	-	-		55%	-	20%	-	25%	-
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	1,126	5,380	5,808	(9)	55%	3,194	20%	1,162	25%	1,452
	<b>Subtotal Prof &amp; Admin Services</b>	<b>185,563</b>	<b>239,819</b>	<b>169,680</b>	<b>202,481</b>	<b>362,085</b>	<b>427,358</b>			<b>111,297</b>		<b>222,972</b>		<b>93,090</b>
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	14,981	17,300	15,355	(10)	55%	8,445	20%	3,071	25%	3,839
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	735	24,404	15,425	(11)	55%	8,484	20%	3,085	25%	3,856
400233	Off Exp/Copying & Duplicating	46	-	236	-	500	-		55%	-	20%	-	25%	-
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	2,554	9,000	9,000	(12)	55%	4,950	20%	1,800	25%	2,250
400321	Misc. Exp/Misc. Contrib	3,000	-	1,500	1,500	2,000	2,000	(13)	55%	1,100	20%	400	25%	500
400322	Misc. Exp/Misc. Exp	3,061	2,262	-	173	2,000	5,000		55%	2,750	20%	1,000	25%	1,250
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,457	5,000	5,000		55%	2,750	20%	1,000	25%	1,250
400344	Off Supp/Computer Supplies	18	783	-	-	-	-		55%	-	20%	-	25%	-
	<b>Subtotal Other Operating</b>	<b>46,486</b>	<b>22,801</b>	<b>16,072</b>	<b>26,400</b>	<b>60,204</b>	<b>51,780</b>			<b>28,479</b>		<b>10,356</b>		<b>12,945</b>
400121	Carry forward from FY 2022-23 - System	-	-	-	-	-	(100,000)	(4)	55%	(55,000)	20%	(20,000)	25%	(25,000)
400401	Utilities/Tel & Telegraph	254	414	551	498	500	500		55%	275	20%	100	25%	125
400538	Contract Svcs/Other Contract Svcs	-	-	103	150	-	-		55%	-	20%	-	25%	-
400552	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	8,991	9,300	9,300		55%	5,115	20%	1,860	25%	2,325
400574	Cost Pool/(ISF)-Gen Liab	55,701	75,144	69,513	79,937	-	-	(14)	55%	-	20%	-	25%	-
400586	Cost Pool/(CAP)-Admin Charges	51,454	51,454	51,454	52,481	-	-	(14)	55%	-	20%	-	25%	-
400591	Cost Pool/(IND)/Civic Ctr Alloc	52,420	47,026	50,289	50,286	48,217	60,248	(14)	55%	33,136	20%	12,050	25%	15,062
400601	Noncap Asst/Comp Hardware<5K	-	6,526	-	-	-	5,000	(15)	55%	2,750	20%	1,000	25%	1,250
400604	Noncap Asst/Furniture <5K	13,328	-	-	-	-	-		55%	-	20%	-	25%	-
	<b>TOTAL EXPENSES</b>	<b>2,047,186</b>	<b>2,264,738</b>	<b>2,143,246</b>	<b>2,175,258</b>	<b>2,595,497</b>	<b>3,004,698</b>			<b>1,528,834</b>		<b>738,440</b>		<b>737,424</b>
	<b>NET BUDGET BALANCE</b>	<b>143,017</b>	<b>441,530</b>	<b>652,608</b>	<b>181,431</b>	<b>511,190</b>	<b>70,000</b>			<b>1,528,834</b>		<b>738,440</b>		<b>737,424</b>

