CITY OF YUBA CITY STAFF REPORT

Date:	September 17, 2019
То:	Honorable Mayor and Members of the City Council
From:	Human Resources Department
Presentation By:	Natalie Springer, Human Resources Director
Summary	
Subject:	Mid-Managers' Letter of Understanding (LOU).
Recommendation:	A. Adopt a Resolution approving a one year Letter of Understanding with the Mid Manager group.
	B. Approve a supplemental appropriation of \$87,100 to the FY 2019/2020 adopted budget.
Fiscal Impact:	An increase in cost of \$87,100 for FY 2019/2020 and \$56,500 for FY 2019/2020.

Purpose:

To approve the Mid-Managers' one year Letter of Understanding.

Background:

The City's employment agreement with the Mid-Managers group expired on June 30, 2019. The City and the Mid-Managers group have been meeting since August 2019 to negotiate a new employment agreement. The previous agreement included a one-time distribution of \$1,500 or 2% base salary (whichever was greater) and a 2% salary increase in year two. In addition, the contract included a 9-step salary schedule for new employees, a long-term disability program, and increased death benefits.

While the City continues to face growing employee pension obligations, the City must remain competitive in recruiting and retaining employees, which requires competitive employee compensation. The proposed employment contract is an attempt to find the balance between competitive employee compensation and management of the increasing employee pension obligations.

Analysis:

The Mid-Managers have agreed to a one year Letter of Understanding that:

- 1. Includes a 2% salary increase (effective the first full pay period after July 1, 2019);
- 2. Includes a one-time non-PERSable stipend of \$1,500 or 2% of base salary (whichever is greater);
- 3. Increases benefits for dental and vision coverage;
- 4. Increases Tuition Reimbursement Program to \$5,000 per fiscal year;

5. Outlines 2019 Holiday Closure.

The complete Letter of Understanding is attached.

Fiscal Impact:

The proposed changes will result in a net increase in cost of \$87,100 for FY 19/20 and \$56,500 for FY 20/21. Costing does not include benefit rates or increased pension costs.

Alternatives:

Do not approve Mid-Manager Letter of Understanding and provide staff direction.

Recommendation:

Adopt a Resolution approving a one year Letter of Understanding with the Mid-Manager group, and approve a supplemental appropriation of \$87,100 to the FY 2019/2020 adopted budget.

Attachments:

A. Cost impact of Mid-Manager Agreement Terms B. Mid-Manager LOU Resolution C. Mid-Manager LOU

Prepared By:

Submitted By:

/s/ Cíara Wakefield

Ciara Wakefield Administrative Analyst II <u>/s/ Michael Rock</u> Michael Rock City Manager

Reviewed By: Human Resources Finance

City Attorney

<u>NS</u> <u>RB</u> <u>SLC by email</u>

ATTACHMENT A

City of Yuba City MM - Impact of 1 Year Agreement - FINAL

FY 19/20 - Year 1	On	-Going	One-Time	Total
2% Salary increase	\$	49,200		\$ 49,200
One time stipend - 2% or \$1,500 (whichever is greater)			\$ 24,500	24,500

Year 1 Total Cost	-	\$ 49,200	\$ 24,500 \$	73,700
	General Fund	37,900	23,100	61,000
	Other	11,300	1,400	12,700

City of Yuba City Confidential - Impact of 1 Year Agreement - FINAL

FY 19/20 - Year 1	On-	Going	0	ne-Time	Total
2% Salary increase	\$	7,300			\$ 7,300
One time stipend - 2% or \$1,500 (whichever is greater)			\$	6,100	6,100

Year 1 Total Cost

	\$ 7,300	\$ 6,100	\$ 13,400
General Fund	7,300	6,100	13,400
Other	0	0	0

ATTACHMENT B

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING THE MID MANAGERS' LETTER OF UNDERSTANDING JULY 1, 2019 – JUNE 30, 2020

WHEREAS, the City recognizes the Mid Managers' commitment to the City and its citizens while providing outstanding and dedicated service to all and;

WHEREAS, City staff and the Mid Managers have negotiated a one year Letter of Understanding and;

WHEREAS, the City appreciates the efforts and energy the Mid Managers have put forth to negotiate this Letter of Understanding.

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

Approve the attached Mid Managers' Letter of Understanding.

The attached Letter of Understanding is hereby approved effective immediately retroactive to July 1, 2019.

