

CITY OF YUBA CITY
STAFF REPORT

Date: February 20, 2018

To: Honorable Mayor and Members of the City Council

From: Human Resources Department

Presentation By: Steven C. Kroeger, City Manager

Summary

Subject: Executive Service Employee Contract Amendments

Recommendation: A. Adopt a Resolution authorizing the City Manager to amend Executive Service Employee Employment Agreements,

B. Approve a supplemental appropriation of \$40,700 to the FY 2017/2018 adopted budget.

Fiscal Impact: An increase in cost of \$40,700 for FY 2017/2018 and \$49,950 for FY 2018/2019.

Purpose:

To approve certain amendments to the Executive Services employee agreements.

Background:

The Executive Service employees are the positions of: 1) Police Chief, 2) Fire Chief, 3) Public Works Director, 4) Finance Director, 5) Community Services Director, 6) Development Services Director, 7) Economic Growth and Public Affairs Manager, 8) Assistant to the City Manager, 9) Human Resources Director. The Executive Service employees serve in “at will” positions, as the terms and conditions reflect. Executive Service employees have individual employment contracts; the current employment contract with Executive Service employees are from 2015. In the past, contract amendments have been utilized to reflect changing terms and conditions (such as the City’s furlough program). The recommended contract amendments would modify each contract to reflect similar improvement in terms and conditions as other bargained agreements.

Furthermore, since the Executive Service contracts and amendments reflect the terms and conditions of employment for Executive Service employees, some minor additional language needs to be included in a couple of the amendments to identify all Executive Service terms and conditions. Specifically, for the Fire Chief, language shall be added to encompass his role with CalFire including the terms of his services and corresponding payments for services. If applicable, other auxiliary benefits that are provided to other bargaining units shall be made available to Executive Service employees (example is bilingual pay).

Analysis:

Proposed Executive Service amendments:

1. A one-time distribution of 2% base salary in year one;
2. A 2% salary increase in year two;
3. Increase of the death benefit for employees from \$50,000 to \$150,000;
4. Addition of a long-term disability program.

Fiscal Impact:

The proposed changes will result in a net increase in cost of \$40,700 for FY 17/18 and \$49,950 for FY 18/19.

Alternatives:

Do not approve Executive Service employee terms and conditions and provide staff direction.

Recommendation:

- A. Adopt a Resolution authorizing the City Manager to amend Executive Service Employee Employment Agreements,
- B. Approve a supplemental appropriation of \$40,700 to the FY 2017/2018 adopted budget.

Attachments:

1. Executive Service Amendment Resolution
2. Cost impact of Executive Service Amendments

Prepared By:

/s/ Natalie Springer
Natalie Springer
Human Resources Director

Submitted By:

/s/ Steven C. Kroeger
Steven C. Kroeger
City Manager

Reviewed By:

Human Resources

Finance

City Attorney

RB

TH by email

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE EXECUTIVE SERVICE CONTRACT AMENDMENTS
JULY 1, 2017 – JUNE 30, 2019**

WHEREAS, Executive Service employees include the following positions: Police Chief, Fire Chief, Public Works Director, Finance Director, Community Services Director, Development Services Director, Economic Growth and Public Affairs Manager, Assistant to the City Manager, and Human Resources Director.

WHEREAS, the City recognizes the Executive Service employees commitment to the City and its citizens while providing outstanding and dedicated service to all;

WHEREAS, Executive Service employees are “at will” employees and have individual employee contracts that reflect the terms of their employment;

WHEREAS, the Executive Service’s amendments are in addition to their contract agreements;

WHEREAS, Executive Service employees shall receive a one-time distribution of money in year one, a 2% salary increase in year two, the addition of a long-term disability program, an increase in the death benefits, and other terms;

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

Authorize the City Manager to execute the amendments with Executive Service employees.

Authorize staff to make any necessary clarifying language changes to the language in the Executive Services’ amendments as long as the changes do not modify the amendment’s substantive terms or past practice.

The Director of Finance is hereby authorized to make the necessary budget adjustments to implement the provisions of this resolution.

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 20th day of February 2018.

AYES:

NOES:

ABSENT:

Preet Didbal, Mayor

ATTEST:

Patricia Buckland, City Clerk

ATTACHMENT 2

City of Yuba City
Impact of 2 Year Agreement

**Executive
Unit**

FY 17/18 - Year 1

One-time distribution of 2% base salary	\$ 34,550
Long-term disability program	3,250
Death Benefit increase from \$50,000 to \$150,000	2,900

Year 1 Total Cost

\$ 40,700

FY 18/19 - Year 2

Long-term disability program	3,250
Death Benefit increase from \$50,000 to \$150,000	2,900
2% flat rate salary increase	43,800

Year 2 Total Cumulative Cost

\$ 49,950

Grand Total Cost Impact-2 Year Total

\$ 90,650