

**RESOLUTION NO. 14-12**

**CITY OF BUCKLEY, WASHINGTON**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUCKLEY, PIERCE COUNTY, WASHINGTON AMENDING SECTION SIX (6) OF THE “CITY OF BUCKLEY PERSONNEL POLICY AND PROCEDURES MANUAL” TO ESTABLISH PROGRAM POLICIES FOR EMPLOYEE OPT-OUT OF HEALTH INSURANCE.**

**WHEREAS**, the City Council adopted the most current version of the “City of Buckley Personnel Policies and Procedures Manual” on July 22, 2014; and

**WHEREAS**, rising health care costs have raised concerns among both the public and private sector alike and have been a topic of national debate; and

**WHEREAS**, insurance premium for employee’s healthcare continues to be one of the City’s largest ongoing operational expenses and rates for this coverage continue to increase at a rate that is difficult to sustain; and

**WHEREAS**, in the eleven year period between 2001 and 2012 the premium that the City paid for employee healthcare insurance coverage increased by 170.32%; and

**WHEREAS**, in 2015 rates are anticipated to increase by another 5%; and

**WHEREAS**, this continued escalation in cost for employee healthcare coverage is just one of many factors affecting the City’s financial health and ability to provide services to the community; and

**WHEREAS**, in 2012 the City Council significantly increased employee healthcare contribution amounts to an employee contribution of 10% of the cost of their individual premium and an employee contribution of 12.5% for employee dependent(s) coverage; and

**WHEREAS**, the City is continually looking for creative ways to offset the impact from these rising costs and after reviewing policies from other agencies it was identified that many such agencies have employee opt-out policies and/or programs for employees who have other employer-sponsored group health insurance for their eligible dependent(s); and

**WHEREAS**, these types of policies/programs vary from agency to agency but most if not all offer some type of incentive to the employee that makes voluntary participation attractive; and

**WHEREAS**, development of such a voluntary program would benefit the City by reducing the overall cost of premiums and by offering a portion of the premium cost to the employee as an incentive helps to offset the employee's increased out-of-pocket expense for the loss of double coverage; and

**WHEREAS**, the Mayor and staff presented this idea along with a draft policy to the Admin and Finance Committee on November 3, 2014 and after review the committee members recommended that the City should implement such a policy/program; and

**WHEREAS**, the City Council concurs with the Committee recommendation and desires to amend the Personnel Policy and Procedures Manual to establish an employee opt-out program for employees covered under the Association of Washington Cities Employee Benefit Trust who have other employer-sponsored group health insurance for their eligible dependent(s) as presented;

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Buckley hereby amends Section 6 of the City of Buckley "Personnel Policy and Procedures Manual" Revision #13 as attached in Exhibit "A" attached hereto and incorporated herein by this reference.

Introduced, passed and approved this 12th day of November, 2014.

*Pat Johnson*

Pat Johnson, Mayor

**ATTEST:**

*Joanne Starr*

Joanne Starr, City Clerk

**APPROVED AS TO FORM:**

*Phil Olbrechts*

Phil Olbrechts, City Attorney

**POSTED:** November 13, 2014

Exhibit "A"

**Section 6**  
**Benefits**

- 6.01 Applicability
- 6.02 Legal Holidays
- 6.03 Floating Holiday
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- 6.20 Health Insurance Opt-Out Program
- 6.21 Retirement
- 6.22 Optional Benefit or Investment Plans

6.01 Applicability

6.01.01 Eligibility. Benefits as defined in this section are applicable only to regular-status employees of the City of Buckley, unless otherwise stated in a letter of appointment or employment contract, or as otherwise authorized. Part-time employees who are scheduled for on-call assignment are not regular status employees of the City and shall receive only those benefits required by state or federal law or the provisions of an applicable insurance agreement.

6.01.02 Prorating: Part-time, regular status employees shall receive benefits as defined in this section on a pro rata basis.

6.02 Legal Holidays

6.02.01 All regular status employees are entitled to a ten (10) hour paid holiday on the following days, observed in accordance with the official state calendar:

HOLIDAYS	DATES
New Year's Day	January 1st
Martin Luther King Jr's Birthday	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	First Monday in September
Veterans' Day	November 11th
Thanksgiving Day and The day after Thanksgiving	Fourth Thursday in November & the day after
Christmas Day	December 25th

6.02.02 For all employees regardless of their work schedule, holidays will be observed in the following manner:

- a) When a holiday falls on a Sunday, the following Monday will be considered the holiday.
- b) When a holiday falls on a Saturday, the preceding Friday will be considered the holiday.