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 17th day of September 2019.

AYES:

NOES:

ABSENT:

ATTEST:

Shon Harris, Mayor

Patricia Buckland, City Clerk

Approved as to form:

Stacey Sheston BB&K, Special Counsel

ATTACHMENT C

LETTER OF UNDERSTANDING

Between

The City of Yuba City

And

The Mid-Managers

July 1, 2019 through June 30, 2020

ARTICLE 1: SALARY

1.1 Future Salary Increases/Adjustments

Effective the first pay period in Fiscal Year 2019/20 the City agrees to a 2% salary increase.

1.2 Bilingual Pay

The City pays a \$100 per month bilingual pay incentive for employees who are proficient in speaking a foreign language. The method of certifying proficiency and the determination of which languages will be covered under this program shall be determined by the City in consultation with the Mid-Management employees.

1.3 9-Step Salary Schedule

Effective April 10, 2018, a 9-step salary schedule was implemented for new City employees hired in any MM positions. The 9-step salary schedule shall have both the first step and last step the same as the 5-step salary schedule.

ARTICLE 2: PUBLIC EMPLOYEES' RETIREMENT SYSTEM

2.1 Retirement Terminology

Retirement benefits shall be provided to eligible employees in accordance with the appropriate, then existing, contract between the City and the California Public Employees' Retirement System (CalPERS).

The use of terms "classic member" and "new member" shall be as defined by CalPERS and the Public Employee Pension Reform Act of 2013 (PEPRA).

A new CalPERS member is defined as:

- An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and has no prior membership in any other public retirement system; or
- An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and is not eligible for reciprocity with another public retirement system; or
- An individual who established prior membership in a retirement system and after a break in service of more than six months, returns to active membership in that system with a new employer.

2.2 Classic Member Retirement Formula

- A. Employees classified as classic member miscellaneous category:
 - The 2.7% at 55 (8% member contribution) CalPERS formula shall be provided for classic member miscellaneous category employees hired on or before June 30, 2012. Effective July 1, 2012, 2% at 55 formula (7% member contribution) was provided for new classic member miscellaneous employees hired on or after July 1, 2012.

- B. Employees classified as classic member safety category employees:
 - The 3% at 50 CalPERS formula shall be provided for classic member safety category employees hired on or before June 30, 2012. Effective July 1, 2012, 3% at 55 formula was provided for new classic safety member employees hired on or after July 1, 2012.
- C. All other current retirement benefits including the optional benefit programs in the existing contract between the City and CalPERS for miscellaneous and safety members shall remain in effect to the extent permitted by law.

2.3 "New Member" Retirement Formulas Provided by Statute

- A. Employees classified as new member miscellaneous category employees:
 - 2% at 62 retirement formula.
- B. Employees classified as new member safety category employees:
 - 2.7% at 57 retirement formula.

2.4 CalPERS Contributions By Employees

- A. Employees classified as classic miscellaneous:
 - Effective with the CalPERS contract amendment for 2014, all classic miscellaneous employees shall cost share 4% (or 3.5% for those classic members at the 2% at 55 retirement formula) towards the employer contribution rate. (Example: the intent is that if the City's required employer contribution is 23%, the City would pay 19% and the employees would pay 4%.)
 - Effective July 1, 2015 or as soon as CalPERS approves the contract amendment, whichever occurs later, all classic miscellaneous employees shall cost share 8% (or 7% for those classic members at the 2% at 55 retirement formula) towards the employer contribution rate.
- B. Employees classified as classic safety category employees:
 - Effective with the CalPERS contract amendment for 2014, all classic safety employees shall cost share 4.5% towards the employer contribution rate.
 - Effective July 1, 2015 or as soon as CalPERS approves the contract amendment, whichever occurs later, all classic safety employees shall cost share 9% towards the employer contribution rate.
- C. New CaIPERS members shall contribute towards their retirement benefits in accordance with PEPRA.
- D. All applicable contributions identified in (A) thru (C) above shall be made through payroll deduction on a pre-tax basis.

2.5 City's Paying and Reporting the Value of the Member Contribution (Classic Only)

The City shall pay 100% of the employee's contribution to CalPERS and continue to report 100% of the employer payment of member contributions to CalPERS as additional compensation for retirement purposes only.

