

CITY OF YUBA CITY
STAFF REPORT

Date: June 24, 2008
To: Honorable Mayor and Members of the City Council
From: Human Resources Department
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Memorandum of Understanding with the Firefighters' Association Local 3793

Recommendation: Approve a resolution to ratify the recently negotiated Memorandum of Understanding with the Firefighters' Association Local 3793 and authorize the Director of Finance to make appropriate budget adjustments and set the compensation for certain employees as determined in the Salary Schedule and General Compensation Plan effective June 21, 2008.

Fiscal Impact: The net cost of the contract over the three year period totals \$1,905,200.00. The contract provides for the addition of three (3) new Fire Recruit/Firefighters positions at a cost of \$602,000.00 for the first three years. This cost is offset by a 4% reduction in the current contract totaling \$727,500.00 of the first three years of the contract.

Background:

The current Memorandum of Understanding (MOU) with Firefighters' Association Local 3793 has a start date of July 1, 2007 and an expiration date of June 30, 2008.

The recommended MOU is for three (3) years and will amend certain provisions of the existing MOU and will have an expiration date of June 30, 2011. Firefighters' Association Local 3793 general membership have ratified this Agreement.

The MOU which concludes the meet and confer process with the Firefighters' Association Local 3793 will be provided prior to the meeting. The recommended terms of the agreement are outlined below.

Analysis:

Terms of the Firefighters' MOU

- 1) The agreement is a three (3) year agreement that will begin on July 1, 2008 and will expire on June 30, 2011.
- 2) The City completed a salary survey of the Fire Captain classification. The

Firefighters' Association and City agreed upon the final salary survey numbers. Based on this survey, the Fire Captain salary shall be at 4% below median.

- 3) A 4% reduction is being applied to the existing retroactive salary adjustment due under the existing MOU. The retroactive salary adjustment will start with the pay period that includes January 1, 2008.
- 4) At the beginning of each contract agreement fiscal year, July 1, 2008, July 1, 2009, and July 1, 2010, there will be a 3.5% flat salary increase.
- 5) The City agrees to hire three (3) new Fire Recruits/Firefighters prior to September 1, 2008.
- 6) The MOU additionally addresses the meet and confer on changes in the Personnel Rules and Regulations concerning layoffs, sick leave use and nepotism.
- 7) The City and Local 3793 have an economic reopener for discussions in order to address the impact on this contract with regard to compensation in the event that the City's overall financial situation, based on all General Fund revenues, significantly diminishes or improves during the term of this contract.
- 8) Article 16, Training for Specialty Teams, is being moved from the MOU to the Department Polices and Procedures manual.

Fiscal Impact:

The proposed FY 2008-09 Mid-Cycle Budget Update includes the appropriations required for this MOU. The total net cost of the MOU is as follows:

FY 08-09	\$307,800
FY 09-10	\$599,300
FY 10-11	\$998,100

These costs include:

A 4% reduction in the 10.73% increase to 6.73% due to the current MOU effective with the pay period including January 1, 2008, in accordance with the existing MOU with Fire; 3.5% increase effective July 1 of each year beginning July 1, 2008; and hiring three additional Fire Recruits/Firefighters is effective September 1, 2008 to bring staffing levels up to three personnel at each station.

The existing MOU with Firefighters' Association Local 3793 would have required an adjustment of 10.73% effective January 1, 2008. In exchange for hiring the additional three Fire Recruits/Firefighters, the Firefighters' Association agreed to forgo 4% of the 10.73% raise to pay for the three new positions by benchmarking the current year MOU salary increase to 4% below

median for comparable cities. The 4% savings equates to \$727,500 from January 1, 2008 through June, 2011.

The three new Fire Recruit/Firefighter positions will cost the City a total of \$880,300 during the three year contract period. The \$880,300 is partially offset by SAFER grant revenues of \$278,300 for a net cost to the City of \$602,000. The on-going annual cost to the City for these positions when they advance to the Firefighter II level will be \$403,000.

Alternatives:

1) Do not adopt the proposed agreement and staff will reopen negotiations with the respective representatives.

Recommendation:

Approve a resolution to ratify the recently negotiated Memorandum of Understanding with the Firefighters' Association Local 3793 and authorize the Director of Finance to make appropriate budget adjustments and set the compensation for certain employees as determined in the Salary Schedule and General Compensation Plan effective June 21, 2008.

Prepared By:

Submitted By:

Susan Pearson
Human Resources Director

Steven R. Jepsen
City Manager

Reviewed By:

Department Head

Finance

Firefighters' Association Local 3793 Representative

City Attorney

Other: (Name, Title)

RESOLUTION NO. 08-

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY RATIFYING
THE LABOR AGREEMENT FOR THE FIREFIGHTERS' ASSOCIATION LOCAL 3793,
AND SETTING THE COMPENSATION OF CERTAIN EMPLOYEES**

BE IT RESOLVED, by the City Council of the City of Yuba City as follows:

SECTION I.

