BILL NO.

RESOLUTION NO.

A RESOLUTION DIRECTING THE CITY MANAGER TO PURSUE IMMEDIATE CHANGES TO THE CITY'S OVERTIME POLICIES AND PRACTICES.

WHEREAS, the payment of overtime is an important and necessary component of City operations; and,

WHEREAS, the City of Independence paid \$5,917,806 in overtime in 2021, totaling 138,907 hours; and,

WHEREAS, it is the City's current policy, and included in Work Agreements, that overtime is not based on hours worked, but rather based on total hours, including paid time off; and,

WHEREAS, a goal of the City's Adopted Strategic Plan, *Independence for All*, is "Financially Sustainable", with the objectives to "Control Long-Term Costs", "Increase Efficient Use of Financial and Human Resources", and "Improve Long-Range Financial Planning and Decision-Making"; and,

WHEREAS, according to Section 3.17 of the City Charter, *Municipally owned and operated utilities and enterprises*. *The municipally owned and operated electric system is a public utility and shall be operated in a businesslike manner;* and,

WHEREAS, as stewards of public resources, it is important to periodically review policies and practices to ensure strong fiscal management; and,

WHEREAS, a majority of metro area cities surveyed calculate overtime hours based on hours worked, in accordance with Fair Labor Standards Act (FLSA); and,

WHEREAS, overtime hours could be reduced by changes to the City's Personnel Policies and Procedures and to the Work Agreements with the City's seven bargaining units; and,

WHEREAS, changes to the City's overtime practices would reduce current and future costs and increase efficiency; and,

WHEREAS, the City Council wishes to continue implementing the goals of Independence for All and pursue changes to the City's overtime policies and practices to align more closely with best practices and FLSA and exercise good fiscal stewardship.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

<u>SECTION 1.</u> The City Manager is directed to present proposed changes to the Personnel Policies and Procedures Manual to the Personnel Board at its next regularly scheduled meeting for consideration. The following changes shall be proposed in Article V Section Q, 2a and Article VI Section B6:

Unless otherwise provided by separate work agreement, all non-exempt employees working in excess of forty (40) hours per week shall be compensated at the rate of one and one-half $(1\frac{1}{2})$ times their regular hourly rate of pay. For purposes of this subsection, when calculating total hours per week worked, holidays, vacation, sick leave, and personal business leave-are included.

SECTION 2. The City Manager is directed to request reopening the relevant Work Agreements to negotiate changes to overtime provisions to be based on hours worked and FLSA.

<u>SECTION 3.</u> The City Manager is directed to negotiate overtime provisions based on hours worked and FLSA in all Work Agreements as they expire and are renegotiated.

PASSED THIS _____ DAY OF _____, 2022, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager