

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

CITY OF YREKA

AND THE

YREKA MANAGEMENT TEAM
ASSOCIATION

For the Period 1-1-15 to 12-31-16

12-30-2014

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Article 1 – General Provisions

1.1 Parties to the Memorandum

This Memorandum of Understanding is made and entered into effective the 1st day of January, 2015, by and between the City of Yreka and the Yreka Management Team Association, hereinafter “City” and “Association” respectively. The Association is the recognized employees’ organization for the classifications of City employees hereinafter identified. Upon adoption by the City Council this Memorandum will become binding between the City of Yreka and the Association and its members.

1.2 Validity of Memorandum:

The parties have met and conferred in good faith through their designated representatives concerning matters set forth in Government Code Section 3504 and have reached agreement thereon as set forth below.

1.3 Recognition:

The Association is the recognized employee organization for members in the following classifications:

EXECUTIVE EXEMPT: Director of Public Works

ADMINISTRATIVE EXEMPT: Maintenance Manager,

NON-EXEMPT: Fleet Manager, Water Manager and Waste Water Treatment Manager,

Notwithstanding the foregoing, if an employee believes his or her position should be modified from exempt to non-exempt, or vice versa, such employee is encouraged to discuss it with the employee’s supervisor. Such employee may use any information to support the employee’s position, such as comparable duties at competing employers, comparisons with other City employees with similar duties, and/or responsibilities and other activities of the employee which may warrant consideration of the change in status. If the employee is not satisfied with the result of the discussions with the employee’s supervisor, the employee may take such information to the next level of supervision up to and including the City Council. This Section shall not, however, be subject to the grievance procedure.

1.4 Effective Date and Term:

A. This Memorandum of Understanding shall take effect as of January 1, 2015, except as otherwise provided herein, and shall remain in full force and effect through December 31, 2016. This Memorandum of Understanding shall only become effective with approval of the City Council of the City of Yreka and the Association. Any financial consideration payable under this Agreement shall commence on the dates stated.

B. Term of this Agreement shall be for two (2) years from January 1, 2015 through and including December 31, 2016

1.5 Effect of Memorandum:

During the term of this Memorandum, the provisions hereof shall govern the wages, hours, benefits, and working conditions of employees with the represented unit covered by the Memorandum, and including as otherwise provided in City personnel rules and regulations, resolutions, and ordinances wherein this Memorandum is silent. The Employee Personnel System and the Personnel Rules and Regulations are on file in the City Manager's Office at City Hall. Nothing herein shall be construed to limit the authority by the City to change or modify the Employee Personnel System or the Personnel Rules or Regulations, subject, however, to the City's obligation to meet and confer with the Association.

1.6 Employee Rights:

A. Employees of the City shall have the right to form, join, and participate in the activities of an employee organization of their own choosing for the purpose of representation on matters of employer-employee relations, including but not limited to wages, hours, and other terms and conditions of employment. Pursuant to California Government Code Section 3502, employees of the City also have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the City.

B. Neither the City nor the Association shall impose or threaten to impose reprisals on employees, to discriminate or threaten to discriminate against employees or otherwise interfere with, restrain, or coerce employees because of the exercise of these rights.

1.7 City Rights:

The City retains the exclusive right, subject to and in accordance with applicable laws, regulations and the provisions of this Memorandum, (a) to direct employees in the performance of their duties; (b) to hire, promote, transfer and assign employees; (c) to classify employees in accordance with applicable ordinance and resolution provisions; (d) to discipline employees in accordance with applicable rules; (e) to dismiss employees because of lack of work, funds, or for other reasonable cause; (f) to determine the mission of its departments, its budgets, its organization, the number of employees, and the number, types, classifications and grades of positions of employees assigned to an organization unit, work project, shift or tour of duty, and the methods and technology of performing the work; and (g) to take whatever action that may be necessary and appropriate to carry out its mission in situations of emergency.