The Council hereby ratifies the Amendment to the Memorandum of Understanding with the Firefighters' Association Local 3793 for the period of July 1, 2007 through June 30, 2008.

SECTION II.

The Council hereby ratifies the Memorandum of Understanding with the Firefighters' Association Local 3793 for the period of July 1, 2008 through June 30, 2011.

SECTION III.

The Salaries of the employees of the City of Yuba City, who are employed now or will be employed in the future, are fixed and determined as hereinafter set forth in the Salary Schedule and General Compensation Plan, effective June 21, 2008.

SECTION IV.

Those portions of previous Resolutions pertaining to the salary schedule of these employees are hereby repealed. The Director of Finance is hereby authorized to make the necessary budget adjustments to implement the provisions of this Resolution.

SECTION V.

BE IT FURTHER RESOLVED, that the City Council authorizes staff to make to make future amendments to the salary schedule as provided for in the ratified labor agreements.

The forgoing Resolution of the City Council of the City of Yuba City was duly introduced, passed and adopted at a regular meeting thereof held on the 24th day of June 2008.

AYES:

NOES:

ABSENT:

ATTEST:

Rory Ramirez, Mayor

Terrel Locke, City Clerk

EPMC Calculations

Chico	January-08		July-08		February-09		Aug-09		Feb-10		Feb-11	
Reportable Income	\$9,690.31		\$9,690.31		\$10,076.84		\$10,076.84		\$10,478.17		\$10,894.45	
Employer Rate:	25.88%	\$2,507.76	25.88%	\$2,507.76	25.88%	\$2,607.79	25.88%	\$2,607.79	25.88%	\$2,711.65	25.88%	\$2,819.37
Employee Rate:	7%	\$678.32	7%	\$678.32	7%	\$705.38	7%	\$705.38	7%	\$733.47	7%	\$762.61
EPMC-Employer	25.88%	\$175.54	25.88%	\$175.54	25.88%	\$182.54	25.88%	\$182.54	25.88%	\$189.82	25.88%	\$197.36
EPMC-Employee	7%	\$47.48	7%	\$47.48	7%	\$49.38	7%	\$49.38	7%	\$51.34	7%	\$53.38
Monthly Total	\$223.03		\$223.03		\$231.92		\$231.92		\$241.16		\$250.74	

Woodland	January-08		July-08		February-09		Aug-09		Feb-10		Feb-11	
Reportable Income	\$7,595.32		\$8,517.16		\$8,517.16		\$8,517.16		\$8,517.16		\$8,517.16	
Employer Rate:	17.71%	\$1,345.43	17.71%	\$1,508.73	17.71%	\$1,508.73	17.71%	\$1,508.73	17.71%	\$1,508.73	17.71%	\$1,508.73
Employee Rate:	9%	\$683.58	9%	\$766.54	9%	\$766.54	9%	\$766.54	9%	\$766.54	9%	\$766.54
EPMC-Employer	17.71%	\$121.09	17.71%	\$135.79	17.71%	\$135.79	17.71%	\$135.79	17.71%	\$135.79	17.71%	\$135.79
EPMC-Employee	9%	\$61.52	9%	\$68.99	9%	\$68.99	9%	\$68.99	9%	\$68.99	9%	\$68.99
Monthly Total	\$182.61		\$204.77		\$204.77		\$204.77		\$204.77		\$204.77	

West Sacramento	January-08		July-08		February-09		Aug-09		Feb-10		Feb-11	
Reportable Income	\$8,418.60		\$8,665.62		\$8,915.80		\$9,257.74		\$9,542.19		\$9,542.19	
Employer Rate:	33.69%	\$2,835.81	33.69%	\$2,919.01	33.69%	\$3,003.29	33.69%	\$3,118.47	33.69%	\$3,214.29	33.69%	\$3,214.29
Employee Rate:	9%	\$757.67	9%	\$779.91	9%	\$802.42	9%	\$833.20	9%	\$858.80	9%	\$858.80
EPMC-Employer	33.69%	\$255.22	33.69%	\$262.71	33.69%	\$270.30	33.69%	\$280.66	33.69%	\$289.29	33.69%	\$289.29
EPMC-Employee	9%	\$68.19	9%	\$70.19	9%	\$72.22	9%	\$74.99	9%	\$77.29	9%	\$77.29
Monthly Total	\$323.41		\$332.90		\$342.51		\$355.65		\$366.58		\$366.58	

