

News from: **The City of Oakland**

FOR IMMEDIATE RELEASE

December 6, 2017

Oakland City Council Continues Discussion re: Labor Negotiations

Oakland, CA — In its Closed Session meeting this afternoon, the Oakland City Council voted to continue the Closed Session until tomorrow—Thursday, December 7, 2017—at 1:00 pm to conference with labor negotiators about terms and conditions of employment for five of the City’s labor unions.

WHAT: Continuation: City Council Closed Session Meeting

WHEN: Thursday, December 7 at 1 pm

WHERE: City Hall, 1 Frank H. Ogawa Plaza, 2nd floor, Hearing Room 4

Media Contact:

Karen Boyd
City of Oakland
510-449-4401

kboyd@oaklandnet.com

Labor unions have indicated that they intend to continue the strike for a third day, resulting in the continued closure of City facilities and programs.

This afternoon, the City’s Finance Department issued a financial analysis of the risks and financial impacts of the City’s wage offers and the unions’ proposals (read it here: <http://bit.ly/2BG7eAs>).

The analysis showed that the City’s Last, Best, and Final Offer (LBFO) to SEIU, Local 1021—which would provide a 4% wage increase retroactive to July 1, 2017, and up to 2% in year 2 linked to revenue growth—is the most fiscally prudent option. Nevertheless, it carries the risk of creating a nearly \$7 million deficit that will require the City Council to make difficult budget decisions in the near term.

In contrast, SEIU, Local 1021’s proposal—if applied to all bargaining units across the City—creates a deficit of more than \$19 million over the next two years. Balancing the full ongoing cost of this proposal beyond the first two years could require a reduction of nearly 188 positions.

Mayor Libby Schaaf reiterated that, “We cannot spend money that we do not have. We need to consider not just the revenues we know about over the next two years, but what our financial outlook will be over the long run. For example, we know that over the next five years, CalPERS is going to be increasing our pension costs by 49% cumulatively.”

“It’s disappointing that families have been impacted for going on three days now,” she said, “but it will be much worse if families and our most vulnerable residents who use our Head Start centers, our libraries, and our senior centers were permanently harmed because we are forced to reduce City services as well as potentially lay off City workers.”

###