1.8 Non Discrimination Clause:

As may be required by State or Federal Law, both City and Association agree not to discriminate against any employee because of legitimate union activity or affiliation, political belief, race, creed,

color, religion, nationality, age, sex, sexual preference, physical condition or national origin.

1.9 Requirement to Meet and Confer:

A. Except in cases of emergency, the City shall give reasonable written notice to the Association when its members are affected by any ordinance, rule, resolution or regulation directly related to matters within the scope of representation proposed to be adopted by the City. City shall give the Association the opportunity to meet with the City. In cases of emergency when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately, without prior written notice or meeting with the Association, the City shall provide Association the opportunity to meet at the earliest practical time following adoption of such ordinance, rule, resolution or regulation. The Association shall provide to City in writing, the names, addresses and telephone numbers of up to two persons to whom the City shall be required to give notice as required in this paragraph.

B. The City and/or its authorized representatives shall meet and confer in good faith regarding wages, hours and other terms and conditions of employment with representatives of the Association and shall consider fully such presentations as are made by the Association on behalf of its members prior to arriving at a determination of policy or course of action. City agrees to provide time off to two (2) members of the Association while attending meetings with the City during the meet and confer process.

C. "Meet and confer in good faith" means that a public agency, or such representatives as it may designate, and representatives of recognized employee organizations, shall have the mutual obligation personally to meet and confer promptly upon request by either party and continue for a reasonable period of time in order to exchange freely information, opinions, and proposals and to endeavor to reach agreement on matters within the scope of representation prior to the adoption by the public agency of its final budget for the ensuing year. The process should include adequate time for the resolution of impasses where specific procedures for such resolution are contained in local rule, regulation or ordinance, or when such procedures are utilized by mutual consent.

Article 2 – Salary Ranges and Adjustments

2.1 Salary:

A. Salary ranges for each classification are as specified in Appendix A, attached to this Memorandum. These salary ranges shall reflect a 3.5% increase for calendar year 2015, and another 2.5% increase for calendar year 2016. These salary ranges shall be effective the first full pay period after January 1, 2015 and January 1, 2016, respectively.

Article 3 – Medical, Dental, Vision, Life and Disability Plans

3.1 Medical Plan:

A. The City will continue the flexible benefit plan for employee health benefits in accordance with Internal Revenue Code Section 125. The employee may choose to cover premium costs for the eligible employee's health plan or other plans available through PERS and/or other qualified supplemental plans. Total monthly premium of such selected insurance coverages which exceed the City's **contribution toward** the eligible employee's flexible benefit health plan premium will be the responsibility of the employee. The minimum required coverages that each employee must select under the flexible benefit plan is the PERS Health Plan. In order to be excluded from this requirement for the PERS Health Plan, an employee must submit verification of substantially equivalent alternate coverage for health insurance that meets the Affordable Care Act of minimum essential coverage and minimum value. Employees who elect no coverage pursuant to this Section shall not receive this benefit, but shall be eligible for the benefit described in subparagraph 3.1.I of this Section.

B. Effective January 1, 2015, and continuing thereafter, the **City's contribution** for the eligible employee's flexible benefit health plan, that includes the City's Public Employees Medical and Health Care Act (PEMHCA) minimum employer contribution (MEC), shall not exceed the following sums:

Group Tiers	1/1/2014 Cap	1/1/2015 Cap	1/1/2016 Cap
Employee	\$500.00	\$520.00	\$540.00
Employee + 1 dependent	\$940.00	\$980.00	\$1,020.000
Employee + 2 or more dependents	\$1,195.00	\$1,255.00	\$1,315.00

C. For purposes of this Agreement, "premium costs for the eligible employee's health plan" shall include the eligible employee's participation in the PERS Health Plan.

D. By not later than December 31st each year, each employee shall execute a written authorization regarding the medical premium deduction. The deduction will be made on a biweekly basis.