Turlock	January-08		July-08		February-09		Aug-09		Feb-10		Feb-11	
Reportable Income	\$6,844.35		\$7,230.32		\$7,230.32		\$7,230.32		\$7,230.32		\$7,230.32	
Employer Rate:	21.79%	\$1,491.52	21.79%	\$1,575.63	21.79%	\$1,575.63	21.79%	\$1,575.63	21.79%	\$1,575.63	21.79%	\$1,575.63
Employee Rate:	5%	\$342.22	5%	\$361.52	5%	\$361.52	5%	\$361.52	5%	\$361.52	5%	\$361.52
EPMC-Employer	21.79%	\$74.58	21.79%	\$78.78	21.79%	\$78.78	21.79%	\$78.78	21.79%	\$78.78	21.79%	\$78.78
EPMC-Employee	5%	\$17.11	5%	\$18.08	5%	\$18.08	5%	\$18.08	5%	\$18.08	5%	\$18.08
Monthly Total	\$91.69		\$96.86		\$96.86		\$96.86		\$96.86		\$96.86	

Fire Captain Salary Survey

Agency	Position Title	Top Monthly Salary Step	PERS % pd by agency	PERS \$ pd by agency	Uniform Allow	Health Benefits \$ (med/dental/vision only)	Holiday Pay	Education Incentive(Max)	Longevity Pay max paid	EPMC (cost pd by agency)	Sick Pay	Defer. Comp (agency cont)	TOTAL COMP	Hourly rate monthly /242.667
Chico	Fire Captain	\$8,003.00	7.00%	\$560.21	\$38.75	\$1,084.25	\$758.53	\$0.00	\$0.00	\$223.03	\$369.37	\$0.00	\$11,037.13	\$32.98
West Sacramento	Fire Captain	\$7,354.00	9.00%	\$661.86	\$70.83	\$934.00	\$430.33	\$200.00	\$0.00	\$323.44	\$363.66	\$0.00	\$10,338.12	\$30.30
Lodi	Fire Captain	\$7,146.00	9.00%	\$643.14	\$66.67	\$1,380.19	\$382.82	\$568.03	\$250.00	\$0.00	\$353.37	\$214.38	\$11,004.60	\$29.45
Woodland	Fire Captain	\$7,028.00	9.00%	\$632.52	\$75.00	\$1,376.66	\$324.37	\$351.40	\$27.08	\$182.61	\$347.54	\$0.00	\$10,345.18	\$28.96
Rocklin	Fire Captain	\$7,672.00	9.00%	\$690.48	\$79.17	\$1,149.00	\$252.92	\$175.00	\$383.60	\$0.00	\$379.38	\$100.00	\$10,881.55	\$31.62
Turlock	Fire Captain	\$6,032.00	9.00%	\$542.88	\$91.67	\$1,135.00	\$397.71	\$301.60	\$0.00	\$91.69	\$298.29	\$0.00	\$8,890.84	\$24.86
Yuba City	Fire Captain	\$7,419.00	9.00%	\$667.71	\$45.00	\$923.00	\$285.24	\$0.00	\$0.00	\$0.00	\$366.87	\$0.00	\$9,706.83	\$30.57
Median	\$10,613.37													
% from Median	-9.34%													

**AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING**

Between

**The City of Yuba City of Yuba City
And**

The Yuba City Firefighters' Local 3793

July 1, 2007 through June 30, 2008

The City of Yuba City and the Yuba City Firefighters' Local 3793 have agreed to the following:

The City of Yuba City and the Yuba City Firefighters' Local 3793 have previously met and conferred and agreed upon a Memorandum of Understanding (MOU) for the period from July 1, 2007 through June 30, 2008. Due to current economic conditions, both parties have agreed to reduce the retro adjustment for the top step of class of the Fire Captain. Under the current MOU, this adjustment, based upon a salary survey with comparative cities, was to result in a salary adjustment of 10.73% for the top step class of Fire Captain, effective January 1, 2008. In order to fund the hiring of three additional firefighters to improve the level of service to the citizens of the Yuba City, the City of Yuba City and Yuba City Firefighters' Local 3793 agree to reduce this salary adjustment by four (4) percent to 6.73%. The resulting revenue savings, in conjunction with the recently awarded Federal Assistance to Firefighter's Grant, will allow for the hiring of these three additional firefighters by September 1, 2008

The retro active salary adjustment resulting from this amendment will be effective with the pay period that includes January 1, 2008. The increase in minimum staffing resulting from this agreement will become effective with the hiring of the three additional firefighters by September 1, 2008.

Date: _____ Date: _____

CITY OF YUBA CITY

FIREFIGHTERS' LOCAL NO. 3793

Steven R. Jepsen, City Manager

Guy Smith, President

Steve Kroeger, Asst. City Manager

Dan Parnow, V. President

Robin Bertagna, Director of Finance

Dave Newquist

David Jans