

**CITY OF PALMER
ACTION MEMORANDUM NO. 14-063**

Subject: Authorize the City Manager to Issue Back Pay for Certain City Employees for the Fourth of July and Labor Day Holidays

Agenda of: August 12, 2014

Council Action: Authorized _____

Approved for presentation by:

City Manager Joseph A. Hannon
City Attorney [Signature]
City Clerk [Signature]

Certification of Funds:

Total amount of funds listed in legislation:	\$ _____ 0
This legislation (✓):	
<input checked="" type="checkbox"/> Has no fiscal impact	
Creates:	
<input type="checkbox"/> A negative fiscal impact in the amount of:	\$ _____
<input type="checkbox"/> A positive fiscal impact in the amount of:	\$ _____
<input type="checkbox"/> Funds are budgeted.	
Funds are budgeted from this (these) line item(s):	
a) ➤	\$ _____
b) ➤	\$ _____
a) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
b) Funds originally budgeted in line item :	\$ _____
Difference in budgeted funds:	\$ _____
<input type="checkbox"/> Funds are not budgeted.	
Budget amendment required in the total amount of:	\$ _____
Affected line item(s):	
➤	\$ _____
➤	\$ _____
<input type="checkbox"/> General fund unassigned balance (after budget modification)	\$ _____
<input type="checkbox"/> Enterprise unrestricted net position (after budget modification)	\$ _____
Director of Finance signature certifying funds:	<u>[Signature]</u>

Attachment(s):

- Ordinance No. 14-033

Summary statement: All full time employees are paid for holidays. Several employees are required to work on holidays and are paid time and a half overtime and the budget accounts for overtime. The current personnel rules includes language that could be interpreted as restricting overtime to 8 hours versus the past practice and other Code provisions that authorize pay for actual time worked.

During the most recent holiday payroll, there was an interpretation by Finance/payroll that kept 8 police officers and dispatchers employees from getting paid overtime for all hours worked over the 4th of July holiday and as many as 12 employees will be affected over the Labor Day holiday (due to the Fair). In an effort to clarify the personnel rules for payroll and to to reflect past practice and pay employees for hours worked Ordinance 14-033 was prepared.

Administration recommendation: Authorize back pay for actual hours worked by employees working the Fourth of July and Labor Day holidays. There is no fiscal impact as the overtime was included in the 2014 budget.

Introduced by: City Manager Hannan
Date: August 26, 2014
Public Hearing: September 9, 2014
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Ordinance No. 14-033

An Ordinance of the Palmer City Council Amending Palmer Municipal Code Section 4.20.010 Holidays with Pay and Enacting Section 4.20.012, 4.20.014, 4.20.016, and 4.20.018 to Further Clarify Paid Holidays

THE CITY OF PALMER, ALASKA ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code section 4.20.010 is hereby amended to read as follows (new language is underlined and deleted language is stricken):

4.20.010 Paid holidays ~~with pay.~~

The following days shall be recognized as paid holidays:

- A. New Year's Day – January 1;
- B. President's Day – third Monday in February;
- C. Memorial Day – last Monday in May;
- D. Independence Day – July 4;
- E. Labor Day – first Monday in September;
- F. Veteran's Day – November 11;
- G. Thanksgiving Day – fourth Thursday in November;
- H. Fourth Friday in November;
- I. Christmas Day – December 25.

~~A. Holidays with pay shall be those recognized by the city council as official holidays and shall apply as follows:~~

- ~~1. Full-time employees will receive eight hours of pay for holidays.~~
- ~~2. Part-time employees will receive holiday pay in proportion to his or her regularly scheduled work time.~~
- ~~3. Probationary employees will receive holiday pay in proportion to his or her regularly scheduled work time, not to exceed eight hours.~~