**Notes:**

- (1) Assumes a Fiscal Year 2023-24 Rental Housing Fee of \$220 for Fully Covered unit and \$125 for Partially Covered units and Carry forward \$100,000 for cloud-based solution - IT charge from previous fiscal year
- (2) Refer to the Budget and Fee Study for detailed salary and wage assumptions
- (3) The Rent Program received budgeted Fringe Benefits amounts from the City's Finance - Budget Division with the except for Workers Compensation
- (4) Includes \$100,000 for cloud-based solution (2022-23 Carry forward), \$4,500 for a property information subscription, \$3,000 for a legal research subscription, \$23,400 for scheduled interpretation, \$9,500 for written translation, and \$500 for on-demand interpretation services = \$140,900 total; for Object 400220 - \$2,400 TRAKIT annual fee for IT charge
- (5) Includes \$200,000 contract with the Eviction Defense Center to assist with Unlawful Detainer cases, \$75,000 to contract legal services for small landlords
- (6) In accordance with City personnel policies, eligible employees may receive reimbursement of up to \$800 for higher education tuition
- (7) Anticipated cost of Bar Association dues for three attorneys (\$550 per Attorney)
- (8) Budgeted amount includes funds to satisfy the requirement to publish notices in the newspaper for public hearings as part of the budget adoption process and social media promotions
- (9) Budgeted amount includes the cost of email accounts for Rent Board Members, business cards, and videoconference/webinar accounts
- (10) Budgeted amount reflects anticipated postage costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control
- (11) Budgeted amount reflects anticipated printing costs for Rental Housing Fee invoices, tenancy registration mailings, and the Guide to Rent Control
- (12) Lease of copy machines including a cost-per-copy amount
- (13) Stipends for UC Berkeley Public Service Center interns, ranging from \$1,000 - \$1,500 per intern and \$500 for tenant survey to be conducted
- (14) Rent Program is working with the City to determine the proper methodology of Cost Pool allocation, the methodology and allocation is under review
- (15) Budgeted technology for the Rent Board Members - computer or tablet hardware

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<b>SALARIES AND WAGES</b>	
<b>400001 – 400006 Permanent Employees</b>	<b>Proposed Allocation: \$1,588,677</b>

The allocation reflects salary-related costs for all filled positions and includes a Memorandum of Understanding negotiated monthly pay rate increase per each Bargaining Unit for Executive Staff Local 21, Mid-Management Local 21, and SEIU Local 1021. The rate increases took effect on January 1, 2023, at 5% and the City shall increase the monthly pay rate by 4% and 5% effective on January 1, 2024. Retro salary increases are being processed by the Payroll Division, refer to page 7 for details for each Bargaining Unit.

Position	Fiscal Year 2022-23 Salary	Fiscal Year 2023-24 Salary	Notes
Executive Director	\$165,603	\$188,080	Max Range- Wage Schedule
Hearing Examiner	\$149,596	\$173,239	MOU – 5% Increase 1/2024
General Counsel	\$152,649	\$181,901	MOU – 5% Increase 1/2024
Deputy Director	\$140,000	\$163,547	MOU – 5% Increase 1/2024
Staff Attorney	\$117,000	\$139,467	MOU – 5% Increase 1/2024
<b>Subtotal Executive Staff</b>	<b>\$724,848</b>	<b>\$846,234</b>	
Rent Program Services Analyst II	\$83,724	\$88,874	Step 2 and 4% Increase
Senior Administrative Analyst	\$80,982	\$98,339	Reclassified from Assistant Admin. Analyst: Q3-2023 – and 4% Increase
Rent Program Services Analyst I	\$74,244	\$78,763	Step 4 and 4% Increase
Senior Management Analyst	\$85,896	\$101,248	Reclassified from Program Analyst – 4% Increase
<b>Subtotal Local 21 Mid-Management Staff</b>	<b>\$324,846</b>	<b>\$367,225</b>	
Administrative Aide	\$70,476	\$78,494	MOU – 4% Increase 1/2024
Administrative Aide	\$61,380	\$72,603	Step 2 and 4% Increase 1/2024
Administrative Aide	\$70,476	\$77,405	Step increases per MOU and 4% Increase 1/2024
Office Assistant II- 2 Additions	\$0	\$109,150	Budget at Step 2
<b>Subtotal SEIU 1021 Staff</b>	<b>\$202,332</b>	<b>\$337,653</b>	
Administrative Student Intern	\$17,888	\$18,782	
Administrative Student Intern	\$17,888	\$18,783	
<b>Subtotal Part Time/Temp Staff</b>	<b>\$35,776</b>	<b>\$37,565</b>	
<b>TOTAL SALARIES</b>	<b>\$1,287,802</b>	<b>\$1,588,677</b>	

