



**DATE:** July 20, 2021

**TO:** Mayor and City Council

**FROM:** Director of Finance

**SUBJECT:** Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and the Hayward Association of Management Employees to Make Association Members who Participated in the Fiscal Year 2021 Furlough Program Whole and Authorizing the City Manager to Execute the Agreement

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) approving a Side Letter of Agreement between the City of Hayward and the Hayward Association of Management Employees (HAME) to make Association members who participated in the Fiscal Year 2021 Furlough Program whole and authorizing the City Manager to execute the agreement.

### **SUMMARY**

In recognition of HAME's agreement to meet an eighty (80) hour unpaid furlough obligation in Fiscal Year 2021, and because actual revenues for the City of Hayward surpassed projected revenue shortfalls as a result of the COVID-19 pandemic, Council has expressed its desire to make Association members whole with respect to the Fiscal Year 2021 Furlough Program.

### **BACKGROUND AND DISCUSSION**

On June 9, 2020, Council approved a Side Letter of Agreement between the City of Hayward and HAME, in which the Association agreed to partner with the City of Hayward to address projected revenue shortfalls resulting from the COVID-19 pandemic by participating in an unpaid Furlough Program (the "Original Agreement"). Per the Original Agreement, Association members were required to meet an eighty (80) hour unpaid furlough obligation.

Because actual revenues for the City of Hayward surpassed projections, Council has expressed its desire to make Association members whole with reference to the Fiscal Year 2021 Furlough Program. As a result, the City of Hayward and HAME have reached a tentative agreement whereby Association members shall receive a one-time, lump sum payment in an amount equal to the value of the furlough hours each employee took (Attachment III). This lump sum payment replaces the terms of the lump sum payment included in the Original Side Letter of Agreement.

## **FISCAL IMPACT**

The proposed agreement would result in an increase of approximately \$499,801 across all funds.

## **STRATEGIC ROADMAP**

This agenda item is a routine operational item and does not relate to one of the Council's Strategic Roadmap initiatives.

## **NEXT STEPS**

The Human Resources and Finance Departments will work in conjunction to issue the one-time, lump sum payments within three (3) weeks following Council approval.

*Prepared by:* Kakshi Master, Senior Human Resources Analyst

*Recommended by:* Dustin Claussen, Director of Finance

Approved by:



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Kelly McAdoo, City Manager