- ~~B. In the event a holiday occurs on a Saturday, the holiday shall be observed on Friday prior to the holiday. If the holiday occurs on a Sunday, the holiday shall be observed on Monday following the holiday. The following days shall be recognized as holidays with pay:~~
- ~~1. New Year's Day — January 1st;~~
 - ~~2. President's Day — third Monday in February;~~
 - ~~3. Memorial Day — last Monday in May;~~
 - ~~4. Independence Day — July 4th;~~
 - ~~5. Labor Day — first Monday in September;~~
 - ~~6. Veteran's Day — November 11th;~~
 - ~~7. Thanksgiving Day — fourth Thursday in November;~~
 - ~~8. Fourth Friday in November;~~
 - ~~9. Christmas Day — December 25th.~~
- ~~C. For employees entitled to holiday pay having other than a Monday through Friday work week, the holiday will be observed on the actual date of the holiday and the employee shall be paid for working on the holiday as follows:~~
- ~~1. All work on holidays shall be paid at the rate of time and one-half for the time actually worked.~~
 - ~~2. The employee shall be entitled to the amount of holiday pay listed in subsection (A) of this section.~~
- ~~D. Floating Holidays. Each full-time employee shall have two floating holidays per year which may be taken with the supervisor's approval and must be taken during the calendar year. Floating holidays of any calendar year not taken by December 31st will be forfeited and shall be applied as follows:~~
- ~~1. Full-time employees who successfully complete the probationary period including any extensions between January 1st and June 30th accrue two floating holidays.~~
 - ~~2. Full-time employees who successfully complete the probationary period including any extensions between July 1st and December 31st accrue one floating holiday.~~
 - ~~3. A full-time employee shall not be paid for unused floating holidays upon leaving employment.~~
- ~~E. Employees shall not be paid for holidays occurring while they are on approved or unapproved leave without pay status.~~
- ~~F. All work on holidays shall be paid at the rate of time and one-half for the time actually worked, up to a maximum of eight hours. (Ord. 12-001 § 3, 2013)~~

Section 4. Palmer Municipal Code section 4.20.012 is hereby enacted to read as follows:

4.20.012 Holiday pay.

Employees shall receive holiday pay as follows:

- A. Full-time employees shall receive eight hours of holiday pay.
- B. Part-time employees shall receive holiday pay in proportion to his or her regularly scheduled work time.
- C. Probationary employees shall receive holiday pay in proportion to his or her regularly scheduled work time, not to exceed eight hours.

Section 5. Palmer Municipal Code section 4.20.014 is hereby enacted to read as follows:

4.20.014 Holiday observation.

- A. Employees who work a standard Monday through Friday work week. In the event a holiday occurs on a Saturday, the holiday shall be observed on Friday prior to the holiday. If the holiday occurs on a Sunday, the holiday shall be observed on Monday following the holiday.
- B. Employees who work a non-standard work week. The holiday shall be observed on the actual date of the holiday.

Section 6. Palmer Municipal Code section 4.20.016 is hereby enacted to read as follows:

4.20.016 Pay for hours worked on a holiday.

- A. In addition to the holiday pay listed in PMC 4.20.012, all employees who work on holidays shall be paid at the rate of time and one-half for the time actually worked.
- B. Employees shall not be paid for holidays occurring while they are on approved or unapproved leave-without-pay status.

Section 7. Palmer Municipal Code section 4.20.018 is hereby enacted to read as follows:

4.20.018 Floating holidays.

Each full-time employee shall have two floating holidays per year which may be taken with the supervisor's approval and must be taken during the calendar year. Floating holidays of any calendar year not taken by December 31 will be forfeited and shall be applied as follows:

- A. Full-time employees who successfully complete the probationary period including any extensions between January 1 and June 30 accrue two floating holidays.
- B. Full-time employees who successfully complete the probationary period including any extensions between July 1 and December 31 accrue one floating holiday.
- C. A full-time employee shall not be paid for unused floating holidays upon leaving employment.

Section 8. Effective Date. Ordinance No. 14-033 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this _____ day of _____, 2014.

DeLena Goodwin Johnson, Mayor

Janette M. Bower, MMC, City Clerk