



**DATE:** June 18, 2024

**TO:** Mayor and City Council

**FROM:** Director of Human Resources

**SUBJECT:** Adopt a Resolution to Execute Side Letter of Agreement Amending the Memoranda of Understanding (MOU), Section 5.01 Medical Insurance between the City of Hayward and the Hayward Fire Chief's Association ("HFCA") to Correctly Reflect the Retiree Medical Insurance Contribution Amount

### **RECOMMENDATION**

That the Council adopts the resolution (Attachment II) for the side letter of agreement amending International Association of Firefighters (IAFF), Local 1909 MOU, Section 5.01 Medical Insurance provision between the City of Hayward and HFCA, to correctly reflect the existing retiree medical insurance contribution amount from three hundred dollars (\$300.00) per month to five hundred eight dollars and thirty cents (\$508.30) for each active employee, each eligible retired employee, or the eligible survivor of a retired employee who subscribes for coverage.

### **BACKGROUND AND SUMMARY**

As a result of recent review of the January 1, 2024, published Benefit Summary document a discrepancy between the retiree medical insurance contribution amounts as stated in the Hayward Fire Chiefs' Association MOU Section 5.01 Medical Insurance and the Benefit Summary document was discovered.

The City believes this discrepancy was an oversight and the original intent was to have the HFCA receive the same benefit provided to members of the IAFF - Local 1909 bargaining unit as they have all previously been members of that group and eligible for the benefit at that level. While the current amount was reflected on the City's Benefit Summary document and published on the City's website the amount was not updated accordingly in the HFCA MOU. In response, the City desires to correct this discrepancy to ensure eligible members of the HFCA are not negatively impacted.

### **DISCUSSION**

The City and the Union have met and discussed in good faith and agree to amend Section 5.01 for the duration of the term of this MOU, to provide \$508.30 per month for each eligible retired employee or survivor of a retired employee who subscribes for coverage. This

agreement shall be effective immediately upon City Council approval and shall remain in effect until the expiration of the current MOU contract dates (September 16, 2021, through June 30, 2024), between the parties.

### **FISCAL IMPACT**

There is no fiscal impact associated with this report.

### **STRATEGIC INITIATIVES**

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

### **NEXT STEPS**

Human Resources staff will work with CalPERS to change the existing cost-sharing amounts in the CalPERS system.

*Prepared by:* Marisa Guerrero, Human Resources Manager

*Recommended by:* Brittney Frye, Director of Human Resources

Approved by:



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Dustin Claussen, Interim City Manager