

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 overtime hours paid; and,

WHEREAS, the City's Policies and Procedures Manual includes provisions that overtime is not based on hours worked, but rather based on total hours, including paid time off; and,

WHEREAS, the City of Independence has Work Agreements with seven different bargaining units that each contain provisions relative to compensation rules for overtime; and,

WHEREAS, a goal of the City's Adopted Strategic Plan, *Independence for All*, is ensuring the City's operations are "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, the City's overtime obligation could be reduced by modifying the City's Personnel Policies and Procedures and the Work Agreements with the City's seven bargaining units to base overtime eligibility on actual hours worked per FLSA pay period; 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 requirements in order to exercise good fiscal stewardship.

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

SECTION 1. 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 and bring back to the City Council the following changes in Article V Section Q, 2a and Article VI

Section B6:

~~Unless otherwise provided by separate work agreement, a~~ All non-exempt employees working in excess of forty (40) hours per week shall be compensated at the rate of one and one-half (1½) times their regular hourly rate of pay, except that employees working in Law Enforcement or Fire Suppression positions will be compensated at the rate of one-and-one-half (1½) times their regular hourly rate of pay after working in excess of 171 hours (Law Enforcement) or 212 hours (Fire Suppression) in a 28-day work period (or a smaller ratio thereof as agreed in applicable bargaining agreements). For purposes of this subsection, when calculating total hours per work period, holidays not worked but paid via holiday pay, ~~vacation, sick leave, and personal business leave~~ are included. All other hours paid but not actually worked are excluded.

This section shall not preclude provisions establishing an entitlement to premium pay for hours worked on holidays or weekends (if the weekends are not regular working days for the employees in question). This section is intended to eliminate any practice or provision that automatically pays overtime or premium pay for all hours worked outside an employee's regular schedule if the employee has not actually worked the requisite number of hours during the pay period required to qualify for overtime pay.

SECTION 2. The City Manager is directed to request bargaining with each of the seven bargaining units to negotiate changes to overtime provisions consistent with the above eligibility criteria.

SECTION 3. To the extent the City Manager is unable to obtain revisions to work agreements during their term, the City Manager is directed to eliminate all provisions that are inconsistent with the above directives from 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