6.02.03 Any employee on vacation or sick leave during a holiday will not be charged vacation or sick leave for that day.

6.02.04 An employee who would otherwise be entitled to a holiday but is on leave without pay or on unpaid family and medical leave will receive compensation for the holiday, provided the employee has satisfied the qualifying payroll period provision outlined in 5.03.03.

6.02.05 An employee on the payroll for less than a full month is eligible for a paid holiday provided the employee is in pay status a minimum of one working day immediately preceding or immediately following the holiday.

6.03 Floating Holiday(s)

6.03.01 In addition to the above-listed holidays, all regular status employees who have completed at least six months of employment with the city may

take two ten (10) hour "floating" holidays each calendar year, at the request of the employee and with the approval of the department manager.

6.03.02 The floating holiday(s) must be taken during the calendar year or entitlement to the day(s) will lapse, except when an employee has requested a personal holiday(s) and the request has been denied due to workload or scheduling.

#### 6.04 Unpaid Holidays for Reasons of Faith or Conscience

Employees are entitled to two unpaid holidays per calendar year for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization.

The employee may select the days on which he or she desires to take the two unpaid holidays after consultation with his or her supervisor. If an employee prefers to take the two unpaid holidays on specific days, then the employee will be allowed to take the unpaid holidays on the days he or she has selected unless the absence would unduly disrupt operations, impose an undue hardship, or the employee is necessary to maintain public safety. The term "undue hardship" has the meaning contained in the rule established by the Office of Financial Management.

If possible, an employee should submit a written request for an unpaid holiday provided for by this section to the employee's supervisor a minimum of 14 (days/weeks) prior to the requested day. The written notice shall include the name of the employee, the date that the employee seeks to take unpaid leave, the amount of unpaid leave (whole shift or partial shift), and a description of the reason for the leave that is sufficient for the City to determine whether it qualifies under the new law, SB 5173. Approval of the unpaid holiday shall not be deemed approved unless it has been authorized in writing by the employee's supervisor. The employee's supervisor shall evaluate requests by considering the desires of the employee, scheduled work, anticipated peak workloads, response to unexpected emergencies, the availability, if any, of a qualified substitute, and consideration of the meaning of "undue hardship" developed by rule of the Office of Financial Management.

The two unpaid holidays allowed by this section must be taken during the calendar year, if at all; they do not carry over from one year to the next.

#### 6.05 Vacation Leave

6.05.01 All regular status non-union employees of the city accrue annual vacation with full pay according to the following schedule:

**Vacation Leave Schedule**

<b>TIME EMPLOYED BY THE CITY</b>	<b>VACATION TIME ACCRUED PER YEAR</b>
0 - 12 months	12 days
1 year	12 days
2 years	13 days
3 years	14 days
4 years	14 days
5 years	15 days
6 years	15 days
7 years	16 days
8 years	16 days
9 years	18 days
10 years	18 days
11 years	19 days
12 years	19 days
13 years	20 days
14 years	20 days
15 years	22 days
20+ years	25 days

6.05.02 Paid vacation may be taken only after the eligible employee has worked continuously for the city for at least six months. Requests for vacation are to be submitted at least two weeks in advance unless waived by the department manager or as part of Family Care Leave as permitted in section 6.10.

6.05.03 All vacations must be approved by the appropriate department manager. Department manager vacations are approved by the City Administrator. City Administrator vacations are approved by the Mayor. Vacations used as part of Family Care Leave are subject to the provisions of section 6.10.

6.05.04 Vacation time may be accrued only to a maximum of 240 hours (30 days), except under unusual circumstances and with approval of the department manager and the City Administrator. With the exception of section 6.0405 below, any unapproved accrual beyond the 240 hour limit will be forfeited by the employee.

6.05.05 In cases where the Mayor and/or City Administrator have determined that city operations have made it impractical for an employee to use vacation time, those non-union employees may elect to take a portion of their annual carryover balance of vacation time in cash as opposed to taking the time off. The Salary Schedule will be used to determine the hourly rate of when the time was earned and the employee will be paid that equivalent in cash. When authorized, the employee may exercise the option to buy back vacation hours up to two times in each calendar year. The employee may elect to buy back up to forty (40) hours in June and forty (40) hours in December or the full eighty (80) hours in December. The decision to exercise the option must be made and submitted to the Finance Director prior to May 30 for a June buy back or November 30 for a December buy back. The buy/back payment(s), if chosen, will occur in June and/or December of the year in which the request is submitted. The maximum hours that may be exercised for vacation buy-back is eighty (80) hours in any calendar year, on an hour for hour basis.

