

RESOLUTION NO. 1355

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, regarding salaries, wages and benefits for non-represented employees for the period January 1, 2017, through December 31, 2017.

WHEREAS, this Resolution pertains to all regular employees, excluding those who are represented by labor organizations, specifically, the International Association of Machinists District 160, Teamsters Local 763, Des Moines Police Guild, and Des Moines Police Management Association, and

WHEREAS, the City's non-represented employees fall into three groups: General Employees, those who are eligible for overtime compensation under the Fair Labor Standards Act (FLSA); Exempt Employees, those who are exempt under the FLSA; and the remaining exempt employees known as Directors, which for purposes of this Resolution includes all department heads, the Chief Operations Officer, and the City Manager, and

WHEREAS, in December 2016, the General Employees and Exempt Employees entered into memorandums of understanding with the City formally acknowledging that they are not collective bargaining organizations, preferring to seek mutual understanding for employees and city management in an informal, collaborative process to discuss issues of concern in the workforce without being bound by the constraints of chapter 41.56 RCW, and

WHEREAS, the parties further agreed that the City will treat the General Employees and Exempt Employees equitably in relation to those represented by labor unions in accordance with DMMC 2.12.10, with the exception of the constraints of bargaining units with binding arbitration which necessitates a different outcome for certain uniformed groups of employees, and

WHEREAS, the holiday provisions for non-represented employees are in need of clarification to provide equity to Teamsters Local 763 employees pursuant to DMMC 2.12.10., and

WHEREAS, the City of Des Moines General Employees Advisory Committee and the City of Des Moines Exempt Employees Advisory Committee provided feedback that they would prefer to maintain the status quo for their health benefits for 2017 rather than moving to lesser medical plans in order to receive a higher cost of living adjustment; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. The City hereby provides the following for its regular non-represented employees effective January 1, 2017, and remaining in effect until December 31, 2017. All provisions of past resolutions, agreements or memorandums of understanding between the City and the General Employees and the Exempt Employees not modified by this Resolution remain in full force and effect, and will be updated in the City's Personnel Manual. All personnel rules and regulations as may be promulgated according to DMMC 2.12.100 shall govern unless expressly contrary to this Resolution.

Sec. 2. Salaries and wages.

(1) Salaries and wages shall be increased by a cost of living adjustment of one percent (1.0%) effective January 1, 2017, maintaining the established differentials between pay steps and ranges.

Sec. 3. Medical, dental, and vision benefits.

(1) **Eligibility.** Regular full-time and regular part-time employees whose positions are budgeted for thirty (30) or more hours per week shall be eligible to participate in the City's health insurance plans through the Association of Washington Cities.

(2) **Medical Plan contributions.** Effective January 1, 2017, the City shall pay medical premiums and make Health Reimbursement Arrangement (HRA) contributions for eligible employees as follows:

(a) The City will pay ninety percent (90%) of eligible employee's premium and eighty percent (80%) of the spouse and dependents' premiums for the HealthFirst and the Group Health/Kaiser \$10 Copay health insurance plans. For employees enrolling in these plans, the City shall make the following annual contributions to the employee's HRA VEBA: \$580 for employee only coverage; or \$1,130 for any family coverage. For new hire employees, HRA VEBA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(b) The City will pay one-hundred percent (100%) of eligible employee's premium and ninety percent (90%) of the spouse and dependents' premiums for the Regence High Deductible Health Plan (HDHP) and the Group Health/Kaiser HDHP; for employees enrolling in these plans, the City will provide a notional Health Reimbursement Arrangement (HRA) of \$1,500 for employee only coverage; or \$3,000 for any family coverage. The City will fund the notional HRA by preloading a benefits debit card for each employee on an annual basis. Once the deductible has been met, and the employee has also paid coinsurance costs \$1,500 above and beyond the deductible for employee only coverage, or \$3,000 above and beyond the deductible for any family coverage, the City will pay any further coinsurance costs which apply to the employee's annual out-of-pocket limit. Any unused balance in the notional HRA will be rolled into the employee's HRA VEBA account in April of the following year. For new hire employees, notional HRA funding will be prorated based on the number of months covered for the remainder of the calendar year.