ARTICLE 3: FY2019-2020 HOLIDAY CLOSURE

Employees covered by this agreement, as well as those in the First Level Managers unit, have agreed to the 2020 Holiday Closure schedule set forth in Exhibit A. Actual implementation logistics relating to this schedule will be provided following conclusion of discussions with the Local 1 unit.

ARTICLE 4: FLOATING HOLIDAYS

Effective with the LOU approval, two (2) floating holidays per fiscal year shall be provided which must be used during the fiscal year. These two floating holidays have no cash value and may not be carried over to a subsequent fiscal year. If any employee in this unit does not use either or both of these floating holidays during the fiscal year when the holidays are provided, the employee forfeits the unused floating holiday(s). Scheduling/approval of use of the floating holidays must be in accordance with the requirements of Rule 2.08 the Personnel Rules and Regulations.

ARTICLE 5: BENEFITS

5.1 Health Plans

A. Employee Contributions:

Employee contributions are on a pre-tax basis.

B. Health Care Premium Cost:

The split is 80%/20% between the City and the employee, with the City paying 80% of the total premium cost and the employee paying 20%. The contribution shall be based on the lowest cost health plan available to the majority of City employees.

C. Cash-in-Lieu Payment:

Cash-in-Lieu payments are when an employee reduces the level of health care coverage rather than entire coverage shall be as follows:

Employees, who reduce the level of health care coverage to which they are
entitled, i.e. from full family coverage to employee plus one, or employee only
coverage, or from employee plus one to employee only coverage, shall be
entitled to a Cash-in-Lieu benefit. The Cash-in-Lieu benefit is based upon the
lowest cost health plan available to the majority of City Employees.

The employee making the election covered above, shall receive the difference between the Cash-in-Lieu benefit to which they would have been entitled had they waived coverage at their present coverage level and Cash-in-Lieu benefit for the lower level elected. The Cash-in-Lieu of medical insurance bonus for employees electing to forego health insurance coverage will be based on the below percentages of the current lowest cost health plan available to the majority of City employees:

Employee only:	25%
Employee plus one dependent:	25%
Family coverage:	30%

5.2 Dental and Vision Plans

The City shall pay 90% of the premium and employees shall pay 10% of the premium. Premiums will be based on periodic actuarial conducted by an outside consultant. Employees will participate in the City's Dental and Vision Plan in a manner provided in the adopted Dental and Vision Plan Agreements.

Effective January 1, 2020, for dental, the calendar year maximum shall increase to \$1,750 and for vision, the benefit maximum (as defined in the plan document) shall increase to \$600 every 24 months.

5.3 Life Insurance

Life insurance benefit amount of one hundred thousand dollars (\$100,000) shall be maintained for Mid-Managers.

5.4 EAP – Employee Assistance Program

The Yuba City Employee Assistance Program (EAP) is an employee benefit that assist employees with personal problems and/or work-related problems that may impact their job performance, health, mental and emotional well-being. The City offers free and confidential assessments, short-term counseling, referrals, and follow-up services for employees and their household members. For details about the EAP program, please see the Human Resources Department.

5.5 Health Benefits Committee

The Mid-Managers shall designate at least one (1) representative to the citywide health benefits committee. The general purpose of the committee is to address benefit plan design and cost containment. The committee will also contain members from other employee groups.

5.6 Flexible Spending Account

The City will offer employee-funded Flexible Spending Accounts for both dependent care and medical.

5.7 Long Term Disability

At the City's expense, the City will provide a long-term disability program for employees.

5.8 Tuition Reimbursement

Effective the first full pay period after adoption, tuition reimbursement shall be increased to a maximum of five thousand (\$5,000) per fiscal year.

ARTICLE 6: ONE-TIME NON-PERSABLE STIPEND

In the first full pay period following City Council ratification of this Agreement, all members active on payroll on the day of City Council ratification shall receive a one-time non-PERSable stipend of 2% base salary or \$1,500 whichever is greater.

ARTICLE 7: DEFERRED COMPENSATION

The Mid-Managers shall receive a monthly City contribution of \$100 paid into a City of Yuba City deferred compensation plan.

