



DATE: June 22, 2021

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT: FY 2022 Salary Plan: Adopt Resolutions Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2022 and the Restoration of Furlough Time and Foregone Salary Adjustments for Fiscal Year 2021 for the International Association of Firefighters, Local 1909 and Unrepresented Executives, Management, City Manager's Office, Human Resources and City Attorney's Office Employees

RECOMMENDATION

That Council adopts a resolution (Attachment II) approving an amendment to the City of Hayward Salary Plan for Fiscal Year 2022 (FY 2022), which designates all classifications and the corresponding salary ranges for employment in the City of Hayward as of June 21, 2021, superseding Resolution No. 21-038 and all amendments thereto. Further, that Council adopts a resolution (Attachment IV) approving the restoration of furlough time and foregone salary adjustments for Fiscal Year 2021 (FY 2021) for the International Association of Firefighters, Local 1909 (Local 1909) and Unrepresented Executives, Management, City Manager's Office, Human Resources and City Attorney's Office Employees (Unrepresented Employees).

SUMMARY

As required by the Municipal Code, the FY 2022 Salary Plan has been updated to reflect salary adjustments to the classifications in the City's classified and unclassified service as a result of the Council approved Memoranda of Understanding (MOU) between the City of Hayward and the Hayward Police Officers' Association (HPOA) and Police Management Unit (HPMU), the approved Side Letter of Agreement between the City of Hayward and the International Association of Firefighters and Hayward Fire Officers Association (Local 1909), and the revised terms of the Salary and Benefits Resolution for Unrepresented Employees. The salary plan has also been updated to reflect adjustments to the salary ranges for Tree Trimmer, Reserve Officer Coordinator, Personnel and Training Administrator, Youth and Family Services Bureau (YFSB) Administrator, Director of Development Services, Director of Finance, and Director of Maintenance Services, and the removal of Transportation Manager.

Additionally, in recognition of Local 1909's agreement to forego a previously agreed upon two percent (2%) cost-of-living adjustment (COLA) due the pay period including July 1, 2020, and in recognition of the fact that Unrepresented Employees were required to either meet an

eighty (80) hour unpaid furlough obligation or forego a two percent (2%) COLA due the pay period including July 1, 2020, said employees shall have their furlough hours or COLAs restored. In addition, those employees who forewent a COLA will also receive a one-time, lump sum cash payment in an amount equal to two percent (2%) of base salary effective the pay period including July 1, 2021 to repay the amount of the forgone COLA as a concession, consistent with Council's expressed intent with City employees.

After the Personnel Commission held a public hearing on June 17, 2021, and considered public and Commissioner comments, the Commission recommended Council consider adoption of an amended FY 2022 Salary Plan for the classifications in the City's classified service.

BACKGROUND AND DISCUSSION

Cost-of-Living-Adjustments (COLAs):

Pursuant to the negotiated terms of the MOUs between the City of Hayward and both HPOA and HPMU, and the negotiated terms of the Side Letter as recently revised by mutual agreement between the City of Hayward and Local 1909 (Attachment V), COLAs will be applied to the classifications represented by the bargaining units effective the pay period including July 1, 2021. In addition, Unrepresented Executives shall receive COLAs pursuant to the revised Salary and Benefits Resolution (Attachment IV). Table 1 below shows the applicable amount of the increases by employee group, and the FY 2022 Salary Plan reflects the increase to the classifications.

Table 1 – FY 2022 Cost-of-Living Adjustments

EMPLOYEE GROUP	PERCENTAGE INCREASE
HPOA	2.5%
Police Management	3%
Local 1909 Restoration of Deferred COLA from 7/1/20	2%
Local 1909 COLA 7/1/21	2%
Fire Officers Restoration of Deferred COLA from 7/1/20	2%
Fire Officers COLA 7/1/21	2%
Unrepresented Executives	2% ¹

¹ COLAs for the Director of Finance and Fire Chief shall be 4%, as both classifications forewent a two percent (2%) COLA effective the pay period including July 1, 2020.

Restoration of Fiscal Year 2021 Furlough Hours and COLAs:

In addition to the COLAs referenced above for Local 1909 and Unrepresented Employees who forewent their FY 2021 COLAs, which reflects the restoration of the two percent (2%) COLA originally due the pay period including July 1, 2020, employees represented by Local 1909, The Director of Finance, and the Fire Chief shall receive a one-time, lump sum payment in an amount equal to two percent (2%) base annual salary for the pay period including July 1, 2021.

Salary Adjustments:

TREE TRIMMER: As a result of the Equity Study Side Letter of Agreement between the City of Hayward and SEIU Local 1021, the salary range for the classification of Groundskeeper I received a six percent (6%) salary equity increase for FY 2021. Pursuant to the terms of the MOU between the City of Hayward and SEIU Local 1021 Maintenance and Operations Unit, the classification of Tree Trimmer, which supervises the classification of Groundskeeper I, should have simultaneously received a 6% adjustment to maintain a ten percent (10%) differential between the classifications. The classification of Tree Trimmer will receive a retroactive 6% salary adjustment to the effective date of the pay period including January 1, 2021. The salary range for Tree Trimmer is \$37.75 per hour at Step A and \$43.93 per hour at Step E.

