

Introduced by: City Manager Williams
 Introduction Date: September 13, 2022
 Public Hearing Date: September 27, 2022
 Action: Passed
 Vote: 7-0
 Amended: March 14, 2023
 Action: Passed
 Vote: 7-0

CITY OF BETHEL, ALASKA

Ordinance #22-33

AN ORDINANCE BY THE BETHEL CITY COUNCIL AMENDING BETHEL MUNICIPAL CODE CHAPTER 3.60, LEAVE, BY REPEALING ANNUAL LEAVE AND SICK LEAVE AND ADOPTING PAID TIME OFF (PTO)

- WHEREAS**, the City Council commissioned a classification and compensation study for the City of Bethel, the results of which were presented to the City Council on September 14, 2021;
- WHEREAS**, Pontifex, the contractor that performed the study, recommended that the department head team and the union employees have the same time off plan to promote better administrative management and fiscal consistency;
- WHEREAS**, most department heads are currently on an annual leave and sick leave accrual plan;
- WHEREAS**, the Classification and Compensation Study also showed that the City's annual leave accrual rates for the union employees and the department heads generally exceeded the public sector standards:

Years of Service	Union Employees		Department Head			
	Total Leave Days Per Yr	Public Sector Average	Vac. Days Per Year	Sick Days Per Year	Total Leave Days Per Yr	Public Sector Average
1	26	22	18	12	30	27
2	33	24	21	12	33	30
5	39	28	24	12	36	36
10	42	32	27	12	39	41
15	46	32	30	12	42	41
20	46	35	33	12	45	43

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WHEREAS, in addition to the high accrual, the maximum accrual rates for the union and the department heads are very high, resulting in a financial liability the City must carry on its books;

WHEREAS, in an effort to align the City's personnel costs with industry standards, it is necessary to reduce the leave accrual for both the department heads and the union;

NOW THEREFORE BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF BETHEL, ALASKA:

SECTION 1. Classification. This is a codified Ordinance is of general and permanent nature and shall become part of the Bethel Municipal Code.

SECTION 2. Amendment. Bethel Municipal Code Chapter 3.60 Personnel Rules and Regulations, is amended as follows, new language is underlined and old language is stricken.

Chapter 3.60
LEAVE

Sections:

- 3.60.010 Policy.
- ~~3.60.020 Annual leave accrual.~~
- ~~3.60.030 Annual leave cash out and donation.~~
- ~~3.60.040 Regular use of annual leave.~~
- ~~3.60.050 Sick leave.~~
- 3.60.020

3.60.010 Policy.

~~Annual leave, sick leave,~~ Personal Time Off and other additional leaves are provided to city employees in accordance with this chapter and applicable law. Temporary and

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seasonal employees shall not accrue leave. All leave shall be earned and used on an hour-for-hour basis.

~~3.60.020~~ Annual leave accrual.

~~A. Rate.~~

~~1. Regular, full-time employees shall accrue annual leave at the following rates:~~

12 hours per month = 0 through 2 years of service
14 hours per month = 2 years + 1 day through 5 years of service
16 hours per month = 5 years + 1 day through 10 years of service
18 hours per month = 10 years + 1 day through 15 years of service
20 hours per month = 15 years + 1 day through 20 years of service
22 hours per month = 20+ years of service

~~2. Regular, part-time employees shall accrue annual leave at the following rates:~~

6 hours per month = 0 through 2 years of service

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8 hours per month = 2 years + 1 day through 5 years of service
10 hours per month = 5 years + 1 day through 10 years of service
12 hours per month = 10 years + 1 day through 15 years of service
14 hours per month = 15 years + 1 day through 20 years of service
16 hours per month = 20+ years of service

~~B. Annual Leave Accrual. Leave accrues during the period of time an employee is on paid leave. Such additional accrual shall be canceled if the employee fails to resume duty on completion of their authorized leave. Leave does not accrue during periods of injury leave or leave without pay.~~

~~C. Annual Leave Accrual Limits. Accrued and unused leave may be carried over from one (1) year to the next for the purpose of accumulating an annual leave account or reserve; however, on December thirty first (31st) of any year an employee may not have more than four hundred (400) hours' leave to their credit~~

~~D. Annual Cash Out Upon Termination. Accrued and unused annual leave shall be paid to a terminated employee within the time periods required under state law. Accrued annual leave will be paid upon termination only to those persons who have been continuously employed by the city for a minimum of six (6) months. Employees may not be kept on leave status to "run out" their annual leave after termination.~~

3.60.020 Paid time off benefits

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A. Paid time off (PTO) benefits are hours credited per pay period to employees based on years of service, to be used to continue pay when the employee is absent from work for vacation, sickness, immediate family illness or emergency, and/or doctor and dental appointments.