E. The dedicated City contribution to CalPERS PEMCHA coverage is the minimum amount required by the City's contract with CalPERS, which is currently One Hundred Twenty-two dollars and no/100 (\$122.00) per month for each active employee or annuitant (equal amount contribution) and is inclusive in the City's cafeteria contribution.

F. The parties agree that administration of the plan, enrolling or canceling enrollment of employees or their dependents and processing claims and securing of adequate risk protection shall be the sole administrative and financial responsibility of the City.

G. There shall be no decrease in benefits except as are imposed upon the City as benefit modifications by CalPERS. Any change in plan benefits to the employee by the City shall be on a Meet and Confer basis.

H. An employee with court ordered dependent health coverage must show proof of that order in the form of a qualified domestic relations' order (QRDO) before dependent coverage can be extended and

otherwise meet the standards and regulations for the CalPERS Health Plan.

I. The City agrees to continue and fund for employees who elect no City provided health insurance coverage a cash in lieu benefit in the amount of \$500 per month, disburseable to the employee biweekly on a taxable income basis, in accordance with IRS Code Section 125.

J. Either party may request to reopen negotiations on health insurance, if there is a proposed substantial change in the PPO network for the PERS Health Plan, or changes resulting from the implementation of the Affordable Care Act.

3.2 Dental Plan:

The parties agree that the current self-funded dental plan will remain in effect. The parties agree that the administration of the plan, including but not limited to the providing of information about the plan, enrolling or canceling enrollment of employees or their dependents and processing claims shall be the sole administrative and financial responsibility of the City. There will be no decrease in benefits.

City agrees to pay one hundred percent (100%) of the dental plan cost including dependent coverage.

3.3 Vision Plan:

City agrees to continue to provide a vision plan through the California Vision Service Plan (VSP) B with a \$25.00 deductible including coverage for dependents at its sole expense. City retains the right to self-insure at the same benefit level. There will be no decrease in benefits.

City agrees to pay one hundred percent (100%) of the vision plan cost including dependent coverage.

3.4 Life Insurance Plan:

Life Insurance will be procured for each employee, (excluding retired employees) equal to the double amount of the gross salary received under the salary schedule for a given year, not including overtime or special pay. Dependent coverage at the amount of one thousand dollars (\$1,000) per spouse and child will continue to be provided. City agrees to pay the premium for this coverage.

3.5 Disability Plan:

Employees in this unit have elected to contribute to the State of California Disability Insurance program.

Article 4 – Vacation Leave

4.1 Vacation Leave:

- A. The policy for use of vacation is based on the intent that vacation time be a relief from regular work schedules. The relief from work is for the personal wellbeing of employees, both mentally and physically, to insure healthy work and personal lives.
- B. All employees shall be entitled to annual vacation leave with pay except the following:
- (1) Employees who have served less than six (6) months in the service of the City. However, vacation credits for the time served will be granted to each such employee who later receives a permanent appointment.
 - (2) Employees who work on a provisional basis and all employees who work less than one thousand five hundred (1,500) hours per year.
- C. Eligible employees who work less than full-time but one thousand five hundred (1,500) hours or more per year shall be credited for vacation on a prorated basis.
- D. Vacation units shall be accumulated on an hour basis in accordance with the following schedule:

Months of Employment	Vacation Hours Accrued Per Pay Period Based on 26 equal pay periods per year		Maximum Carryover As of January 1*
1 – 60 months	3.08 hours	80 hours per year	160 hours
61 – 180 months	4.62 hours	120 hours per year	240 hours
181 months and after (max)	6.15 hours	160 hours per year	320 hours

