



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
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## Cover Memo

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**File #:** CONS 15-153, **Version:** 1

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**DATE:** September 22, 2015

**TO:** Mayor and City Council

**FROM:** Mayor

### **SUBJECT**

Adoption of a Resolution Approving Modifications to Employment Agreements with the City Manager, City Attorney and City Clerk and Authorizing the Mayor to Execute Those Agreements on Behalf of the Council

### **RECOMMENDATION**

That the City Council adopts the attached Resolutions authorizing modifications to employment agreements between the City of Hayward and the City Manager, City Attorney, and City Clerk and authorizing the Mayor to execute those agreements on behalf of the Council.

### **BACKGROUND**

On June 23, 2015, the City Council approved a Resolution to extend the employment agreements with the City Manager, City Attorney, and City Clerk through June 30, 2016. Although the Council Appointed Officers have not received salary increases in over five years, the Council delayed discussions related to compensation pending the completion of total compensation surveys for the Council Appointed Employees and resolution of salary matters for other bargaining groups.

The City Council has consistently maintained that employees should be compensated fairly and contribute toward their benefits in order to help address the City's structural deficit and provide long-term financial stability for the City. The Council Appointed Officers have made substantial concessions since FY 2012, waiving salary increases, paying the 8% employee share of retirement, contributing 20% toward medical and dental, and 50% toward vision premiums. A total compensation survey revealed that the Council Appointed Officers are substantially below mid-market by as much as 30%.

After careful consideration, the Council is not authorizing any Cost of Living Adjustments (COLA), and is approving equity adjustments consistent with those approved for the Unrepresented Executives, which adjustments are capped at fifteen percent (15%) paid in equal installments of 7.5% in FY 2016 and FY 2017 respectively. The Council Appointed Officers remain committed to doing their part to address the City's structural deficit and have agreed to additional contributions toward the employer share of CalPERS retirement costs.

Table I below summarizes the key changes made to the employment agreements consistent with Council compensation policy:

**Table 1: Key Changes to Employment Agreements**


Term	City Manager	City Attorney	City Clerk
Equity Adjustment	7.5% FY 2016 7.5% FY 2017	7.5% FY 2016 7.5% FY 2017	7.5% FY 2016 7.5% FY 2017
Personal Equipment Allowance	\$450 per month	\$450 per month	\$450 per month
Health and Wellness Reimbursement	\$100 per month	\$100 per month	\$100 per month
Vacation Cash Out	40 hours	160 hours	40 hours
Additional PERS Contribution	3% Phased In: 1%- FY 2016 1%- FY 2017 1%- FY 2018	3% Phased In: 1%- FY 2016 1%- FY 2017 1%- FY 2018	3% Phased In: 1%- FY 2016 1%- FY 2017 1%- FY 2018

**FISCAL IMPACT**

The cost of the changes to the employment agreements for the City Manager, City Attorney and City Clerk are approximately \$86,000 in FY 2016.

*Prepared and Recommended by:* Nina S. Collins, Director of Human Resources

Approved by:



Fran David, City Manager

**Attachments:**

- Attachment I:** Resolution Approving the Extension and Modification of the City Manager’s Employment Agreement and Authorizing the Mayor to Execute the Agreement on Behalf of the Council
- Attachment II:** Resolution Approving the Extension and Modification of the City Attorney’s Employment Agreement and Authorizing the Mayor to Execute the Agreement on Behalf of the Council
- Attachment III:** Resolution Approving the Extension and Modification of the City Clerk’s Employment Agreement and Authorizing the Mayor to Execute the Agreement on Behalf of the Council