6.05.06 Upon separation from city employment, any regular status employee with more than the equivalent of six months of service shall be paid for up to a maximum of 240 hours of accrued vacation. Compensation shall be based upon the employee's salary at the time of separation and shall be subject to applicable withholding under state and federal law.

6.05.07 Any holiday occurring during an approved vacation is not counted as a day of vacation taken.

## 6.06 Sick Leave

6.06.01 Each regular status employee of the city not represented by a bargaining agreement shall accrue sick leave at the rate of eight hours per month. Maximum accrual for sick leave is 1760 hours or 220 days. Accrual beyond the 1760 hour limit will be forfeited by the employee.

6.06.02 All regular status employees not represented by a bargaining agreement are eligible to use accrued sick leave for:

- a) An illness or injury incapacitating the employee to perform the required work;

b) preventative health care of the employee; or

c) An illness, injury or preventative health care of an immediate member of the employee's family which requires the employee's attendance subject to 6.05.03 below; or

d) needs pursuant to Family Care Leave as outlined in section 6.10.

6.06.03 Use of accrued sick leave to care for an immediate family member, who is ill, injured or in need of the employee's assistance to receive preventative health care, shall be limited to 10 days per year unless additional use is authorized by the department head or the use is pursuant to Family Care Leave as stated in section 6.10.

6.06.04 Employees unable to report to work because of illness or injury are to notify their immediate supervisor as soon as possible, but not later than 15 minutes prior to the start of his/her regularly scheduled shift, except in the case of a bona fide emergency. Sick leave with pay may not be allowed, at the discretion of the supervisor, unless such report has been made.

6.06.05 The City may require the employee to provide certification of illness or a written release to return to work from a qualified health care provider for any sick leave taken after three (3) consecutive days of sick leave, provided that the request of a certificate from a health care provider be made at the time the employee requests sick leave. Abuse of sick leave privileges may be cause for disciplinary action, including dismissal.

6.06.06 Substitution of accrued vacation leave for sick leave may be allowed subject to Personnel Policy 6.04 above.

#### 6.07 Sick Leave Payments

6.07.01 Sick Leave Payments Upon Retirement: Employees who separate from city service due to retirement or death shall be compensated for their total unused sick leave accumulation at the rate of twenty-five percent. Compensation shall be based upon the employee's salary at the time of separation and shall be subject to applicable withholding under state and federal law.

For the purposes of the preceding sentences, retirement shall not include vested "out-of-service" employees who leave funds on deposit with the department of retirement systems (DRS). Employees who are choosing to retire and wish to

receive a sick leave payment, must provide a resignation letter and appropriate documentation of their decision to retire to the City Administrator.

#### 6.08 Sick Leave Sharing

6.08.01 Purpose. Employees who are suffering from an illness, injury, impairment or physical or mental condition which is of an extraordinary or severe nature and which has caused, or is likely to cause the employee to either be in a leave without pay status or to terminate employment with the city, may, subject to the provisions of this section or, for unionized employees, subject to union contracts addressing this issue, be permitted to receive donations of sick leave from other employees.

6.08.02 Requests for Sick Leave Donations: Employees who wish to receive donations of sick leave, must submit a request to the City Administrator. The request must include an explanation of the circumstances that make the donations necessary and must be supported by the opinion of a qualified medical professional.

6.08.03 Determination of Eligibility for Sick Leave Donations: The City Administrator may authorize sick leave donations if:

- a) The employee's request is consistent with the purpose of this section and the employee has depleted or is about to deplete his or her annual leave and sick leave accruals. The City Administrator may waive the requirement to deplete accrued annual leave for any employee who is a member of a retirement system which includes annual leave in the final calculation of the retirement benefit and whose illness would, in the judgment of the City Administrator, qualify for a retirement; and
- b) The employee is currently eligible for sick leave and has no current, documented record of sick leave abuse.