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**City of Richmond and IFPTE Local 21 –  
Executive Management Unit**

**2022 Classification and Compensation Meet and Confer  
City Proposal Number 1 – Version 4**

**Date: May 24, 2023**

**Subjects: Classification and Compensation Study Implementation**

TK  
Jult  
5-26-23

**Proposal**

The City proposes to implement the 2021 Segal Classification and Compensation Study for all represented classifications via the below side letter to the Parties' current MOU. The City further proposes to address the Union's interest for an across-the-board minimum increase for employees with four additional compensation enhancements to the Parties' MOU:

- 1) Increase the value of the January, 2024 base wage increase from 4.0% to 5.0%;
- 2) Increase the value of the January, 2025 base wage increase from 4.0% to 5.0%;
- 3) Establish a City contribution to a deferred compensation account for each Executive in the amount of 2.0% of each employee's semi-monthly base salary to occur each pay period starting July, 2023 and;
- 4) Add longevity pay as described in the proposed MOU language below.

**MOU Side Letter Language**

The City of Richmond ("City") and IFPTE Local 21 Executive Management Unit ("Union") (collectively, "the Parties") have met and conferred in good faith pursuant to California law and Article 6.1 of the Parties' 2021 - 2025 Memorandum of Understanding concerning implementation of the 2021 Segal Classification and Compensation Study. The Parties hereby agree as follows:

1. The Parties approve the IFPTE Local 21 Executive Management Unit Salary Adjustments from the Segal Classification and Compensation Study Final Report dated June 2021. (Attachment A.)
2. The Parties approve the IFPTE Local 21 Executive Management Unit Job Description updates from the Segal Classification and Compensation Study Final Report dated June 2021 as amended by the Parties. (Attachment B.)
3. The equity adjustments will be implemented the first full pay period following City Manager (or designee) approval of the job description changes. The City will recommend adoption of this side letter including Attachments A & B to the City Council.
4. The Parties shall conduct bi-weekly video conferences to review the City's progress implementing the Segal Classification and Compensation Study for the Executive Unit until the City has completed the process of adopting the updated job descriptions.

The City will implement the Compensation Study by placing employees in the proposed grade for their job classification as stated in Attachment A. Job classifications receiving an equity adjustment will be placed in the range reflecting the value of the equity adjustment recommendation by Segal. Job classifications that do not receive an equity adjustment will remain in their current salary range. Individual employees will be placed within their salary range at a point most similar to their current range that does not cause a reduction in base wage. The ranges will be divided into five equal portions to assess where the employee will be placed in the range to comply with the methodology detailed above.

**Base Wage Increases, Deferred Compensation and Longevity Pay**

The City will increase base wages for all classifications in the Executive Unit, establish a City deferred compensation contribution and establish longevity pay for Executives. These changes are separate from the agreed upon equity adjustments for the Executive Unit.

1. The monthly pay rate increase for January 1, 2024 described in Section 6.1 of the MOU will change from 4.0% to 5.0%.

TA Jult  
5-26-23

2. The monthly pay rate increase for January 1, 2025 described in Section 6.1 of the MOU will change from 4.0% to 5.0%.
3. Section 7.18 of the MOU will be amended to add the following sentence: "Starting July 1, 2023, the City will contribute an amount equal to 2.0% of each employee's semi-monthly base salary into their deferred compensation account each pay period."
4. Section 6.12 will be added to the MOU and will read as follows:

"Longevity Pay

Effective the first full pay period in July, 2023, eligible employees shall receive longevity pay as follows:

An employee who has completed five years of service at the City will receive longevity pay in the amount of 2.0% of base salary effective the first full pay period following their fifth anniversary date.