*equal to two times the annual accrual

- E. The time during a calendar year at which an employee may take their vacation shall be determined by the department head with due regard for the wishes of the employee and particular regard for the needs of the City.
- F. The City agrees to permit probationary employees to use earned vacation time during the probationary period. In cases where an employee has one year or greater probation, and in cases of real need, an employee may, departmental workload permitting, be allowed to take up to forty (40) hours of earned vacation. Should said employee terminate voluntarily or involuntarily prior to achieving permanent status, the pay for vacation used will be deducted from the final paycheck.
- G. Previous part-time City employees, who have subsequently become full-time regular employees without separation of service, shall be credited with such part-time City service, for the purpose of computing months of employment and vacation accrual rate. One hundred seventy-three (173) hours of part-time City service shall equal one (1) month of employment. As to any current employee, who may be entitled to a greater vacation accrual rate as of the effective date of this Memorandum of Understanding, pursuant to this paragraph, such additional vacation accrual shall be prorated only for the

balance of the calendar year.

4.2 **Holidays:**

City agrees to observe the following holidays:

Holiday Date	Holiday Name Observed
July 4 th	Independence Day
First Monday in September	Labor Day
November 11 th	Veteran's Day
Last Thursday in November	Thanksgiving Day
Friday Following Thanksgiving	Day After Thanksgiving Day
December 24 th	Christmas Eve
December 25 th	Christmas Day
January 1 st	New Year's Day
Third Monday in January	Martin Luther King Day
Third Monday in February	President's Day
Last Monday in May	Memorial Day

When a holiday falls on a Sunday, the following Monday shall be observed as the holiday and when a holiday falls on a Saturday, the preceding Friday shall be observed as the holiday. Should December 24th fall on a Friday, December 23rd shall be observed as the paid holiday. Should December 25th fall on a Monday, December 26th shall be observed as the paid holiday.

4.3 **Sick Leave:**

- A. All employees, except part-time and extra help employees, shall be entitled to eight (8) hours of sick leave with pay each month or major fraction thereof, with no accumulation limit.
- B. City has entered into an agreement with the PERS whereby accumulated sick leave is converted to additional service credit upon retirement.
- C. Sick leave with pay shall be granted upon the recommendation of the department head in a case of the bona fide illness of the employee. Sick leave with pay shall be held to include diagnostic procedures, dental procedures and ophthalmology services when performed by a duly licensed practitioner.
- D. In case of illness extending beyond two (2) days duration, the employee shall furnish a certificate issued by a licensed practitioner. Each certificate shall be filed by the department head with payroll. It shall be the policy of the City that sick leave shall be considered a privilege and not a right. It shall be the responsibility of the department head to deny the use of sick leave with pay in cases where there is substantial evidence of abuse of the sick leave privilege.

E. An employee who is entitled to Worker’s Compensation under the Labor Code of the State may elect to take as much of his/her accumulated sick leave or accumulated vacation as when added to the Worker’s Compensation will result in payment to that employee of his/her full salary or wage.

F. No City employee shall be entitled to the use of sick leave while absent from duty on account of any of the following causes: disability arising from any sickness of injury purposely self-inflicted or caused by their willful misconduct; sickness or disability sustained while on leave of absence other than regular vacation. Sick leave, up to ten (10) days per calendar year, may be used by an employee to attend to an illness to the employee’s spouse, child or parent. “Child” means a biological, foster, or adopted child; a stepchild; a legal ward; or a child to whom the employee acts as a parent. “Parent” includes a biological, foster or adoptive parent. Sick leave to care for ill family members is subject to all policies that apply to sick leave, including medical documentation.

4.4 Administrative and Executive Leave:

In-lieu of overtime or compensatory time off, all Exempt Management Employees shall be allocated an annual administrative leave of 40 hours per employee. Administrative leave will be granted on January 1, of each year, and will not be allowed to be carried over to a subsequent year. The intent of administrative leave is that it be taken in eight-hour increments and accounted for on that basis. In addition, exempt employees will be allowed to take executive leave for less than eight-hour increments on an as needed basis. All administrative and executive leave will be at the discretion of the Management employee and with required communication to the City Manager. The City Manager retains the right to deny administrative and executive leave on an emergency basis.