6.08.04 Amount of Sick Leave to be Donated: The total amount of sick leave that can be donated to an employee will be determined by the City Administrator consistent with the criteria in Section 6.07.03. In no case will the amount of donated sick leave during an employee's career exceed 1040 hours for a full-time employee, pro-rated for a part-time employee.

6.08.05 Eligibility for Donations: Any employee with more than eighty hours of sick leave accrued may authorize a donation of sick leave to another employee who has been authorized by the City Administrator to receive sick leave donations. In no event will an employee be allowed to donate more than 25% of his or her accrued sick leave.

#### 6.08.06 Procedures:

- a) While an employee is on leave donated under this section, he or she shall continue to be classified as a city employee and shall receive the same treatment in terms of salary, wages, and employee benefits as the employee would normally receive if using accrued annual or sick leave.
- b) If any leave donated under this section is not used, it will be returned to the donating employee(s) provided that there is no reasonable expectation that the leave will be needed in the near future in connection with the illness or condition for the which the donation was permitted.
- c) Any donated leave of less than \$100 value which is unused because an employee returns to work will be forfeited and used to cover the costs of administering the shared leave program. If the value of unused donated leave exceeds \$100, the unused leave will be returned to the donors on a pro rata basis, proportional to the donation, to the extent administratively feasible.

#### 6.09 Medical Leave of Absence

6.09.01 Sick leave may be used by employees who are unable to perform their job duties due to illness or temporary disability. Medical leave may also be used for a period of actual disability caused or contributed to by pregnancy, miscarriage, abortion, childbirth or recovery therefrom.

6.09.02 In the event sick leave is not accrued by the employee, or there is not sufficient accumulated sick leave, use of vacation or leave without pay will be allowed for the actual period of illness or temporary disability.

6.09.03 A certificate from a qualified health care provider may be required to provide certification of illness or temporary disability, and may be required to provide written release to return to work.

6.09.04 An employee will be returned to the same position, or similar position of the same pay, if leave has been taken only for the actual period of illness or disability relating to pregnancy or childbirth. The total medical leave period granted under this policy may not exceed 180 calendar days.

#### 6.10 Family and Medical Leave

6. 10.01 Eligibility for Leave: Any city employee who has been employed for at least twelve (12) months by the city and has worked for at least 1250 hours during the previous twelve (12) months, may receive up to twelve (12) weeks of unpaid leave in a twelve (12) month period to care for:

- (a) A newborn child, newly adopted child, newly placed foster child;
- (b) a spouse, child or parent with a serious health condition; or
- (c) a personal, serious health condition that leaves the employee unable to perform the essential functions of his/her job.

If both spouses are city employees, the city reserves the right to restrict family and medical leave to a total of up to twelve (12) work weeks of unpaid leave in a twelve (12) month period for the birth or adoption of a child or to care for a parent with a serious health condition. The city may opt to limit the use of the family and medical leave to one spouse at a time.

Part-time, regular status employees shall receive family leave on a pro rata basis. If the number of working hours varies, the average hours over the course of the past 12 months prior to the family medical leave period shall be utilized as the basis for calculation the employee's normal work week.

Family and medical leave taken to care for a newborn or newly adopted child must be completed within twelve (12) months of the child's birth or placement for adoption. This leave is in addition to maternity disability leave as provided above in 6.08, which is allowed for the actual period of the disability associated with pregnancy or childbirth.

6.10.02 Definitions. For purposes of the family medical leave policy in section 6.09, the following terms are defined:

(a) "*Twelve Month Period*" - means a rolling 12-month period measured backward from the date taken and continuous with each additional leave day taken.

(b) "*Child*" - means a child either under 18 years of age or older who is incapable of self-care because of a mental or physical disability. An employee's "child" is one for whom the employee has actual day to day responsibility for care and includes a biological, adopted, foster or step-child.

(c) "*Serious Health Condition*" - means an illness, injury impairment, or physical or mental condition that involves either: 1) inpatient care; or 2) any period of incapacity requiring absence from work for more than five calendar days AND that involves continuing treatment by a health care provider; or 3) continuing treatment by a health care provider for a chronic or long-term health condition which, if left untreated, would likely result in a period of incapacity of more than five calendar days; or 4) prenatal care by a health care provider.

In determining whether a *serious health condition* exists, the term "*continuing treatment*" shall mean either: 1) two or more visits to a health care provider; or 2) two or more treatments by a health care practitioner or referral from, or under the direction of, a health care provider; or 3) a single visit to a health care provider that results in a regimen of continuing treatment; or 4) in the case of serious, long-term or chronic condition or disability that cannot be cured, being under the continuing supervision of, but not necessarily being actively treated by, a health care provider.

