

CITY OF YUBA CITY  
STAFF REPORT

**Date:** May 17, 2022  
**To:** Honorable Mayor & Members of the City Council  
**From:** Finance/IT Department  
**Presentation By:** Spencer Morrison, Finance Director

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**Summary**

**Subject:** Certifying Need for CalPERS 180-Day Wait Period Exception for Lynn Haile to be appointed as– Extra Help Accounting Manager

**Recommendation:** Adopt a Resolution

A. Certifying the need for exception of the CalPERS 180-day wait period for Lynn Haile to be appointed as Extra Help-Accounting Manager

B. Approving the employment agreement and appointing Lynn Haile as provided in the Resolution following approval by CalPERS

**Fiscal Impact:** Anticipating a cost of \$50,000 from the Finance Division budget using a combination of salary savings and funds requested in the FY 2022-23 Operating Budget.

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**Purpose:**

To approve a resolution certifying the need for a limited term extra help employment agreement necessary to permit Lynn Haile's employment as a retired annuitant from the generally-required CalPERS 180-day wait period.

**Council's Strategic Goal:**

Fiscal Responsibility

**Background**

Over the last few months, Finance has experienced significant turnover. The City recently assessed the Finance Department's structure as well as the pay for accounting office positions to address recruitment and retention issues. The Finance Department has not been able to build the bench for seamless succession in key positions, and soon, long-term employee, Lynn Haile, Accounting Manager, is retiring in mid-June. The City has recruited for and hired her successor, but that person will need training to become familiar with imminent and critical City processes relating to completing our

budget process and our annual audit.

CalPERS' typical requirements for employment of retired annuitants, who are of normal age on their retirement date, is a 180-day wait period before the annuitant can be employed as an annuitant. One of the exceptions to the 180-day wait period is an employer resolution certification of critical need to appoint the annuitant in less than 180 days following retirement. The governing board of the public agency then presents CalPERS with a resolution, passed in a public meeting that makes such certification and approves the appointment. Additionally, the resolution must not be placed on the consent calendar and must include a copy of the retiree's employment agreement.

### **Analysis**

In order to provide new employee training and generally assist the new Accounting Manager (and other Finance employees) with budget and audit functions, the Finance Department has prepared the required CalPERS resolution and retired annuitant employment agreement for Mrs. Haile to be appointed as temporary, limited term Extra Help- Accounting Manager in early July. If these CalPERS required documents are approved by City Council, Staff will submit them to CalPERS prior to Mrs. Haile beginning work as a retired annuitant with the City in this limited term, extra-help capacity.

### **Fiscal Impact:**

Anticipating a cost of \$50,000 from the Finance Division budget using a combination of salary savings and funds requested in the FY 2022-23 Operating Budget.

### **Alternatives:**

1. Do not approve the CalPERS 180-day wait period exception resolution.
2. Provide City staff direction.

### **Recommendation:**

Adopt a Resolution

A. Certifying the need for exception of the CalPERS 180-day wait period for Lynn Haile to be appointed as Extra Help-Accounting Manager.

B. Approving the employment agreement and appointing Lynn Haile as provided in the Resolution following approval by CalPERS.

### **Attachments:**

1. CalPERS Resolution
2. Lynn Haile Temporary Limited-Term Extra Help Employment Agreement

Prepared By:  
Natalie Springer  
Human Resources Director

Submitted By:  
Diana Langley  
City Manager

# ATTACHMENT 1

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY  
APPROVING THE EXCEPTION OF THE CALPERS 180-DAY WAIT PERIOD FOR  
CALPERS ANNUITANT**

WHEREAS, in compliance with Government (Gov.) Code section 7522.56 of the Public Employees' Retirement Law, the City Council of the City of Yuba City must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since their retirement date; and

WHEREAS, Lynn Haile, "Haile" (CalPERS ID 6185747822) is retiring from the City of Yuba City in the position of Accounting Manager effective (CalPERS retirement date June 18, 2022); and

WHEREAS, Gov. Code Section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which (date of 181<sup>st</sup> day after retirement) without this certification; and

WHEREAS, Gov. Code Section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the City Council, the City of Yuba City and Haile certify that Haile has not and will not receive a Golden Handshake or any other retirement-related incentive; and

WHEREAS, the City Council hereby appoints Haile as an extra help retired annuitant to perform the duties of the Extra Help - Accounting Manager for the City of Yuba City under Gov. Code section 21224 effective July 2, 2022 or as soon thereafter as the City receives CalPERS approval; and

WHEREAS, the entire employment agreement, contract or appointment document between Haile and the City of Yuba City has been reviewed by this body and is attached herein; and

WHEREAS, no matters, issues, terms or conditions related to this employment and appointment have been or will be placed on a consent calendar; and

WHEREAS, the employment shall be limited to 960 hours per fiscal year for all CalPERS employers; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$10,882 and the hourly equivalent is \$62.78, and the minimum base salary for this position is \$8,952 and the hourly equivalent is \$51.65; and

WHEREAS, the hourly rate paid to Haile will be \$62.78; and

WHEREAS, Haile has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition this hourly pay rate; and

THEREFORE, BE IT RESOLVED THAT the City Council hereby certifies the nature of the appointment of Haile as described herein and detailed in the attached employment agreement/contract/ appointment document and that this appointment is necessary to fill the critically needed position of Extra-Help Accounting Manager for the City of Yuba City by July 2, 2022, or as soon thereafter as possible, because of Haile's specific expertise in Yuba City's budget and audit processes. Yuba City's Finance Department has hired a new Accounting Manager as Haile's successor, and Haile will train her successor and new Finance staff during a critical timeframe involving the City's budget and audit activities.