Proration of Administrative Leave for new employees

Hire Date	Proration
January 1 – March 31	40 hours
April 1 – June 30	30 hours
July 1 – September 30	20 hours
October 1 – December 31	10 hours

Part-time employees shall be allocated vacation time prorated according to the employee’s percentage equivalent of full time from the date of the employee’s hire.

4.5 Floating Holidays:

Three floating holidays of three eight (8) hour days per year shall be credited to the paycheck of each full-time employee by January 15th of each year, as credited leave which cannot be saved. It must be used by the end of the year or be lost.

Proration of Floating Holidays for new employees:

Hire Date	Proration
January 1 - April 30	24 hours
May 1 – August 31	16 hours
September 1 – December 31	8 hours

Article 5 – Allowances and Reimbursements

5.1 Book and Tuition Reimbursement:

- A. To encourage the training of employees in subjects which would be of substantial benefit to the City, as well as the employee, the City maintains a book and tuition reimbursement program in the budget.
- B. All requests for this program shall be submitted to the City Manager’s Office prior to commitment. Such requests shall be in writing on City provided form and describe the nature of the training to be entered into, the cost of such training, and comments with respect to its applicability to the particular employee’s job. The request shall be accompanied by a statement from the department head.
- C. For approved training extending over a period of time exceeding two (2) weeks, the City shall refund to the employee all cost of tuition and required books upon presentation of evidence of successfully completing the course with a grade of C or better, submission of request form along with a copy of the grade report attained and a copy of the receipt for payment of tuition and books. In the event that the employee is financially unable to advance the cost of tuition and required books, the City may, upon written request and agreement by the employee, advance the cost of tuition and required books subject to reimbursement by the employee should he/she fail to satisfactorily complete such training and authorizing the City to deduct such cost from the payroll in such event.
- D. Tuition and required book costs for approved short courses or institutes less than two (2) weeks shall be paid initially by the City.

Article 6 – Catastrophic Leave

6.1 Catastrophic Leave:

The City has implemented a Catastrophic Leave program whereby the employees of the City may donate any accrued compensatory time off, vacation time or sick leave to a co-employee provided, however, that the sick leave donated by any one employee may not exceed five days in any calendar year. The names of donors shall remain anonymous. The purpose of this policy is to provide a co-employee with additional time off when they have a serious illness or injury resulting in the exhaustion of all paid leave before they are able to return to work.

Article 7 - Retirement

7.1 Employee Retirement Plan:

- A. For Classic Employees, as defined by CalPERS, the City will enroll and maintain enrollment of employees in the PERS 2% @ 55 Classic 1084 retirement plan Classic Employee shall pay the employee contribution for their respective retirement plan which is 7% for PERS 2% at 55 (Classic 1084) This contribution level shall commence on January 1, 2014
- B. For new CalPERS employees, the share of contributions in accordance with State law, CalPERS rules and regulations.

Article 8 – Personnel Rules/Job Descriptions

8.1 Personnel Rules/Job Descriptions:

During the term of this contract the parties will meet to discuss personnel rule changes and job descriptions.

8.2 Salary Survey:

During the term of this contract, the City will conduct a salary survey with comparable cities that includes positions covered by this agreement.

Article 9 –Concerted Activities

9.1 Concerted Activities:

A. The parties to this Memorandum recognize and acknowledge that the services performed by the City employees covered by this Memorandum are essential to the public health, safety and general welfare of the residents of the City of Yreka. The Association will not recommend, encourage, cause or permit its members to initiate, participate in, nor will any member of the bargaining unit take part in any strike, sit-down, stay-in, sick-out, or slow-down to affect an employer-employee relations position (hereinafter referred to as work-stoppage), in any office or department of the City, nor to curtail any work or restrict any production, or interfere with any operation of the City. Picketing shall be prohibited on matters involving wages, insurance coverage and leaves from work during the term of this Memorandum. In the event of any such work stoppage by any member of the bargaining unit, the City shall not be required to negotiate on the merits of any dispute which may have given rise to such work stoppage until said work stoppage has ceased..