(3) **Dental coverage.** The City will pay one-hundred percent (100%) of eligible employee's, spouse, and dependents premiums for the Association of Washington Cities Plan F dental plan and Plan II orthodontia plan.

(4) **Vision coverage.** The City will pay one-hundred percent (100%) of eligible employee's, spouse, and dependents premiums for the Association of Washington Cities \$25 deductible Vision Service Plan (VSP).

Sec. 4. Holidays.

(1) An employee is eligible for a paid holiday if he or she is on paid status during the work day before and the work day after the holiday. The City observes the following holidays:

New Year's Day	January 1
Martin Luther King Jr.'s Birthday	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11

Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	Day after Thanksgiving
Christmas Day	December 25

Full-time employees will receive eight (8) hours of pay at their regular straight-time rate for each of the above holidays, as well as four (4) hours of pay at their regular straight-time rate Christmas Eve afternoon, December 24. Regular part-time employees shall receive the above paid holidays on a prorated basis.

(2) **Observance of holidays.** When a holiday occurs on Monday through Friday, the City observes the date of the occurrence as the holiday. Any holiday falling on a Saturday shall be observed on the preceding Friday. Any holiday falling on a Sunday shall be observed on the following Monday, with the exception of Christmas Eve, which will be observed on the preceding Friday. In the event the observation of a holiday falls on an employee's regular day off, the employee shall either receive their eight (8) hours of holiday compensation on their next paycheck or, with their supervisor's approval, schedule an alternate day off with eight (8) hours of pay in the same pay period.

(3) **Scheduled holiday work.**

(a) Whenever the City's operational needs require employees to work on a holiday, insofar as practical, holiday work shall be divided equally among the eligible employees. Non-exempt employees who are assigned to work on any holiday may choose to receive their eight (8) hours of holiday compensation on their next paycheck or, with their supervisor's approval, add eight (8) hours of time to their floating holiday balance. These hours must be used in the calendar year they are earned and may not be carried over into the next calendar year.

(b) Effective January 1, 2016, in addition to the above, non-exempt employees who are assigned to work on Thanksgiving Day, Christmas Day, and Christmas Eve afternoon, will receive holiday premium pay at twice their straight time rate for all hours actually worked on the holiday. Non-exempt employees who are assigned to work on the remaining City holidays will receive holiday premium pay at one and one-half (1½) times their straight time rate for all hours actually worked on the holiday. For the

purposes of this provision, holidays are as listed in Section 4(1) beginning and ending at midnight, except Christmas Eve, which begins at 12:00 p.m. (noon) and ends at midnight. Employees working alternate schedules who are assigned to work on a holiday shall not draw down accrued vacation, compensatory time, or floating holiday hours to supplement their holiday pay for that holiday.

(c) Exempt employees who are assigned to physically report to work on a holiday may either schedule an alternate day off during the same pay period or add eight (8) hours of time to their floating holiday balance. These hours must be used in the calendar year they are earned and may not be carried over into the next calendar year.

(4) **Floating holidays.** Full-time employees shall receive sixteen (16) hours of floating or personal holiday time during each calendar year. Part-time employees shall receive prorated floating holiday hours. Floating holidays do not carry over from one calendar year to the next, and must be taken during the calendar year earned or are forfeited. To be eligible to receive floating holidays, an employee must have been employed by the City for six continuous months prior to the designated or requested floating holiday. Employees hired after June 30, therefore, shall not earn a floating holiday for that calendar year. Upon separation, employees will not be paid for any floating holiday that has not been used.

Sec. 5. City Hall closures. Should the City Manager or a designee close City Hall due to inclement weather or related conditions and release non-essential personnel on administrative leave during regular City Hall business hours, then the City shall add an equal amount of time to the vacation balances of each employee covered under this Resolution who is assigned to work during normal City Hall business hours while City Hall is closed.

Sec. 6. Conflicts. Where a conflict exists between the terms of this Resolution and the Des Moines Personnel Manual, this Resolution shall control.

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Sec. 7. Ratification and confirmation. Any acts consistent with the authority and prior to the effective date of this Resolution are hereby ratified and confirmed.

ADOPTED BY the City Council of the City of Des Moines, Washington this 16th day of February, 2017, and signed in authentication thereof this 16th day of February, 2017.



M A Y O R

APPROVED AS TO FORM:



City Attorney

ATTEST:



City Clerk