



CITY OF ORLAND STAFF REPORT

MEETING DATE: October 6, 2026

TO: Honorable Mayor and Members of the City Council

FROM: Justin Chaney, City Manager

SUBJECT: Approval of a Side Letter Agreement with UPEC, LiUNA Local 792
Amending the Salary Range for the Accounting Technician II Classification,
and Adoption of an Amended General Unit Salary Schedule Effective
October 15, 2026

BACKGROUND

The City periodically reviews employee compensation to ensure that salary ranges remain competitive with the regional labor market and support the City's ability to recruit and retain qualified employees.

By correspondence dated August 3, 2026, United Public Employees of California, LiUNA Local 792 ("UPEC") requested that the City review the salary range for the Accounting Technician II classification. UPEC noted that the classification had not been the subject of a compensation survey since at least 2016. In the intervening period the range has been adjusted by the general increases applied to all General Unit classifications.

DISCUSSION

Compensation Survey. Staff conducted a market compensation survey using incorporated cities with populations under 10,000 located throughout Northern California. The survey focused on classifications performing substantially similar duties, including accounts payable and receivable, payroll processing, financial recordkeeping, reconciliations, customer service, and other technical accounting functions. Classifications determined to be professional-level, such as Financial Analyst or Accountant, and entry-level clerical classifications were excluded to ensure an accurate comparison. Comparable agencies included Corning, Gridley, Williams, and Yreka, among other similarly sized municipalities.

Survey Findings. The survey found an average comparable minimum of approximately \$58,640 and an average comparable maximum of approximately \$72,534. The City's salary range for the Accounting Technician II classification, as increased by the general salary increase effective July 1, 2026, runs from \$57,180.78 at Step 1 to \$69,503.61 at Step 5. Measured against that range, the

City is approximately 2.5% below the regional market average at the minimum of the range and approximately 4.2% below at the maximum. Maintaining a range below the regional market may reduce the City's competitiveness in recruiting qualified applicants and may contribute to retention challenges as experienced employees seek opportunities with neighboring agencies.

Amended Range. The amended range sets the maximum of the range at the regional market average of \$72,534 and constructs the remaining steps at uniform five percent (5.00%) intervals. That interval is the step structure used by every other classification on the General Unit salary schedule, and preserving it keeps the classification internally consistent and allows future general increases to apply cleanly across the schedule. The amended range is as follows:

Step	Annual	Monthly	Bi-Weekly	Hourly
Step 1	59,673.90	4,972.83	2,295.15	28.69
Step 2	62,657.60	5,221.47	2,409.91	30.12
Step 3	65,790.48	5,482.54	2,530.40	31.63
Step 4	69,080.00	5,756.67	2,656.92	33.21
Step 5	72,534.00	6,044.50	2,789.77	34.87

Step Placement. The amended range consists of the same number of steps, at the same interval, as the range it supersedes. It is a parallel adjustment of the range rather than a restructuring of it. Accordingly, an employee serving in the classification on October 15, 2026 will be placed at the same numbered step of the amended range as the step the employee occupied immediately before that date, and no employee will suffer a reduction in base salary. There is one incumbent in the classification, who is at Step 5 and will be placed at Step 5 of the amended range.

Meet and Confer. Salaries of represented employees are within the scope of representation under the Meyers-Miliias-Brown Act, Government Code section 3500 et seq. The salary range for a represented classification therefore cannot be established by Council resolution alone. The City and UPEC met and conferred concerning UPEC's request and reached agreement, which is memorialized in the Side Letter Agreement attached to the Resolution. Council approval of the Side Letter Agreement is the operative action.

Non-Precedent. During the negotiations that produced the Memorandum of Understanding, UPEC proposed that the City conduct a compensation survey covering all classifications in the General Unit. The City declined that proposal, and no such provision appears in the Memorandum of Understanding. The Side Letter Agreement expressly provides that this action addresses only the Accounting Technician II classification, is not a grant in whole or in part of that proposal, is not precedential, creates no past practice, and imposes no obligation on the City to conduct or act upon

a compensation survey for any other classification. The Side Letter Agreement is also without prejudice to the positions of either party in future negotiations.

Salary Schedule. The Resolution adopts the complete amended General Unit Salary Schedule as Exhibit A, effective October 15, 2026, in a form that satisfies the publicly available pay schedule requirements of Government Code section 20636 and California Code of Regulations, title 2, section 570.5.

FISCAL IMPACT

The fiscal impact is calculated using a marginal benefit roll-up of approximately 24%, derived from the City's Fiscal Year 2026-27 compensation analysis, which reflects approximately \$46,000 in cost per one percent of cost-of-living adjustment against \$3.70 million in citywide wages.

Item	Amount
Base salary effective July 1, 2026	\$69,503.61
Annual salary increase	\$3,030.39 (4.36%)
Fiscal Year 2026-27 cost (eight and one-half months, including benefits)	approx. \$2,668
Annualized cost thereafter (including benefits)	approx. \$3,767

This amount fits within the adopted budget.

ATTACHMENT

Resolution No. 2026-XX, with Exhibit A (Amended General Unit Salary Schedule, effective October 15, 2026) and Exhibit B (Side Letter Agreement).

RECOMMENDATION

Adopt Resolution No. 2026-XX approving a Side Letter Agreement with United Public Employees of California, LiUNA Local 792, amending the salary range for the Accounting Technician II classification, and adopting an amended General Unit Salary Schedule effective October 15, 2026.