B. City agrees not to lock out employees.

C. In the event of any work stoppage during the term of this Memorandum, whether by the Association or any member of the bargaining unit, the Association through its officers, shall immediately declare in writing that such work stoppage is illegal and unauthorized, and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be served upon the City. In the event of any work stoppage the Association properly and in good faith performs the obligations of the paragraph, and providing the Association had not otherwise authorized, permitted or encouraged such work stoppage, the Association shall not be liable for any damages caused by the violation of this provision. However, the City shall have the right to discipline, to include discharge, any employee who instigates, participates in, or gives leadership to any work stoppage activity herein prohibited, and the City shall have the right to seek full legal redress, including damages, as against any such employee. It is understood that employees so disciplined retain an appeal right under the City's employer-employee relations policies and California law.

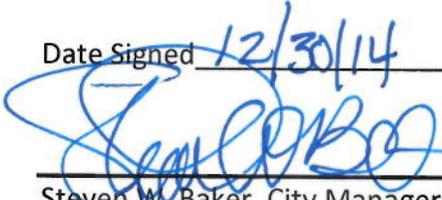
IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding in Yreka, California, as of the day and year first above written and upon approval by the City Council and the bargaining unit, to be effective January 1, 2015.

CITY OF YREKA

YREKA CITY MANAGEMENT

Date Signed 12/30/14

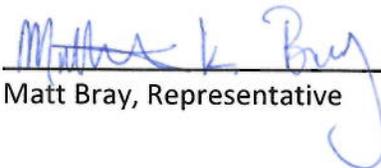
Date Signed 12/30/2014



Steven W. Baker, City Manager



Tim Shaw, Representative



Matt Bray, Representative

Appendix – Salary Tables

City of Yreka – Monthly Salary Confidential Unit MOU Dated 12/30/2014

Management Monthly Salary Tables Effective 1/1/2015 – 12/31/2015

SALARY SCHEDULE						Factor	Prior						
FISCAL YEAR 2014-15						Hourly	Year						
JOB TITLE	UNIT	COLA	JOB#	RANGE	Range	BASE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	
PUBLIC WORKS DIRECTOR	MGMT	1.035	300	3058	3850	6,447	6,673	7,007	7,357	7,725	8,111	8,517	
PUBLIC WORKS MAINTENANCE MGR	MGMT	1.035	301	2143	2698	4,518	4,676	4,910	5,156	5,414	5,685	5,969	
FLEET MANAGER	MGMT	1.035	350	1931	2431	4,071	4,213	4,424	4,645	4,877	5,121	5,377	
WASTEWATER TREATMENT PLANT MGR	MGMT	1.035	511	2143	2698	4,518	4,676	4,910	5,156	5,414	5,685	5,969	
WATER MANAGER	MGMT	1.035	510	2143	2698	4,518	4,676	4,910	5,156	5,414	5,685	5,969	

Management Monthly Salary Tables Effective 1/1/2016 – 12/31/2016

SALARY SCHEDULE						Factor	Prior						
FISCAL YEAR 2015-16						Hourly	Year						
JOB TITLE	UNIT	COLA	JOB#	RANGE	Range	BASE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	
PUBLIC WORKS DIRECTOR	MGMT	1.025	300	3058	3946	6,673	6,840	7,182	7,541	7,918	8,314	8,730	
PUBLIC WORKS MAINTENANCE MGR	MGMT	1.025	301	2143	2765	4,676	4,793	5,033	5,285	5,549	5,826	6,117	
FLEET MANAGER	MGMT	1.025	350	1931	2491	4,213	4,318	4,534	4,761	4,999	5,249	5,511	
WASTEWATER TREATMENT PLANT MGR	MGMT	1.025	511	2143	2765	4,676	4,793	5,033	5,285	5,549	5,826	6,117	
WATER MANAGER	MGMT	1.025	510	2143	2765	4,676	4,793	5,033	5,285	5,549	5,826	6,117	