B. Except as otherwise provided in the Bethel Municipal Code and state and federal law, or a specific employment contract with an individual employee, regular full-time or regular part-time employees shall accrue, from the date of hire as probationary employees, PTO benefits according to the following schedule. Part-time employees shall receive pro rata PTO benefits; temporary employees do not earn PTO benefits.

Years of Continuous Service	PTO Accrued Hours Per Month	PTO Accrued Days Per Year
1	18	27
2	20	30
5	24	36
10	27	41
20	29	43

C. Except for illness or an emergency, a PTO request must be submitted in advance in writing and approved by the employee’s department head. PTO will, so far as possible and consistent with the operational needs of the city, be granted at the times requested by the employee. An employee’s department head may change or cancel previously-approved PTO whenever necessary to meet the operating needs of the department. The city shall reimburse the employee for nonrefundable plane tickets purchased for PTO that has been canceled at the city’s direction.

D. The city may require reasonable proof (such as a doctor’s certificate) of illness or disability if more than two (2) days of PTO are used, or when fraud is suspected.

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Fraudulent use or abuse of PTO shall be grounds for discipline consistent with this title, up to and including termination of employment.

E. Accrued and unused PTO leave may be carried over from one fiscal year to the next for the purpose accumulating an annual PTO leave account or reserve. An employee's maximum accrual is 400 PTO hours. When 400 hours is reached, additional PTO leave will not accrue until the employee brings the total below 400 hours. Each employee is required to take a minimum 80 hours of PTO within each fiscal year. If the employee has taken fewer than 80 hours of PTO at the end of the fiscal year, sufficient hours shall be deducted without compensation to total the 80 hours of mandatory leave. Each employee is responsible for managing their PTO in accordance with this section.

F. At the end of an employee's probationary period, an employee may request cash out of PTO no more than two times per fiscal year and up to 100 PTO hours, provided that the employee retains a minimum of 80 PTO hours.

G. At the end of an employee's probationary period, an employee upon separation from City employment shall be paid 100 percent of the value for all unused PTO accrued (up to the maximum as provided in this section). An employee who is separated from City employment during the probationary period will not be paid for accrued PTO.

H. A leave donation request shall be submitted to the city manager in advance and approved by the city manager. Leave donations shall be processed for the pay period following use of the leave. To receive donated leave, the employee recipient:

- a. Shall, upon the pay period for which the donation is processed, have exhausted all available personal leave balances, but is encouraged to initiate the leave donation process before leave exhaustion;

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- b. Have the request approved by the city manager;
- c. May not convert donated leave to cash in lieu of using the donated leave;

Unused leave donations shall be returned to the employee donor. All transferred hours will be computed as a cash value transfer in such a manner as to be revenue-neutral to the city.

~~3.60.030 — Annual leave cash out and donation:~~

~~A. *Emergency Cash Out.* Cash out in lieu of accrued annual leave may be obtained under emergency conditions outlined in writing and approved by the city manager, provided the employee retains at least eighty (80) hours of annual leave in their annual leave account following cash payment. "Emergency" is defined as a critical situation over which the employee has no control.~~

~~B. *Donation of Leave.* Requests for permission to donate annual leave to a fellow employee shall be approved only for serious medical problems, hardship or some truly exceptional emergency. Each employee may donate any amount of annual leave, up to forty (40) hours, with the prior approval of the city manager.~~

~~C. *Advance Leave Pay.* The finance director's office shall provide for advance leave pay when the request is submitted in writing two (2) weeks in advance of the scheduled leave period and is approved by the city manager.~~

~~3.60.040 — Regular use of annual leave:~~

~~A. Employees shall be allowed to use any amount of accrued leave at the time they desire that will not be detrimental to department operations, as determined by the city manager. Leave shall be used on an hour for hour basis.~~

