

# Earnings Reduction Discontinuance & Reinstatement

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Consideration of discontinuing 5% earnings reduction for the Fullerton Management Association and Confidential / Nonrepresented employees and authorization to reinstate funds contributed by City employees upon receipt of eligible funds



# Background

- There are 54 classifications within the Fullerton Management Association (FMA); 38 currently filled
  - Positions are a mix of non-safety supervisory and mid-management employees spread among several departments
- There are 15 classifications within the Confidential / Nonrepresented group; 12 currently filled
  - Positions are a mix of general and mid-management employees within Administration, Administrative Services and Human Resources



# Earnings Reduction Discontinuance

- Earnings Reduction of 5% was agreed upon to help address the City's fiscal concerns, due primarily to the impact of COVID-19, and was implemented effective the pay period beginning 9/19/2020
- On March 11, 2021 the America Rescue Plan Act was signed into law, with \$34.7 million expected for the City of Fullerton

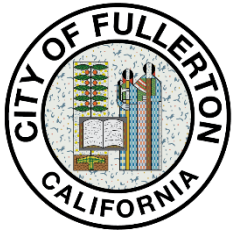


# Reinstatement of Contributions

- Three employee groups implemented the earning reduction

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|---------------------------------|------------------------|
| • Executive / Council Appointed | 5/02/2020 – 3/19/2021  |
| • Confidential / Nonrepresented | 9/19/2020 – 4/16/2021* |
| • FMA                           | 9/19/2020 – 4/16/2021* |

\*end date upon approval of City Council



# Reinstatement of Contributions

- Total Anticipated Earnings Contributed

Employee Group	Amount
Executive / Council Appointed	\$113,000
Confidential / Nonrepresented	\$28,000
FMA	\$106,000

- Current Anticipated Earnings Reinstated

Employee Group	Amount
Executive / Council Appointed	\$100,000
Confidential / Nonrepresented	\$28,000
FMA	\$102,000



# Recommendation

1. Adopt Resolution No. 2021-XX.

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING THE SIDE LETTER AGREEMENT BETWEEN THE CITY AND THE FULLERTON MANAGEMENT ASSOCIATION AND SUPERSEDING RESOLUTION NO. 2020-79

2. Adopt Resolution No. 2021-XX.

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, RELATING TO COMPENSATION FOR CONFIDENTIAL / NONREPRESENTED EMPLOYEES AND SUPERSEDING RESOLUTION NO. 2020-78

3. Upon receipt of federal funding available from the American Rescue Plan Act of 2021, authorize the City Manager to implement full reinstatement of all funds contributed by FMA, Confidential / Nonrepresented and Executive / Council Appointed employees as a result of implemented earnings reductions in response to the City's budgetary challenges, primarily due to the COVID-19 pandemic.