RESOLUTION NO. 2015-1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YREKA
APPROVING EXECUTION OF THE MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY OF YREKA AND
THE MANAGEMENT UNIT

WHEREAS, the City Council of the City of Yreka, a municipal corporation, pursuant to California Government Code Section 3500, et seq., enacted an Employer-Employee Relations policy with its adoption of Resolution No. 1436 on April 16, 1978; and,

WHEREAS, the City Manager and representatives of the City, and representatives for the Management Unit have met and conferred in good faith; and,

WHEREAS, these parties have reached tentative agreement as of December 30, 2014, on matters relating to the employment conditions of said employees as reflected by the written Memorandum of Understanding for the Management Unit all of which the City Council has reviewed; and;

WHEREAS, this Council finds that the provisions and agreements contained in the Memorandum of Understanding are fair and proper and in the best interests of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YREKA DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The Memorandum of Understanding is hereby approved and the City Manager or designee is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by the City Manager.

Section 3. The City Manager, the Finance Director, and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

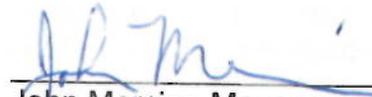
Section 4. It is further resolved, if any section, subsection, part, clause, sentence or phrase of this Resolution or the application thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, the validity of the remaining portions of this Resolution, the application thereof, shall not be effected thereby but shall remain in full force and effect, it being the intention of the City Council to adopt each and every section, subsection, part, clause, sentence phrase regardless

of whether any other section, subsection, part, clause, sentence or phrase or the application thereof is held to be invalid or unconstitutional.

Section 5. This resolution shall take effect immediately upon its passage.

Passed and adopted this 6th day of January 2015, by the following vote:

AYES: Baird, Foster, Freeman, Mercier & Simmen
NAYS: None
ABSENT: None



John Mercier, Mayor

Attest:



Elizabeth Casson, City Clerk



**CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM**

To: Yreka City Council

Prepared by: Rhett Hogan, Finance Director and Steve Baker, City Manager 

Agenda title: Requested action – Adopt a Resolution of the City Council of the City of Yreka approving execution of the Memorandum of Understanding between the City of Yreka and the Management Unit

Meeting date: January 6, 2015

Discussion:

Staff has been negotiating with the Management Unit to reach a Memorandum of Understanding (MOU). The two-year agreement addresses employee compensation for wages and health benefits. The salary schedules reflect a 3.5% increase for calendar year 2015 (includes 1% pickup from prior year PERS Swap) and 2.5% increase for 2016.

The agreement also changes the cap on health care contributions by the city, increasing them \$20, \$40 and \$60 for employee only, employee and one dependent, employee and two or more dependents, respectively for each year 2015 and again in 2016.

In addition, the MOU has updates to reflect current law and practices, particular to the Affordable Care Act.

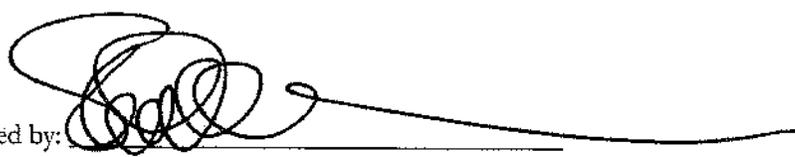
Staff recommends approval.

Fiscal Impact:

The fiscal impact is estimated to be approximately \$18,853 in 2015 and \$33,535 in 2016 on an annual basis over the current adopted 2014-15 and 2015-16 biannual budget.

Recommendation:

That the Council Adopt a Resolution of the City Council of the City of Yreka approving execution of the Memorandum of Understanding between the City of Yreka and the Management Unit.

Approved by: 

Steven Baker, City Manager