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~~B. At least forty (40) hours of leave must be taken each year by December thirty first (31st), with the exception that this limitation shall not apply to new employees until the second (2nd) December thirty first (31st) following their date of hire.~~

~~3.60.050 — Sick leave.~~

~~A. *Sick Leave Accrual.* Sick leave shall accrue at the rate of eight (8) hours per month of service.~~

~~B. *Sick Leave Accrual Limits.* Sick leave can be accumulated up to a maximum of seven hundred twenty (720) hours.~~

~~C. *Use.*~~

~~1. *Use of Sick Leave.* An employee eligible for sick leave with pay may use such sick leave for absence due to illness, injury, exposure to contagious disease that requires quarantine, or due to illness or death in the employee's immediate family requiring the employee's personal attendance. Doctor, dental, and appointments with other licensed health care providers shall be included as cause for sick leave. An employee who wishes to use sick leave must inform the city manager in advance of taking the leave, or as soon as possible after the employee or an immediate family member becomes ill. Failure to inform the city manager of the need to use sick leave may be grounds for discipline, up to and including dismissal. Compensation for sick leave shall be paid when leave is used. Advance compensation for sick leave shall not be paid unless approved in advance by the city manager.~~

~~2. *Licensed Health Care Provider's Certificate.* When an employee's absence is for more than three (3) consecutive working days, they shall provide certification from the employee's or immediate family member's licensed health care provider indicating the reason for the absence. The city manager may require a licensed~~

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~~health care provider's certificate at any time before approving sick leave with pay; such certification shall be provided in advance of taking sick leave, unless the health care provider certifies that such advance notice was not possible. A certificate shall be transmitted to the personnel office for entry into the employee's records.~~

~~E. Sick Leave Use Upon Termination.~~

~~1. Employees with eleven (11) years plus one (1) day or more of continuous employment with the city of Bethel shall be paid all accumulated sick leave up to a maximum of seven hundred twenty (720) hours at the employee's regular rate or pay when the employee is terminated. Sick leave shall not be paid upon termination to employees with eleven (11) years or less of continuous employment with the city.~~

~~2. Employees returning to work from an unauthorized leave shall not be rehired.~~

SECTION 3. Transition Policy.

- A. An employee with eleven (11) years plus one (1) day or more of continuous city employment on the effective date of this ordinance shall be paid all accumulated sick leave up to a maximum of seven hundred twenty (720) hours at the employee's regular rate of pay, on or before June 30, 2023.
- B. An employee with eleven (11) years or less of continuous city employment on the effective date of this ordinance shall have their sick leave converted to PTO at a rate of 60%.
- C. All annual leave shall be converted to PTO at a rate of 100%.
- D. Following the conversion of sick leave at a rate of 60% and annual leave at a rate of 100% any hours over the 400 maximum shall be payable to the employee on or before June 30, 2023.
- E. Employees affected by this transition policy are exempt from the maximum 400 hours accrual limits prescribed under BMC 3.60.020 E, through June 30, 2023.
- F. Employees affected by this transition policy are exempt from the maximum cash-in limits prescribed under BMC 3.60.020 F, through June 30, 2023.
- G. [Employees affected by this transition policy may combine annual leave, sick leave, and personal time off to account for the required 80 hours of PTO mandatory usage within the fiscal year, July 1, 2022, through June 30, 2023, as required in BMC 3.60.020 E.]

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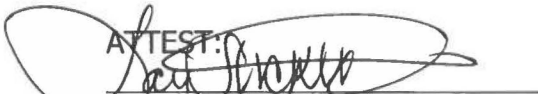
SECTION 4. EFFECTIVE DATE. This Ordinance shall become effective October 1, 2022, following adoption by the Bethel City Council.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF BETHEL, ALASKA THIS 27th DAY OF SEPTEMBER 2022 BY A VOTE OF 7 IN FAVOR AND 0 OPPOSED.

AMENDED BY THE CITY COUNCIL OF THE CITY OF BETHEL, ALASKA THIS 14th DAY OF MARCH 2023 BY A VOTE OF 7 IN FAVOR AND 0 OPPOSED.



Rose Henderson, Mayor

ATTEST:


Lori Strickler, City Clerk

Editor Note: The notice to amend something previously adopted to add under Section 3, part G, was given with the notice of the Regular City Council Meeting, March 14, 2023.

