

# GUIDING PRINCIPLES

## POLICY/GOAL STATEMENTS

### FOR CONTRACT

### NEGOTIATIONS 2021<sup>1</sup>

**POLICY STATEMENT** — The City Council and City Manager value all City of Hayward employees. Our commitment to providing a safe and healthy workplace in which employees are engaged, empowered, and compensated fairly and the culture is one of openness, caring, and integrity is a high priority. We are committed to compensating employees fairly in a manner that meets the expectations of our taxpayers, includes structural and ongoing cost-sharing, is reflective of the performance of each employee, is competitive with the labor market, and is consistent with sound financial management. Since the onset of the COVID-19 pandemic and ensuing shelter-in-place restrictions, many economies around the world have entered into a recession. Hayward is no exception to these challenges. With restrictions in Alameda County in place indefinitely, including whole industry segments being shuttered, deeper negative impacts on the economy are expected, necessitating a far more conservative financial management approach. We recognize that City employees provide essential services to the community, and contract provisions will be aligned with Council priorities that are reflective of the expectations of the Hayward community, which has also been heavily impacted by the pandemic. We acknowledge that attraction and retention of top talent goes beyond just the economic incentives provided by the employer and extends to our willingness to be flexible and transparent in our policies and open to employee ideas. We believe work-life balance and training opportunities are priorities and encourage our employees to share their ideas and pursue opportunities that maximize their potential and benefit them and their families.

### CONTRACT TERMS

**Goal: Employee labor contracts will be negotiated in good faith in a manner that: is fiscally prudent; supports Council Priorities; fosters employee development; promotes a safe, healthy, and flexible work environment; is sensitive to community expectations; is administratively efficient; and is compliant with all applicable federal, state, and local laws.**

### **Guiding Principles:**

- Contract provisions shall take into consideration the ability to implement them using the City's ERP system and avoid manual processes unless there is a compelling need that cannot be avoided.
- In general, the length of a contract should take into consideration the revenue and expenditure projections provided for in the City's Ten-Year Financial Plan for the entire proposed contract period. Multiple year contracts are preferred and should include language that allows for modification in the event of specified financial changes.
- Contract expiration dates shall generally coincide with the City's fiscal year and take into consideration the budget cycle.
- Contract terms will be effective on the date approved by Council or the first pay period nearest that date and will not include retroactivity provisions.

<sup>1</sup> Concession bargaining will require a different approach

## **SALARIES**

**Goal:** In general, when it is fiscally prudent and consistent with taxpayer expectations of maintaining a highly qualified workforce to deliver essential services to the community, City employees will be compensated at a rate that is approximately equivalent to the mid-point of the labor market as determined by a total compensation survey of established agencies, the labor market, and the ability to effectively recruit and retain employees.

### **Guiding Principles:**

- When fiscally prudent and in alignment with what our community can afford, provide fair salary adjustments, factoring in the internal and external labor market surveys and the Consumer Price Index (CPI). Adjust difficult to fill positions to competitive compensation levels in order to attract and retain talent.
- Maintain internal compensation equity (i.e. salary compaction, equitable benchmarking, comparable pay for similar work, etc.) consistent with industry best practices, recognizing that unique circumstances require a different approach.
- Maintain flexibility on established survey agencies for difficult to fill positions.
- Maintain flexibility on timing and frequency of market adjustments.

## **BENEFITS (INCLUDES ALL HEALTH AND WELFARE, RETIREMENT AND OPEB)**

**Goal:** Partner with employees to provide cost effective, robust, and supportive benefit programs.

### **Guiding Principles:**

- Explore convening a task force consisting of City management and Union representatives to review and discuss health care policies and programs, explore lower cost options including a cafeteria plan, and make recommendations for changes that are structural and ongoing.
- Collaboratively explore reforms and legislative changes to pension and healthcare reform.
- Provide benefit levels the City can fund responsibly in both the short and long term. Continue exploring cost effective options to fund retiree healthcare.
- Assure continuation of a defined benefit system and continued cost sharing with employees.
- Continue to evaluate and develop effective return to work programs.
- Utilize and promote current VEBA plan to maximize employee funding of future and current healthcare expenses.

## **HOURS OF WORK**

**Goal:** Provide flexible work schedules and attendance standards that maximize the services provided to the Community, support a creative workplace, ensure accountability, and promote healthy work-life balance.

### **Guiding Principles:**

- Maximize flexibility in management’s ability to allocate staffing resources.
- Utilize alternative work models (i.e. telecommuting, flexible / alternate work schedules, etc.) to promote work/life balance where feasible with minimal impact on operations.
- Ensure contract leave provisions maintain alignment with all local, state, and federal leave laws.
- Explore strategies that increase efficiency, make workloads more manageable, and reduce overtime.
- Ensure sick leave provisions provide maximum flexibility for management to accommodate injured or sick workers, provide reasonable accommodation to sick or injured workers, and meet the needs of service levels for the community.

### **WORKING CONDITIONS**

**Goal: Maintain a flexible, healthy, and safe work environment that recognizes individual employee contributions. Conflicts are resolved at the lowest level possible and there are fair, consistent, and clear procedures and timelines that promote accountability for all parties.**

### **Guiding Principles:**

- Encourage low-cost wellness initiatives that promote healthy lifestyles and reduce absenteeism in the workplace.
- MOUs and City policies should provide for proactive public service, employee accountability, and support and should empower employees to strive for excellence.
- Maximize use of resources to meet current needs and position the organization for the future.
- Encourage and promote employee professional development and education.
- Ensure timelines for grievance processes are consistent and reasonable to ensure timely resolution of employee relations matters.
- Evaluate lay-off procedures from an equity lens, exploring whether current layoff procedures disproportionately impact people of color (currently restricted to seniority as the single factor).
- Explore flexible, responsible, and stable funding of a robust training and employee development program that supports quality succession planning efforts.
- Continue to support the “family” culture of the City and utilize this organizational strength to explore creative zero or low-cost initiatives to further reinforce the culture.
- Explore creative zero or low-cost improvements to work environment.