(d) "Medically Necessary" means there must be a medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule.

#### 6.10.03 Procedures:

(a) Notice Requirement: An employee must request the use of family and medical leave for the birth, placement or adoption of a child by submitting a written statement of the specific reasons for the leave at least thirty (30) days prior to the anticipated date of delivery, placement or adoption. If a scheduled medical treatment for the employee or a spouse, child or parent of the employee is the basis for the request, the employee must, if practicable, provide thirty (30) days written notice. It is the responsibility of the employee who has a planned medical treatment to make a reasonable effort to schedule treatment so as not to unduly disrupt city operations. The notice must be presented to the department head, who will review and forward the written statement to the City Administrator.

(b) Confirmation Requirement: The city may require an employee requesting family and medical leave to provide confirmation from a health care provider of the need for and probable duration of the leave requested. The confirmation must be provided in an approved city format available from the City Administrator within fifteen (15) days of the date that confirmation is requested by the city. The city reserves

the right to obtain, at its expense, an opinion from a second health care provider of the city's choosing. Should the recommendations of the city's health care provider differ from that of the employee's, the opinion of a third health care provider, chosen jointly by the employee and the city, will be obtained at the expense of the city, to review the request.

All documentation related to the employee's or family member's medical condition will be treated in confidentiality and maintained in the employee's medical records file within the City Clerk's office.

#### 6.10.04 Duration and Use of Family and Medical Leave:

(a) Consecutive and Intermittent Use of Family and Medical Leave: An employee will normally be granted up to twelve (12) consecutive weeks of family and medical leave in a *twelve month period*. Intermittent use of up to twelve (12) weeks of family and medical leave may be allowed by the city when the employee has established, through the confirmation process in 6.08.03, that it is *medically necessary* to use the leave intermittently.

Intermittent use of up to twelve (12) weeks of family and medical leave in a Twelve Month Period may be allowed for care of a spouse, *child* or parent who has a *serious health condition*. The medical certification of the need for intermittent leave provided by the employee's health care provider must specify the expected duration of the intermittent leave. In granting the use of intermittent family and medical leave, the city may require an employee to temporarily transfer to an available alternative position with equivalent pay and benefits to better accommodate the employee's modified work hours.

(b) Status Reports While Using Family and Medical Leave: The city may require an employee using family and medical leave to periodically report their status and intention to return to work. The city may also require an employee to obtain additional, written medical certification for the need to continue the leave.

(c) Use of Paid Leave as Part of a Family and Medical Leave Period Required: Employees requesting the use of unpaid family and medical leave for a personal *serious health condition* shall normally be required to exhaust sick leave accruals and to utilize up to four work weeks of their accrued vacation leave as part of the leave period. Employees with less than four work weeks of accrued vacation leave shall normally be required to use their entire leave accrual.

(d) Employees requesting the use of unpaid family and medical leave to care for a spouse, child or parent with a *serious health condition* must exhaust their vacation leave and may be required to exhaust their sick leave subject to section 6.10.

Accrued vacation and sick leave must be taken at the beginning of the family and medical leave period. Exceptions to the mandatory use of sick and annual leave as part of a family and medical leave period may be requested, in writing, to the Mayor when the family and medical leave is requested.

The city may, at its discretion, grant leave without pay pursuant to Personnel Policy 6.08 or 6.15 to extend the duration of a family and medical leave period beyond 12 weeks.

6.10.05 Employee Benefits During Periods of Family & Medical Leave: The city will continue the employer's share of the premiums for medical and dental coverage for up to twelve (12) weeks of approved family and medical leave. However, city payment of the employer's share of coverage is conditioned upon return to work. Except in certain circumstances, if the employee terminates employment before returning from family and medical leave, the city may recover all insurance payments made while the employee was on family and medical leave.

If an employee is normally required to pay for part of the medical and dental insurance premiums, mutually acceptable arrangements for payment of the employee's share of the premiums must be made to ensure continuation of coverage.

Sick and vacation leave shall not accrue during a period of unpaid family and medical leave, unless earned by meeting the requirements of 5.03.03. Paid holidays shall not be provided to employees on unpaid family and medical leave, unless earned by meeting the requirements of 6.02.04 or 6.02.05.

