

TO: City Council
FROM: Troy Niemeyer, Finance Director
DATE: December 3, 2024
SUBJECT: Authorization for Settlement

1) Recommended Action:

Authorize the Finance Director to pay back wages times a factor of two to certain union members whose overtime rate was calculated incorrectly by the City's previous payroll system.

2) Background:

During the implementation of the new payroll module, staff discovered that the previous payroll system had not been set up accurately, resulting in overtime for some union members being calculated incorrectly. The new system has been set up correctly, moving forward.

Once the issue was discovered, staff worked collaboratively with the unions to resolve the issue of calculating which members were eligible for back wages for a period of two years, and how much each person was owed. Based on negotiations and the desire to avoid mediation or other legal action, agreement with the unions and impacted members has been reached to pay the employees their calculated back wages, times a factor of 2. Paying this additional amount above the actual wages owed requires Council approval and authorization.

3) Policy Support:

Refine and sustain a great organization.

4) Alternatives:

Do not authorize the factor of two and pay only actual wages owed.

5) Fiscal Notes:

Actual wages times a factor of two is approximately \$87,400.

6) Attachments:

None