CITY OF YUBA CITY STAFF REPORT

Date:	February 16, 2021	
То:	Honorable Mayor & Members of the City Council	
From:	Finance Department	
Presentation By:	Spencer Morrison, Finance Director	
Summary		
Subject:	Yuba City Firefighters', Local 3793 and Fire Management Side Letters	
Recommendation:	Adopt Resolutions authorizing Side Letters for Yuba City Firefighters', Local 3793 and Fire Management to update the leave accrual tables in the respective Letter and Memorandum of Understanding to reflect a historical error in the City's financial system.	
Fiscal Impact:	Historically, less than \$600 additional paid to an employee when separation from the City occurred between the fifth and tenth years of service and 40 to 60 additional hours of leave over the same years of service.	

Purpose:

To authorize Side Letters to correct a historical vacation leave accrual calculation error in the City's financial system

Background:

The vacation leave bank accrual calculation in the City's financial system for Yuba City Firefighters', Local 3793 (Local 3793) and Fire Management has not matched the language in the bargaining unit agreements for at least 10 years. When Local 3793 brought this to the City's attention, further review showed that members of both bargaining units were moving from 4.5 hours of vacation accrual to 6.5 hours of vacation accrual one year sooner than described in the agreements going back to at least 2011.

Analysis:

Finance staff reviewed all Fire Department employees that have separated from the City during the time period in which they would have benefitted from an increased vacation accrual, after the completion of their fourth year, but before the completion of their tenth year, and found four employees, with only one separating with a vacation leave payout of less than \$600. The others benefitted by accruing 40-60 hours more leave. This error is corrected as each employee completes their tenth year and moves to the next accrual rate and has a new ceiling on the number of vacation hours that may be accrued at any given time.

Fiscal Impact:

Historically, less than \$600 of additional vacation leave bank value was paid to an employee when separation from the City occurred between the fifth and tenth years of service and 40 to 60 additional hours of leave over the same years of service, potentially reducing productive hours.

Alternatives:

City Council may choose to not authorize new Side Letters and make a correction through contract negotiations to the accrual rate table in the agreements to match the financial system or change the financial system accrual rate table to match the existing agreements.

Recommendation:

Adopt resolutions authorizing Side Letters for Local 3793 and Fire Management to update the leave accrual tables in the respective Letter and Memorandum of Understanding to reflect a historical error in the City's financial system.

Attachments:

- 1. Local 3793 Side Letter Agreement
- 2. Resolution for Local 3793 Side Letter Agreement
- 3. Fire Management Side Letter Agreement
- 4. Resolution for Fire Management Side Letter Agreement

Prepared By:

Submitted By:

<u>/s/ Spencer Morrison</u> Spencer Morrison Finance Director

<u>/s/ Díana Langley</u> Diana Langley Interim City Manager

Reviewed By:

Human Resources

Special Counsel

NS SS by email

SIDE LETTER TO THE

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MEMORANDUM OF UNDERSTANDING

Between

The City of Yuba City

And

The Yuba City Firefighters', Local 3793

July 1, 2020 through December 31, 2021

The City of Yuba City (City) and the Yuba City Firefighters', Local 3793 (YCFF), jointly referred to as the "parties" enter into this Side Letter Agreement. The parties agree that the specific provisions contained in this Side Letter Agreement shall succeed any previous agreement regarding matters contained herein. The parties also agree that the terms of this agreement will be incorporated into the current Memorandum of Understanding (MOU) effective July 1, 2019 through June 30, 2020

ARTICLE 5 VACATION ACCRUAL

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Vacation accrual for Firefighters' Local 3793 employees per pay period are as follows:

Bi-Weekly Rate
6.5 hours
8.6 hours
10.2 hours
11.1 hours
4.6 hours
6.1 hours
7.3 hours
7.9 hours

2. Remainder of Contract Not Affected.

All other provisions of the current Memorandum of Understanding between the City and the Yuba City Firefighters' Local 3793 shall remain unchanged.

