

Cover Memo

File #: CONS 20-294, Version: 1

**DATE:** June 9, 2020

**TO:** Mayor and City Council

FROM: Assistant City Manager/Interim Director of Human Resources

## SUBJECT

Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and the Hayward Association of Management Employees for Implementation of an Eighty-Hour Furlough in Fiscal Year 2021 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 for implementation of an eighty-hour furlough in Fiscal Year 2021 and authorizing the City Manager to execute the agreement.

## SUMMARY

The City of Hayward is experiencing an unexpected drop in revenues as a result of State and County Shelter in Place Orders due to the COVID-19 pandemic. As a result, the City has taken a number of cost-saving measures to limit the impact this crisis has on its employees and residents, such as reducing expenditures, laying off temporary staff, and seeking concessions from its employee groups.

The City and the Hayward Association of Management Employees (HAME) have met and conferred in good faith and have reached a tentative agreement in which HAME members will be required to meet an eighty (80) hour unpaid furlough obligation in fiscal year 2021. If approved, the proposed agreement would result in a General Fund savings of approximately \$315,313 and a total projected savings across all funds of \$499,801 in FY 2021.

In recognition of HAME agreeing to an 80-hour unpaid furlough in fiscal year 2021, members may receive a one-time lump-sum payment if certain financial indicators are met.

## ATTACHMENTS

Attachment IStaff ReportAttachment IIResolutionAttachment IIIHAME Tentative Agreement