ARTICLE 8: VACATION ACCRUAL

The parties agree that, with the effective date of this agreement, the accrual rate for vacation will be as follows:

Bi-Weekly Rate
4.0 hours
5.5 hours
6.5 hours
7.1 hours

8.1 Vacation Accrual and Post-Separation Contributions of Accrued Leave Hours

With respect to accrued vacation leave hours (as well as other leave hours described below) that are on the books at the time of an employee's separation, the City will make mandatory contributions of such hours as follows:

Upon separation from employment, for retirement from City service or otherwise, 100% of eligible leave, including sick, vacation, and administrative leave, (determined in accordance with City Rules and Regulations, applicable LOU and based upon length of service) shall be contributed on a mandatory basis for the benefit of the employee to the City's 457(b) plan by the City subject to the annual limitations on contributions to such plan, including catch up contribution limits if applicable. The eligible and remaining leave balance (determined in accordance with City Rules and Regulations, applicable LOU and based upon length of service) after the mandatory allocation to the 457(b) plan, shall be paid out to the employee in taxable compensation; provided that the total amount allocated to the 457(b) plan and paid as taxable compensation does not exceed the applicable limits as set forth in the LOU.

Example 1: An employee has 2500 hours of accrued sick leave and 300 hours of accrued vacation hours and is separating from service (whether to retire or otherwise). If the employee is subject to the 50% limit of total accrued sick leave based on their MOU and length of service, the employee would only have 1250 sick leave hours eligible for allocation. As such, only 1250 sick leave hours are considered eligible. The 1250 sick leave hours would be contributed to the City's 457(b) plan, subject to the applicable contribution limits, and any remaining hours would be paid out as taxable compensation. 100% of accrued vacation hours are eligible for allocation. As such, 300 hours would be contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contribution limits, and any remaining hours of the 1250 would be paid out as taxable compensation.

Example 2: An employee has 2500 hours of accrued sick leave and 300 hours of accrued vacation hours and is separating from service (whether to retire or otherwise). If the employee is subject to the 30% limit of total accrued sick leave based on their MOU and length of service, the

employee would only have 750 sick leave hours eligible for allocation. As such, only 750 sick leave hours are considered "eligible". All 750 sick leave hours would be contributed to the City's 457(b) plan, subject to the applicable contribution limits, and any remaining hours would be paid out as taxable compensation. 100% of accrued vacation hours are eligible for allocation. As such, all 300 hours would be contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contributed to the City's 457(b) plan, subject to the applicable contribution limits, and any remaining hours would be paid out as taxable compensation. For clarification of a related note, the PERS Sick Leave Conversion is not available for the miscellaneous employees in this unit.

ARTICLE 9: CERTIFICATIONS

The City shall pay the costs associated with obtaining and maintaining special certificates that are both required by the State of California, the City of Yuba City or any governmental agency to obtain and maintain as a condition of employment.

ARTICLE 10: ADMINISTRATIVE LEAVE

10.1 Allocation

Mid-Managers are exempt employees whose duties often require them to work outside of the City's typical business hours. In acknowledgement of such duties, bargaining unit employees shall be allocated 80 hours of administrative leave with the first payroll period of each calendar year. For any employee who becomes a member mid-year, the employee shall be credited with a pro-rata amount of administrative leave for the balance of the year. Employees may use the leave subject to the approval of their Department Head, except that leave cannot be used prior to separation of employment in order to delay the separation date.

10.2 Maximum Cash Out

By December 1 of each year, an employee may annually make an irrevocable advance election to cash out a maximum of 40 hours of administrative leave that will be accrued in the next calendar year. The election shall be made on the form provided by the City for this purpose. The hours selected for cash-out will be paid in the first non-payroll week of January of the following year.

10.3 Maximum Carry Over

Employees shall be allowed to carry over a maximum of 40 hours of unused administrative leave to the next calendar year, subject to a maximum accrual cap of 160 administrative hours. Any unused administrative leave hours are paid out upon termination of employment.

10.4 Additional Allotment

At the discretion of the City Manager, an additional allotment of administrative leave not to exceed 40 hours may be approved each year. Requests for additional leave allocation must be based on an excessive number of hours worked beyond normal management expectations. The allotment of leave is at the full discretion of the City.

ARTICLE 11: DUTY CHIEF ASSIGNMENT

Fire Department Mid-Manager in the position of Assistant Fire Chief shall be assigned as the Duty Chief. The schedule will be developed and approved by the Fire Chief. While assigned as the Duty Chief, the Mid-Manager shall be available for immediate emergency response within time frames established by the Fire Chief. Duty Chiefs shall be available to be immediately contacted by telephone, cellular telephone, radio and/or pager.