The foregoing 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 17th day of May, 2022.

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dave Shaw, Mayor

Attest:

\_\_\_\_\_  
Ciara Wakefield, Deputy City Clerk

Approved as to form:

\_\_\_\_\_  
Stacey Sheston  
BB&K, Special Counsel

# ATTACHMENT 2

**AGREEMENT FOR TEMPORARY  
LIMITED-TERM “EXTRA-HELP” EMPLOYMENT**

**EXTRA HELP-ACCOUNTING MANAGER**

THIS Agreement for temporary, limited term “extra help” employment is by and between the City of Yuba City (“City”) and Lynn Haile (“Employee”) (collectively the “Parties”). It is effective on the latest date of signature below.

**WHEREAS**, the City has a critical need for an employee to provide needed specialized skills related to training the new Accounting Manager and other new Finance team members in, and assisting them with, necessary public services in the area of Yuba City-specific budget and audit preparation processes;

**WHEREAS**, Employee possesses the necessary specialized skills, and is competent and qualified to perform the services required by this Agreement; and

**WHEREAS**, this Agreement is in accordance with California Government Code Section 21224.

**NOW THEREFORE**, in consideration of the mutual covenants contain herein, the Parties agree as follows:

1. Scope of Services: Pursuant to this Agreement, Employee shall temporarily perform critically needed specialized skills related to training the Accounting Manager and new Finance team members in budget and audit preparation as set forth in Exhibit A. Employee shall perform said duties under the direct supervision of the Finance Director. Employee represents that Employee is properly trained and certified to perform the duties required under this Agreement. Employee further represents that Employee will maintain, at Employee’s expense and on Employee’s own time, all required licenses and certification as a condition of this part-time employment.
2. Time of Performance: The services of Employee shall commence on July 2, 2022, and shall continue until June 30, 2023 unless terminated sooner by either Party.
3. Compensation: Employee shall be compensated as follows:
  - (a) Hourly Rate of Pay: Employee shall be paid at the rate of \$62.78 per hour (the “Hourly Rate”). The City has determined that this hourly rate is neither less than the minimum, nor more than the maximum, hourly rate paid to other employees performing comparable duties. Payments will be made on regularly scheduled

City payroll dates. Employee will be responsible for keeping track of Employee's hours worked on a biweekly time sheet form, provided by the City and submitted to the City Manager or designee for approval and payroll purposes. Employee understands and agrees that Employee is not, and will not be, eligible to receive any compensation other than this specified hourly rate of pay.

- (b) Hours per Week: This employment is for part-time work and, generally, will not exceed 40 hours per week. The City will assign Employee specific hours to work, and under no circumstances may Employee work in excess of 40 hours per week without the express prior permission of the Finance Director.
- (c) Payment for Work Done in Excess of 40 Hours Per Week: The temporary position under this Agreement is not exempt from FLSA overtime pay requirements. The Employee shall be paid at one and one-half times the regular rate of pay for any time worked in excess of 40 hours per week.
- (d) Work less than 960 hours per year: Employee is allowed to work a cumulative maximum of 960 hours per fiscal year for any CaPERS agencies. Provided that Employee has not exceeded this maximum annual amount, it is anticipated that Employee will be assigned approximately 20 to 80 hours per month, although this may change with operational needs. The City retains the right to reduce, change, or amend the number of hours worked consistent with the City's workload and other needs. If Employee's annual hours are approaching 960, then the City retains the right to summarily suspend Employee's duties under this Agreement and to reassign any scheduled hours, as needed, to ensure that Employee does not exceed the maximum hours allowed by this Agreement.

4. Employment Status as Fixed-Term/"Extra-Help" Employee: The parties agree that Employee has specialized skills needed in performing work of limited duration. In the performance of the work and services agreed to be performed, Employee is not filling a vacant, regular position with City, but rather Employee shall act as and be a temporary, fixed-term/ "Extra-Help" employee to address a special need and circumstance.

- (a) Time of Retirement. Employee retired effective June 18, 2022 in the CalPERS system. Because she possesses critical skills necessary to support the continuation of Accounting Manager functions in the Finance Department (in particular, budget- and audit-related skills and knowledge), the City Council has certified the need for Employee's appointment before 180 days has passed following her retirement.



