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MAY 14 2009



Chandler • Arizona
Where Values Make The Difference

Memorandum

DATE: May 14, 2009

TO: Mayor and City Council

THRU: W. Mark Pentz, City Manager
Rich Dlugas, Assistant City Manager RD

FROM: Debra Stapleton, Director, Human Resources Division DAS

SUBJECT: Resolution 4289 – Amending Personnel Rule 15 – Leaves of Absence
Section 4.I, 5.A, 5.B, 9.F.5 and Section 20

RECOMMENDATION:

Approve Resolution No. 4289 amending Sections 4.I, 5.A, 5.B, 9.F.5, and 20 of rule 15 of the City of Chandler Personnel Rules.

BACKGROUND/DISCUSSION:

The following proposed changes to Personnel Rule 15 are considered housekeeping issues. The proposed changes add clarifying language and result in no substantive changes to current policies or procedures.

Personnel Rule 15 – Vacation Leave Accrual, Section 4I

The current Personnel Rule provides that temporary employees who have worked for the City of Chandler are eligible to credit that service toward their vacation accrual rate if they obtain regular status. Clarifying language has been added to the Rule to specify that the time the employee worked for the City and was paid directly by the City counts toward the vacation accrual.

Personnel Rule 15 – Maximum Accrual of Vacation Credits, Section 5A & 5B

Regular part-time employees currently receive vacation credits that are prorated based on their scheduled number of hours. The proposed change to Section 5A and 5B is to add

clarifying language that the maximum hours allowed to accumulate in vacation credits for part-time regular employees is also prorated.

Personnel Rule 15 – Use of Sick Leave, Section 9F5

Clarifying language was added to the sick leave rule that the use of sick leave for up to 80 hours for an approved family medical leave for the birth, placement, adoption, or foster care for a child of a regular employee who works less than full time but 1040 hours or more a year is prorated to the equivalent of 80 hours.

Personnel Rule 15 – Payment of Sick Leave at Retirement, Disability or Death, Section 20

The City provides a Retirement Health Savings Plan (RHSP) to all regular employees. This plan provides that, at the time of retirement, employees are eligible to receive 50% of their accumulated sick leave hours at their current base rate of pay that is deposited into their accounts. In addition, any regular employee that retires from the City with 5 or more years of service is eligible to receive a Years of Service payout of \$800 for every year of City of Chandler service. The Years of Service payout is also deposited into the employee's Retirement Health Savings Account. These provisions are already detailed in the Retirement Health Savings Plan document and have been approved by City Council.

City Staff recommends that the Personnel Rule be updated to include both payouts that employees are eligible to receive at retirement. As such, clarifying language has been added to include the 50% sick leave provision and years of service payout and to specify that those dollars will be deposited into the employee's RHSP and to add the Years of Service Payout provision to the Rule.

Historically, the City of Chandler provides City retirement benefits to beneficiaries of employees who die while employed. The Rule currently provides that a beneficiary of an employee who dies while employed by the City receive compensation for 50% of all the employee's accumulated sick leave. The Rule does not include language on the Years of Service payout. City staff recommends including language in the Personnel Rule to clarify that the beneficiary receive compensation for the Years of Service payout the employee would have been otherwise eligible to receive.

PROPOSED MOTION:

Move to adopt Resolution No. 4289, amending Personnel Rule 15, Leaves of Absence, Sections 4.I, 5.A, 5.B, 9.F.5 and 20.

RESOLUTION NO. 4289

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING SECTIONS 4.I, 5.A, 5.B, 9.F.5 AND 20 OF RULE 15 OF THE CITY OF CHANDLER PERSONNEL RULES.

BE IT RESOLVED by the City Council of the City of Chandler, Arizona as follows:

SECTION 1: That Section 4.I of the City of Chandler Personnel Rules is hereby amended to read as follows:

04 - Vacation Leave Accrual

I -- Temporary, full-time employees paid directly by the City of Chandler, who become or already have become regular employees, shall be allowed to credit toward their vacation accrual rate the time worked in a temporary position if the employee served in a temporary, full-time position for at least one year prior to becoming a probationary employee.

SECTION 2: That Sections 5.A and 5.B of the City of Chandler Personnel Rules are hereby amended to read as follows:

05- Maximum Accrual of Vacation Credits

A -- Vacation credits shall not be allowed to accumulate in excess of 240 hours, or the equivalent as computed under: (1) the Rule for Fire Department employees assigned to more than a 40-hour week, or (2) the Rule for regular employees who work less than full time but 1040 hours or more per year in a part-time regular budgeted position, as of the last full pay period with a pay day in January.

B -- Any vacation credits in excess of 240 hours, or the equivalent as computed under: (1) the Rule for Fire Department employees assigned to more than a 40-hour week, or (2) the Rule for regular employees who work less than full time but 1040 hours or more per year in a part-time regular budgeted position, shall become void on the first day of the pay period with a pay day in February.

SECTION 3: That Section 9.F.5 of the City of Chandler Personnel Rules is hereby amended to read as follows:

09- Use of Sick Leave

F -- Sick leave is not a benefit that employees may use at their discretion. Sick leave is a privilege and shall be allowed for the following purposes:

5. For an approved Family & Medical Leave for the birth of a child or for the placement of a child with the employee for adoption or foster care, the employee may use up to 80 hours of sick leave (or the equivalent as computed under the Rule for Fire employees assigned to more than a 40 hour week or the Rule for regular employees who work less than full-time but 1040 hours or more a year in a part-time budgeted position) without the requirement of obtaining a medical certification.

SECTION 4: That Section 20 of the City of Chandler Personnel Rules is hereby amended to read as follows:

20- Payment of Sick Leave and Years of Service Pay at Retirement, Disability or Death

A -- A regular full-time or part-time employee who retires from City employment through a City-affiliated retirement system, ~~dies,~~ or is approved for long-term disability benefits within 180 days of separation and is eligible to retire at separation shall be compensated for all accumulated sick leave at the rate of fifty percent (50%) of the accumulated sick leave hours at the employee's current base rate to be deposited into the employee's City sponsored Retirement Health Savings Plan account.

~~B -- An employee who terminates from City employment for any reason other than stated in Section 20.A, shall forfeit all accumulated sick leave.~~

B. A regular full-time or part-time employee who retires from City employment through a City-affiliated retirement system or is approved for long-term disability benefits within 180 days of separation and is eligible to retire at separation shall be compensated for Years of Service Pay as established by the City Manager for each twelve (12) month year of City of Chandler service prorated for any partial year when the employee has a minimum of five (5) years of regular service with the City of

Chandler. These funds will be deposited into the employee's City sponsored Retirement Health Savings Plan account.

C -- ~~The beneficiaries of an employee who dies prior to retirement shall receive compensation for the sick leave benefit the employee would have received as if they had retired at the time of death. Payment will be made in accordance with the guidelines established for retirement payments.~~ All accumulated sick leave at the rate of fifty percent (50%) of the accumulated sick leave hours at the employee's current base rate and shall receive compensation for Years of Service Pay as established by the City Manager for each twelve (12) month year of City of Chandler service prorated for any partial year.

D. An employee who terminates from City employment for any reason other than stated in Sections 20.A or 20.C, shall forfeit all accumulated sick leave.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ____ day of _____, 2009.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

CITY ATTORNEY *Dem forch*

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4289 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the ____ day of _____, 2009, and that a quorum was present thereat.

CITY CLERK