Date: _____

Date: 2/4/2021

CITY OF YUBA CITY

Interim City Manager

Director of Human Resources

Diana Langley

Natalie Springer

YUBA CITY FIREFIGHTERS', LOCAL 3793

Kevin Kennedv

President, Local 3793

<u>Brett M. Geyer</u> Brett Geyer

Brett Geyer / / Vice President, Local 3793

Spericer Morrison Director of Finance

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO AUTHORIZE A SIDE LETTER AGREEMENT WITH YUBA CITY FIREFIGHTERS', LOCAL 3793 TO UPDATE VACATION ACCRUAL LANGUAGE

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

WHEREAS, Yuba City Firefighters', Local 3793 (Local 3793) brought to the City's attention that vacation accruals are not calculating in the City's financial system as per their memorandum of understanding (MOU) due to a historical error;

WHEREAS, the Local 3793 vacation accrual rate was advancing from the first tier to the second tier after one year of service sooner than described in the current and past MOUs and has been calculated consistently for nearly 20 years in the City's financial system;

WHEREAS, the City has proposed a new side letter agreement that updates the vacation accrual language and table to match what the City's financial system has been historically calculating.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City hereby authorize a side letter agreement with Local 3793 to update the vacation accrual language.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 16th day of February, 2021.

AYES:

NOES:

ABSENT:

Marc Boomgaarden, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

Approved as to form Counsel for Yuba City:

Stacey Sheston, Esq., BBK

SIDE LETTER TO THE

LETTER OF UNDERSTANDING

Between

The City of Yuba City

And

The Yuba City Fire Management Group

July 1, 2017 through June 30, 2019

The City of Yuba City (City) and the Fire Management jointly referred to as the "parties" enter into this Side Letter Agreement. The parties agree that the specific provisions contained in this Side Letter Agreement shall succeed any previous agreement regarding matters contained herein. The parties also agree that the terms of this agreement will be incorporated into the current Letter of Understanding (LOU) effective July 1, 2017 through June 30, 2019.

ARTICLE 6 VACATION ACCRUAL

Vacation accrual for Fire Management employees per pay period are as follows:

<u>56 hour employees:</u>	Bi-Weekly Rate
0 thru 4 years of City service	6.5 hours
5 thru 9 years of City service	8.6 hours
10 thru 14 years of City service	10.2 hours
15 or more years of City service	11.1 hours
40 hour employees:	
0 thru 4 years of City service	4.6 hours
5 thru 9 years of City service	6.1 hours
10 to 14 years of City service	7.3 hours
15 or more years of City service	7.9 hours

2. Remainder of Contract Not Affected.

All other provisions of the current Memorandum of Understanding between the City and the Fire Management shall remain unchanged.

Date:

Date: February 5 2021

CITY OF YUBA CITY

Interim City Manager

Diana Langley

FIRE MANAGEMENT

Shane Lawson

Natalie Springer Director of Human Resources **Eric Hankins**

Spencer Morrison Director of Finance

Tim Noori 2 Jesse Frias

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO AUTHORIZE A SIDE LETTER AGREEMENT WITH YUBA CITY FIRE MANAGEMENT TO UPDATE VACATION ACCRUAL LANGUAGE

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

WHEREAS, Yuba City Fire Management vacation accruals are not calculating in the City's financial system as per their letter of understanding (LOU) due to a historical error;

WHEREAS, the Fire Management vacation accrual rate was advancing from the first tier to the second tier after one year of service sooner than described in the current and past LOUs and has been calculated consistently for nearly 20 years in the City's financial system;

WHEREAS, the City has proposed a new side letter agreement that updates the vacation accrual language and table to match what the City's financial system has been historically calculating.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City hereby authorize a side letter agreement with Fire Management to update the vacation accrual language.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 16th day of February, 2021.

AYES:

NOES:

ABSENT:

ATTEST:

Marc Boomgaarden, Mayor

Ciara Wakefield, Deputy City Clerk

Approved as to form Counsel for Yuba City:

Stacey Sheston, Esq., BBK