- (b) Benefits: Employee understands and agrees that Employee is not, and will not be, eligible to receive any benefits from the City, including any City group plan for hospital, surgical, or medical insurance, any City retirement program, or any paid holidays, vacation, sick leave, or other leave, with or without pay, or any other job benefits available to an employee in the regular service of the City, except for Worker's Compensation Insurance coverage and as otherwise required by law. City will enroll Employee in CalPERS solely for administrative recordkeeping purposes (Employee will remain in retired status) and will report both Employee's hours and pay pursuant to this Agreement.
- (c) No Membership in Bargaining Unit: Employee understands that Employee is not a member of any bargaining unit and is not covered by the terms of any Memorandum of Understanding with any represented or unrepresented group of City employees.
- (d) No Property Right in Employment: Employee understands and agrees that the terms of this employment are governed only by this Agreement and that no right of regular employment for any specific term is created by this Agreement. Employee further understands that Employee acquires no property interest in this employment by virtue of this Agreement, that the employment is "at will" as defined by the laws of the State of California (meaning that Employee can be terminated at any time for any reason or for no reason), and that Employee is not entitled to any pre- or post-deprivation administrative hearing or other due process upon termination or any disciplinary action.
- (e) Employment of a Retiree: Employee understands that CalPERS retired annuitants may be employed by a CalPERS public agency employer, by temporary appointment for a limited duration to a position not to exceed 960 hours in any fiscal year for all such employers; either (1) during an emergency to prevent stoppage of public business or (2) because the retired employee has skills needed in performing the work of limited duration. **In the event Employee is providing service to any other CalPERS public agency employer during the term of this Agreement, Employee must immediately notify the City of such other CalPERS agency employment and disclose on a periodic basis the number of hours Employee is performing for that other public agency to ensure that the maximum number of hours is not exceeded.** Employee expressly agrees that Employee shall be solely responsible for any costs or liabilities of either party resulting from Employee's failure to disclose such other CalPERS agency employment and shall indemnify and hold City harmless from any such costs and liabilities.

(f) No Recent Unemployment Payments to Retiree. Retiree specifically warrants and represents that Employee has not received unemployment insurance payments in the prior 12-month period arising from work performed as a retiree for any public employer.

5. Termination: Either Party may terminate this Agreement without cause upon written notice.

6. Ownership of Work: All documents furnished to Employee by the City and all reports and supportive data prepared by Employee under this Agreement are City property and shall be given to City at the completion of Employee's services.

7. Notices: Any notice given under this Agreement shall be in writing and deemed given when personally delivered or deposited in the mail (certified or registered) addressed to the Parties as follows:

<u>CITY</u>	<u>EMPLOYEE</u>
City Manager City of Yuba City 1201 Civic Center Blvd. Yuba City, CA 95993	Lynn Haile 9917 State Highway 70 Marysville, CA 95901

8. Non-Assignment of Agreement: This Agreement is intended to secure the individual services of the Employee and is not assignable or transferable by Employee to any third party.

9. Governing Law/Venue: This Agreement shall be interpreted according to the laws of the State of California. Venue for any action or proceeding regarding this contract shall be in Sutter County.

10. Enforceability: If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

11. Conflict of Interest: Employee agrees that during the term of this Agreement, Employee will not maintain any financial interest or engage in any other contract employment, occupation, work, endeavor or association, whether compensated for or not, that would in any way conflict with, or impair Employee's ability to perform the duties described in this Agreement. Any work performed for the City outside the terms of this Agreement must be approved in advance in

writing by the City Manager. Employee agrees to disclose whether Employee is performing work for any other CalPERS public agency employer as required by this Agreement.

12. Entire Agreement and Modification: This Agreement constitutes the entire understanding of the Parties hereto. This Agreement supersedes any previous contracts, agreements, negotiations or understandings, whether written or oral, between the Parties. Employee shall be entitled to no other compensation or benefits than those specified herein, and Employee acknowledges that no representation, inducements or promises not contained in this Agreement have been made to Employee to induce Employee to enter into this Agreement. No changes, amendments, or alterations hereto shall be effective unless in writing and signed by both Parties. Employee understands that no oral modification of this Agreement made by any officer, agent, or employee of the City is effective. Employee specifically acknowledges that in entering into and executing this Agreement, Employee relies solely upon the provisions contained herein and no others.

13. Support Services and Equipment: Employee shall be provided work space and the necessary tools and equipment during assigned working hours, sufficient to fulfill obligations under this Agreement, as determined by the City Manager, at no cost to Employee.

14. Reimbursement for Necessary and Approved Work Expenses: Employee shall be reimbursed by City in accordance with applicable law and standard City policy for all properly pre-authorized and necessary travel or other expenditures undertaken by Employee in performance of services pursuant to this Agreement. Employee shall document and claim said reimbursement in the manner and forms required by the City. Other than as specifically provided herein, Employee shall receive no other compensation or reimbursements for expenses incurred in performance of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above.

**CITY OF YUBA CITY:**

**EMPLOYEE**

By: \_\_\_\_\_  
Diana Langley  
City Manager

By: \_\_\_\_\_  
Lynn Haile

## **EXHIBIT A**

The temporary, limited term employment under this Agreement is for performance of the following duties and scope of work:

1. Training the Accounting Manager and other new Finance team members on and assisting them in budget preparation.
2. Training the Accounting Manager and other new Finance team members on and assisting them annual audit preparation.