

ORDINANCE NO. 1331

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ESTABLISHING TEMPORARY BENEFIT POLICIES AND/OR EXCEPTIONS TO BENEFIT POLICIES DUE TO THE CURRENT RECESSION AND ACCOMPANYING REDUCTIONS IN CITY REVENUES.

WHEREAS, the downturn in the economy has caused a reduction in the expected revenues of the City; and

WHEREAS, the City needs to be creative and flexible in dealing with budget issues during the current recession; and

WHEREAS, there are existing policies which do not allow city employees to reduce regular work hours without increasing employee cost towards their medical contribution or to take additional vacation hours in lieu of a pay step increase; and

WHEREAS, work hours of various employees may need to be adjusted in order to better balance revenue streams with work level demands;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Vacation Time in Lieu of Pay Increase. Through December 31, 2010, the Mayor is hereby authorized to grant additional vacation hours in lieu of a pay step increase and/or cost-of-living-adjustment (COLA). Any such exchange shall be computed upon the employee's base salary at the time of the adjustment. Those employees who participate in the "in-lieu" exchange program shall be authorized, but not required, to cash out up to 100% of the additional accrued in-lieu-of vacation time beginning in September 2011, but no later April 1, 2012. Through December 31, 2011, the 30 day "use it or lose it" vacation cap specified in BLMC 2.32.020(F) shall be lifted for participating employees. Whenever an employee takes vacation, the accrued "in-lieu" vacation credit shall be charged first, before other types of vacation time is charged.


Section 2. Furloughs. Through December 31, 2010, any employee who volunteers to take a furlough (leave of absence without pay), and is so approved by the Mayor or his designee, shall be compensated for said furlough with additional vacation time on an hour-for-hour basis. For example, an 8 hour furlough day shall result in 8 hours of additional vacation time credit. Should the Mayor find it necessary to implement mandatory furloughs, no vacation credit shall be granted. Unlike the vacation in lieu of a pay increase provisions listed in Section 1, there shall be no cash out provision for additional vacation time accrued as a result of furlough days. Through December 31, 2011, the 30 day "use it or lose it" vacation cap specified in BLMC 2.32.020(F) shall be lifted for any employee who participates in the voluntary furlough program. Any employee who is furloughed shall be subject to the following policies:

- A. All health and welfare benefits will continue in full for regular full-time employees affected by the furlough and pro-rated for all regular part-time employees;
- B. Furloughed employees serving a probationary period shall not have that probationary period extended because of a furlough;
- C. Furloughed employees may not use vacation and sick leave, compensation time, bereavement leave or any other leave in place of any unpaid time;
- D. Furloughed employees who are not in a paid status on the day prior to and following a holiday as a result of the unpaid furlough day shall be eligible for the holiday pay;
- E. Vacation and sick leave accruals shall not be reduced or affected by a furlough;
- F. Any uncompensated furlough leave will not count as a break in service and shall not affect seniority or step advancement.

Section 3. Retention of Benefits. Regular full-time employees who have their work hours reduced due to a furlough or reduction in workweek, along with an accompanying reduction in pay, shall continue to receive full standard benefits through December 31, 2010 as if fully employed.

Section 4. This Ordinance concerns matters set out in RCW 35A.11.090, is not subject to referendum, and shall take effect five (5) days after its passage, approval and publication as required by law.

PASSED by the City Council and approved by the Mayor this 8th day of September, 2009.



Neil Johnson, Jr., Mayor

ATTEST:



Woody Edvalson, City Clerk

APPROVED AS TO FORM:



James J. Dionne, City Attorney

Passed: 9/8/09
Valid: 9/8/09
Published: 9/16/09
Effective Date: 9/20/09

AB09-123

**City of Bonney Lake, Washington
City Council Agenda Bill (C.A.B.) Approval Form**

<u>Department / Staff Contact:</u> Exec / Don Morrison	<u>Workshop / Meeting Date:</u> 08 Sep 2009	<u>Agenda Bill Number:</u> AB09-123
<u>Ordinance Number:</u> D09-123	<u>Resolution Number:</u>	<u>Councilmember Sponsor:</u>

Agenda Subject: Temporary Exceptions to Benefit Policies

Proposed Motion: An Ordinance of the City Council of the City of Bonney Lake, Pierce County, Washington, Establishing Temporary Benefit Policies and/or Exceptions to Benefit Policies Due to the Current Recession and Accompanying Reductions in City Revenues

Administrative Recommendation: Approve

Background Summary: As the City deals with the impacts of the recession, furloughs are a tool to reduce current expenditures without experiencing the full impacts of lay-offs and potential recruitment and training. This ordinance proposes a temporary modification of the City's current benefits policies to address the use of employee furloughs and other modifications to employee compensation.

BUDGET INFORMATION:

Budget Amount	Required Expenditure	Budget Impact	Budget Balance
----------------------	-----------------------------	----------------------	-----------------------

Budget Explanation:
None.

COMMITTEE/BOARD REVIEW:

Subcommittee Review Date: Finance Committee - 11 Aug 2009

Commission/Board Review Date: -

Hearing Examiner Date:

COUNCIL ACTION:

Workshop Date(s): 08/18/2009

Public Hearing Date(s):

Meeting Date(s):

Tabled To Date:

Signatures:

Director Authorization D. Morrison	Mayor N. Johnson	Date City Attorney Reviewed K. Haggard
---------------------------------------	---------------------	---

FINANCE COI

DATE: August 11, 2009

ORIGINATOR: Don Morrison

TITLE: City Administrator

SUBJECT/DISCUSSION: TEMPORARY BENEFIT POLICIES AND/OR EXCEPTIONS TO BENTFIT POLICIES DUE TO THE CURRENT RECESSION

ORDINACNE/RESOLUTION: D09-123

REQUEST OR RECOMMENDATION BY ORIGINATOR: Recommend Approval

ISSUE AND DOCUMENTS HAVE BEEN REVIEWED AND APPROVED BY THE:

MAYOR Yes
FINANCE DIRECTOR Yes
CITY ATTORNEY Yes

BUDGET INFORMATON

BUDGETED ITEM: NA TOTAL COST:

2008 Budget Amount Required Expenditure Impact Remaining Balance

Explanation: No direct budget increase; This may result in a loss of productivity and deferred costs.

This ordinance would authorize the Mayor to grant additional vacation time in lieu of a pay increase, cost of living adjustment, or furlough day. Anything mandatory would need to be bargained with the affected unions. Full-time employees who participate in the various time-off plans would retain full benefits.

COMMITTEE ACTION: RECOMMEND APPROVAL TO COUNCIL

Table with columns: NAME, DATE, APPROVED, DISAPPROVED. Rows include Dan Swatman, Chairperson; Jim Rackley, Chair CDC; Dave King, Chair, Public Safety. Includes handwritten signatures and dates.

COMMITTEE COMMENTS: Discuss at workshop.

COMMITTEE'S RECOMMENDATION TO FORWARD TO:

CITY CLERK FINANCE DIRECTOR CITY ATTORNEY

Please schedule for Council Meeting date of: _____