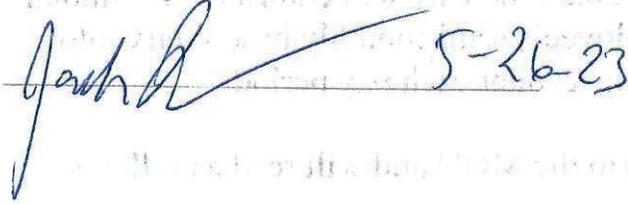
An employee who has completed ten years of service at the City will receive an additional longevity pay in the amount of 2.5% of base salary effective the first full pay period following their tenth anniversary date, increasing their total longevity pay to 4.5%.

An employee who has completed twenty years of service at the City will receive an additional longevity pay in the amount of 4.5% of base salary effective the first full pay period following their twentieth anniversary date, increasing their total longevity pay to 9.0%."

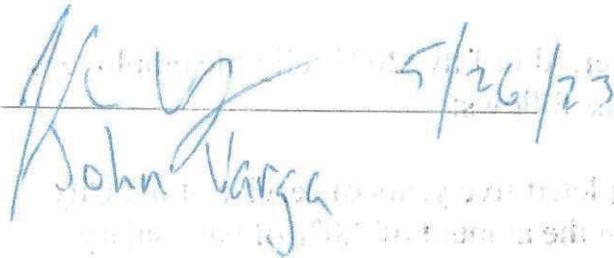
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JWH  
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The Parties will not further amend their current Memorandum of Understanding as a result of this Agreement. This Agreement embodies all items agreed upon by and between the Parties regarding the Study as addressed above.

For the City:

  
5-26-23

For the IFPTE Local 21 Executive Management Unit:

  
5/26/23  
John Karger

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA  
APPROVING THE CONTRACT AMENDMENT REGARDING EQUITY ADJUSTMENT  
AND COMPENSATION ENHANCEMENTS TO THE PARTIES' MOU AFTER THE CITY  
RECEIVES A FINALIZED CLASS AND COMPENSATION STUDY BETWEEN THE CITY  
OF RICHMOND AND INTERNATIONAL FEDERATION OF PROFESSIONAL AND  
TECHNICAL ENGINEERS (IFPTE) LOCAL 21 EXECUTIVE MANAGEMENT UNIT

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**WHEREAS**, the City and International Federation of Professional and Technical Engineers (IFPTE) Local 21 Executive Management Unit have a Memorandum of Understanding covering the period July 1, 2021 – June 30, 2025; and

**WHEREAS**, the IFPTE Local 21 Executive Management Unit Memorandum of Understanding states that “During the term of the MOU, the Parties shall reopen labor negotiations concerning base wage increases (no decreases) after the City receives a finalized classification and compensation study from The Segal Group, Inc.”; and

**WHEREAS**, the parties have executed a contract amendment regarding the above paragraph on equity adjustments and four compensation enhancements to the parties' MOU; and

**WHEREAS**, the contract amendment shall not bind the parties until they are ratified by a majority of the IFPTE Local 21 Executive Management Unit membership and ratified by the City Council; and

**WHEREAS**, the contract amendment will establish equity adjustments and four compensation enhancements to the parties' MOU; and

**WHEREAS**, the adoption of this contract amendment will support a stable and amicable labor relations environment in the City.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of Richmond approves the contract amendment among the City of Richmond and SEIU Local 1021 General Employees unit regarding equity adjustments and base wage increase, the terms of which are set for and marked as Exhibits A to the agenda report in support of the resolution.

-----  
I hereby certify that the foregoing Resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held \_\_\_\_\_ by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

\_\_\_\_\_  
CLERK OF THE CITY OF RICHMOND  
(SEAL)

Approved:

\_\_\_\_\_  
Mayor

Approved as to form:

\_\_\_\_\_  
City Attorney