




## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Joya Hayes, Human Resources and Civil Service Director 

**DATE:** August 10, 2020

**SUBJECT:** Update on Council Resolution 20200729-085 regarding Juneteenth Holiday

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The purpose of this memorandum is to provide a response to [Resolution 20200729-085](#) regarding options for establishing Juneteenth as a paid holiday or other benefit for City Employees. The City Manager was directed to report back to City Council prior to August 12, 2020. The Human Resources Department worked with the Budget Office to develop a response, and the preliminary cost analysis is provided below.

Costs for creating a holiday for City employees starting in 2021 on the 19<sup>th</sup> day of June each year are outlined below. Employees would be off June 19<sup>th</sup>, or the Friday preceding June 19<sup>th</sup> if the holiday falls on a Saturday or the Monday following if the holiday falls on a Sunday. Though most City facilities would be closed during this time, there would be staffing and facility costs associated with having some City facilities open. To add an additional holiday, the staff has calculated the following costs.

### Direct Annual Costs

#### **Non-Sworn**

General Fund	\$42,307
Support Services	\$4,128
<u>Enterprise/Other</u>	<u>\$157,764</u>
Total Citywide	\$204,199

Please note, sworn employees are not automatically entitled to a new holiday under their contracts, but Council can provide an additional holiday.

#### **Sworn Backfill – General Fund**

Fire	\$248,691
Police	\$203,988
<u>EMS</u>	<u>\$109,809</u>
Total GF Sworn Backfill	\$562,488

Total General Fund Cost \$604,795

Total Citywide Cost \$766,687

#### Liability Future Costs & Hours per year Value

Sworn Banked Hours	Cost Value per Holiday	Hours Per Holiday
Fire	\$ 421,907	12,159
Police	\$ 740,391	15,791
EMS	\$ 150,767	4,534
Total GF Sworn	\$ 1,313,065	32,484

#### Direct Annual Cost Assumptions

##### **Non-Sworn**

Staff reviewed 18 past holidays over three years (2017-2019), which includes 6 holidays (Martin Luther King, Jr. Day, President's Day, Memorial Day, July 4th, Labor Day, and Veterans Day).

Between 8.4% and 10.6% of non-sworn employees work on a City Holiday, resulting in a 9.3% overall average of employees working a holiday and earn holiday pay.

Some non-sworn employees work the holiday and bank the hours for future use resulting in no additional cost nor lost productive time.

##### **Sworn**

An additional holiday generates more direct cost and can be complicated to project the exact costing impact to departments.

- The amounts above represent backfilling on variable amounts, using the current average OT pay rate.
- Not all sworn positions require backfill over time (i.e., sworn staff positions and executive team)
- Adding an extra holiday may or may not change the amount of time employees take off in any given year. Some employees will use the additional exception vacation time as soon as it is accrued, and others will save and use to increase their bank for future use.
- Currently, Fire has only 7%, and EMS has 17% of all sworn employees with vacation leave banks at 75% of the maximum accrual. The additional holiday banked hours may increase over time, potentially resulting in higher future backfill costs as these departments add positions and wages increase.

#### Future Liability Cost and Hours per Year

- Reviewed 18 past holidays over three years (2017-2019) and includes 6 holidays ((Martin Luther King, Jr. Day, President's Day, Memorial Day, July 4th, Labor Day, and Veterans Day).
- An additional holiday for sworn employees will increase exception vacation banks and creating an average of 32,500 more hours per year, resulting in more lost productivity, higher future liability, and an increase in future payouts either in sworn backfill cost or upon termination.
- Hours and amounts will increase over time as departments add positions, the number vacancies, and future pay increases.

cc: Spencer Cronk, City Manager  
Nuria Rivera-Vandermyde, Deputy City Manager  
Ed VanEenoo, Deputy Chief Financial Officer