RESERVE OFFICER COORDINATOR: The Reserve Officer Coordinator position will receive a salary adjustment of two and one-half percent (2.5%) to maintain an established internal relationship whereby the salary range for the classification shall be set to match the salary range for the classification of Police Sergeant, which shall receive a COLA for FY 2022. The salary range for Reserve Officer Coordinator is \$60.34 per hour at Step A and \$73.31 per hour at Step E.

PERSONNEL AND TRAINING ADMINISTRATOR: Pursuant to the terms of the MOU between the City of Hayward and the Hayward Association of Management Employees (HAME), the salary range for the classification of Personnel and Training Administrator will receive a salary adjustment of 0.45% to maintain a minimum pay differential of 10% between this classification and the Police Sergeant. The salary range for Personnel and Training Administrator is \$66.35 per hour at Step A and \$80.64 per hour at Step E.

YOUTH AND FAMILY SERVICES BUREAU ADMINISTRATOR: Pursuant to the terms of the MOU between the City of Hayward and HAME, the Youth and Family Services Bureau Administrator will receive a salary adjustment of 0.45% to maintain a minimum pay differential of 10% between this classification and the Police Sergeant. The salary range for Youth and Family Services Bureau Administrator is \$66.35 per hour at Step A and \$80.64 per hour at Step E.

DIRECTOR OF DEVELOPMENT SERVICES: As a result of a market equity study conducted for Unrepresented Executives, the salary range for the Director of Development Services shall be adjusted to match that of the Director of Library Services going forward, which is \$84.68 per hour at Step A and \$102.92 per hour at Step E. The salary adjustment resulting from the market equity study shall be applied before the COLA referenced above for all Unrepresented Executives.

DIRECTOR OF FINANCE: As a result of a market equity study conducted for Unrepresented Executives, the salary range for Director of Finance shall be adjusted to match that of the Director of Library Services going forward, which is \$84.68 per hour at Step A and \$102.92 per hour at Step E. The salary adjustment resulting from the market equity study shall be applied before the COLA referenced above for all Unrepresented Executives.

DIRECTOR OF MAINTENANCE SERVICES: As a result of a market equity study conducted for Unrepresented Executives, the salary range for Director of Maintenance Services shall be adjusted to match that of the Director of Library Services going forward, which is \$84.68 per hour at Step A and \$102.92 per hour at Step E. The salary adjustment resulting from the market equity study shall be applied before the COLA referenced above for all Unrepresented Executives.

Classification Removal:

TRANSPORTATION MANAGER: Approved by the Personnel Commission on May 6, 2021, the duties of the Transportation Manager classification were absorbed by the updated Deputy Director of Public Works classification specification. As such, the Transportation Manager classification will be deactivated and removed from the Salary Plan.

FISCAL IMPACT

HPOA & HPMU COLAS: The COLAs for the classifications in the classified service for the HPOA and HPMU are included in the FY 2022 Proposed Operating Budget; therefore, there is no additional fiscal impact.

UNREPRESENTED EXECUTIVES COST OF LIVING ADJUSTMENTS: The COLAs for the classifications in the unclassified service for Unrepresented Executives result in a cost increase of approximately \$73,859; the impact to the General Fund is \$58,286. Budget adjustments will be included in the FY 2022 mid-year budget process.

UNREPRESENTED EXECUTIVE EQUITY ADJUSTMENTS: The additional annual fiscal impact of the equity-based salary adjustments for the Director of Development Services, Director of Finance, and Director of Maintenance Serviced is an increase of approximately \$21,333. Budget adjustments will be included in the FY 2022 mid-year budget process.

LOCAL 1909, FIREFIGHTERS AND FIRE OFFICERS: The scheduled 2% COLA salary increases to the classifications in the classified service for Local 1909 are included in the FY 2022 Proposed Operating Budget and have no additional fiscal impact. Pursuant to the side letter of agreement (Attachment VI), the restoration of the FY 2021 2% base wage salary results in a cost increase of approximately \$637,570. Budget adjustments will be included in the FY 2022 mid-year budget process.

TREE TRIMMER: The additional annual fiscal impact for the Tree Trimmer classification is an increase of approximately \$21,780. Budget adjustments will be included in the FY 2022 mid-year budget process.

RESERVE OFFICER COORDINATOR: The additional annual fiscal impact for the Reserve Officer Coordinator is an increase of approximately \$2,442. Budget adjustments will be included in the FY 2022 mid-year budget process.

PERSONNEL AND TRAINING ADMINISTRATOR: The Personnel and Training Administrator is an inactive position in the FY 2022 budget and therefore has no fiscal impact.

YOUTH AND FAMILY SERVICES BUREAU ADMINISTRATOR: The additional annual fiscal impact for the Youth and Family Services Bureau Administrator is an increase of approximately \$1,005. Budget adjustments will be included in the FY 2022 mid-year budget process.

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 cost-of-living, equity, and other salary adjustments, one-time paybacks and restoration of furlough hours will be implemented by the Human Resources and Finance Departments effective the pay period including July 1, 2021 and will be reflected on employees' paychecks dated July 9, 2021. Any necessary budget changes will be made during the FY 2022 mid-year review process.

Prepared by: Kakshi Master, Senior Human Resources Analyst

Recommended by: Dustin Claussen, Director of Finance

Approved by:



Kelly McAdoo, City Manager