ARTICLE 12: UNIFORM ALLOWANCE

12.1 Fire Mid-Management

For all Mid-Management positions in the Fire Department, uniforms shall be issued and replaced by the City as is the current practice under the Memorandum of Understanding for the Firefighter's Association. It is further agreed that future changes in the amount of allowance will be accorded to the Mid-Managers. Should the allowance be eliminated, decreased, or modified in any way, which would be a reduction in the benefit, the City and Mid-Managers shall meet to discuss the impact of the changes.

12.2 Police Mid-Management

For the Administrative Manager position in the Police Department a uniform allowance of \$684.25 per year shall be paid. In the event of a uniform allowance increase for the Police Officers' Association Mid-Management positions shall be paid in accordance with the amount specified in the Memorandum of Understanding for the Police Officer's Association. Should the allowance be eliminated, decreased, or modified in any way, which would be a reduction in the benefit, the City and Mid-Managers shall meet to discuss the impact of the changes.

ARTICLE 13: MID-MANAGEMENT REIMBURSEMENT POLICY

13.1 Reimbursable Excess Hours

Mid-Management employees who are required to work hours in excess of normal management expectations shall be reimbursed should the City bill for, and receive, reimbursement for their work performed.

13.2 Payment

Reimbursement for the Mid-Management employee will occur in the next normal pay period after the overtime occurs.

13.3 Rate

Reimbursement to the Mid-Management employee will occur at the salary rate billed by the City for Mid-Managers for those hours over the regularly scheduled salary only, not to exceed time and one-half. Employees will not be required to use vacation time while in a special assignment approved by their Department Head.

13.4 Retention by the City

The City will retain reimbursement received by the City in excess of the salary for the Mid-Managers.

13.5 Strike Team

Fire Mid-Management employees participating in Strike Team or Mutual Aid activities covered by the California Fire Assistance Agreement (CFAA) will be compensated at time and one-half for hours worked outside of regular duty hours when the City is being reimbursed at the time and one-half rate.

ARTICLE 14: DMV LICENSE EXAMINATION

Physical examinations for Mid-Managers who are required to maintain a Class A or B California driver's license as a job requirement shall have the expense paid by the City. Employees may elect to go to their own personal physician or to the medical center designated by the City. Employees electing to go to their own personal physician shall be reimbursed upon submission of an itemized receipt to the Human Resources Department.

ARTICLE 15: SHORT TERM-DISABILITY

Employees are eligible for short term disability in a manner provided in the City's adopted Short Term Disability Plan. Any proposed changes to the Plan are subject to mutual consent.

ARTICLE 16: RETIREMENT HEALTH SAVINGS

The City agrees to allow the Mid-Managers to research retirement health products. The City agrees to meet and confer regarding possible retirement health savings products. Participation in the selected retirement health products shall be based upon approval of two-thirds (2/3rds) of the eligible employees after meeting and conferring with the City.

ARTICLE 17: TERM AND TEMS OF AGREEMENT:

The terms of this Letter of Understanding shall be effective July 1, 2019 and continue in full force and effect through June 30, 2020. In the event that the Federal Government or State Legislature passes a law, or there is a Federal or State Executive Order or court decision affecting Yuba City which would prevent the City from implementing any part of this agreement or altering this agreement, both the City and Mid Management Group agree to reopen the meet and confer process limited to the issue so affected.

It is mutually recommended by the undersigned that the modification contained herein be made applicable by the City Council on the date(s) indicated and/or by administrative rules, policies, regulations or procedures as are or may be subsequently required. Further, in conjunction with existing ordinances; resolutions, and City Manager procedures and policy regulations, rules and other regulations related to compensation, benefits, working conditions and other terms and conditions of employment, the changes herein constitute the entire compensation plan for the Mid-Management Employees herein covered by this Letter of Understanding.

This Agreement constitutes the full Agreement between the City of Yuba City and the Mid-Management Employees Unit and may not be modified without the mutual consent of both parties.

Signatures continue on next page

Date:_

CITY OF YUBA CITY

Michael Rock, City Manager

Date: 9-12-19

MID-MANAGERS

Devin Barber, IT Manager

Chandle

Scott Chandler, Deputy Public Works Director

Robin Bertagna, Finance Director

Natalie Springer, HR Director

SIDE LETTER TO THE

MID-MANAGERS, AND FIRST LEVEL MANAGERS

TO THE LETTER OF UNDERSTANDINGS

FOR

CITY HALL HOLIDAY CLOSURE:

DECEMBER 23, 2019 through DECEMBER 27, 2019 The purpose of this Side Letter Agreement is to provide for the closure of City Hall and other non-safety or critical City services for the holiday period from December 23, 2019 through December 27, 2019 (Holiday Closure).

Representatives of the First Level Managers (FLM), Mid-Managers (MM), and the City of Yuba City agree to the follow terms regarding the City Hall Holiday Closure:

A. Holiday Closure

This Agreement provides for the closure of City Hall (and other select offices) for the predetermined time period listed below. Some of these days contained within the holiday period are holidays defined by the City in accordance with the Personnel Rules and Regulations, Section 2.10, B.

- i. Holiday Schedule
 - The Christmas Floating Holiday falls on Tuesday, December 24, 2019.
 - The New Year's Eve Floating Holiday falls on Tuesday, December 31, 2019.
 - City Hall and other select offices will be closed on Monday, December 23, 2019 and open on Monday, December 30, 2019.
 - Employees choosing to take their floating holiday on December 24th will utilize three (3) days of non-sick leave bank time (Dec. 23rd, 26th, and 27th).
 - Employees choosing to take their floating holiday on December 31st will utilize four (4) days of non-sick leave bank time (Dec. 23rd, 24th, 26th, and 27th).

Weekend	Wo	rk Week				ν	Veeken	d Wo	rk Week		
Sun. Dec. 22	Mon. Dec. 23	Tues. Dec. 24	Wed. Dec. 25	Thurs. Dec. 26	Fri. Dec. 27	Sat. Dec. 28	Sun. Dec. 29	Mon. Dec. 30	Tues. Dec. 31	Wed. Jan. 1	Thurs. Jan. 2
		Float Holiday	Holiday						Float Holiday	Holiday	
	Closure	Closure	Closure	Closure	Closure			Open	Open	Closure	Open

ii. Other

- City Hall and other select offices (non-critical/non-safety service offices) are the only City buildings affected by the Holiday Closure. If other City departments or buildings would like to participate in the Holiday Closure, the department head is the point of contact.
- City Hall employees and other select office employees will not report to work during the designated Holiday Closure.
- The City may require or permit, at the discretion of the department head, certain employees to work a regular, partial or on-call schedule on one or more of the Holiday Closure days.

iii. Payroll

- Employees are required to account via payroll for the appropriate time associated with the Holiday Closure.
- The payroll accounting of the Holiday Closure will include use of floating holiday time, vacation, administrative leave (if applicable) or compensation time (if applicable). Payroll accounting for the Holiday Closure not specifically listed herein must be approved by the City Manager or designee.
- Employees required or permitted to work on a non-observed holiday (For example: December 26, 2019) of the Holiday Closure will be paid their regular salary for the hours worked, and will be required to account for all remaining Holiday Closure hours via floating holiday time, vacation, administrative leave (if applicable) or compensation time (if applicable). All other time worked during the days designated as observed holidays will be paid in accordance with Section 2.10, E of the Rules and Regulations.
- Employees without adequate leave accruals may borrow against future vacation accruals or go into an unpaid status only with the approval of the City Manager or designee.

iv. Miscellaneous

- The Holiday Closure shall not impact seniority, probationary periods or health or retirement benefits unless the employee is in an unpaid status.
- All subsections of Section 2.10, Holidays, of the Personnel Rules and Regulations remain in effect during the Holiday Closure. Note: In accordance with the Rules and Regulations, holidays are paid on an eight (8.0) hour basis and an eligible employee shall be entitled to holiday with pay only if the employee is in a paid status on the date immediately preceding or succeeding the holiday.
- Bargaining groups agree that policy decisions made by the City Council and discretionary decisions made by management related to this section and implementation of the Holiday Closure will not be subject to the City's Personnel Rules and Regulations, Section 3.09, Grievance Policy.
- If the City Manager declares an emergency the Holiday Closure is suspended and all employees are subject to emergency procedures.

SIGNATURES CONTINUED ON NEXT PAGE

CITY OF YUBA CITY

Michael Rock City Manager **BARGAINING UNITS**

Brian Hansen First Level Managers

Devin Barber Mid-Managers

Natalie Springer Human Resources Director