6.10.06 Job Protection Provisions: If an employee returns to work within the agreed upon time period of family and medical leave, he/she will be reinstated to his/her former position or an equivalent position with equivalent pay, benefits, status and authority. The employee's restored status will be the same as it would have been had the employee not been on leave. Thus, if the employee's position would have been eliminated or the employee would have been terminated but for the leave, the employee would not have any new right to be reinstated upon return from leave.

If an employee fails to return to work following twelve weeks of family and medical leave, he/she will be reinstated to the same or a similar position only if a position is available. If the same or similar position is not available the employee may be terminated.

### 6.11 Family Care Leave

6.11.01 Definitions. For the purposes of the family care leave policy in section 6.10, the following terms are defined:

(a) "*Child*" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis* who is:

(1) Under eighteen years of age; or

(2) Eighteen years of age or older and incapable of self-care because of a mental or physical disability.

(b) "*Emergency condition*" means a health condition that is a sudden, generally unexpected occurrence or set of circumstances related to one's health demanding immediate action, and is typically very short term in nature.

(c) "*Grandparent*" means a parent of a parent of an employee.

(d) "*Health condition that requires treatment or supervision*" includes:

(1) Any medical condition requiring treatment or medication that the child cannot self-administer;

(2) Any medical or mental health condition which would endanger the child's safety or recovery without the presence of a parent or guardian; or

(3) Any condition warranting treatment or preventive health care such as physical, dental, optical or immunization services, when a parent must be present to authorize and when sick leave may otherwise be used for the employee's preventive health care.

(e) "*Incapable of self-care*" means that the individual requires active assistance or supervision to provide daily self-care in several of the "activities of daily living" (ADLs) or "instrumental activities of daily living" (IADLs). Activities of daily living include adaptive activities such as caring appropriately for one's grooming and hygiene, bathing,

dressing and eating. Instrumental activities of daily living include cooking, cleaning, shopping, taking public transportation, paying bills, maintaining a residence, using telephones and directories, using a post office, etc.

(f) "*Parent*" means a biological parent of an employee or an individual who stood *in loco parentis* to an employee when the employee was a child.

(g) "*Parent-in-law*" means a parent of the spouse of an employee.

(h) "*Physical or mental disability*" means a physical or mental impairment that limits one or more activities of daily living or instrumental activities of daily living.

(i) "*Serious health condition*" means an illness, injury, impairment, or physical or mental condition that involves any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, and any period of incapacity or subsequent treatment or recovery in connection with such inpatient care; or that involves continuing treatment by or under the supervision of a health care provider or a provider of health care services and which includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities).

(j) "*Spouse*" means a husband or wife, as the case may be.

(k) "**State registered domestic partners**" means two adults who meet the requirements for a valid state registered domestic partnership as established by section 4 of SB - 5336 and who have been issued a certificate of state registered domestic partnership by the Secretary of State.

(l) All other words have definitions as provided for in Section 2 of this policy manual or, in the absence of a definition, utilize the most common meaning of the word.

6.11.02 An employee may use any or all of the employee's choice of sick leave or other paid time off to care for:

(a) A child of the employee with a health condition as defined in 6.10.01.

(b) An immediate family member or parent-in-law of the employee who has a serious health condition or emergency condition, as defined in 6.10.01.

6.11.03 Permitted use of Family Care Leave

<i>Type of Illness / Medical condition</i>	<i>Applicability to Children</i>	<i>Applicability to Immediate Family Members</i>
Health Condition Requiring treatment or supervision	Applies	Does not apply
Serious Health Condition	Applies	Applies
Emergency Condition	Applies	Applies

6.11.04 An employee may not take leave until it has been earned.

6.11.05 Employees unable to report to work because of the need to take family care leave are to notify their immediate supervisor within fifteen (15) minutes of the official start time, except in the case of a bona fide emergency. Use of paid leave may not be allowed, at the discretion of the supervisor, unless such report has been made.

6.11.06 The employee taking leave under the circumstances described in this section must comply with the terms of the collective bargaining agreement or employer policy applicable to the leave, except for any terms relating to the choice of leave.

6.11.07 Use of leave other than sick leave or other paid time off to care for a child, spouse, state registered domestic partner, parent, parent-in-law, or grandparent under the circumstances described in this section shall be governed by the terms of the appropriate collective bargaining agreement or employer policy, as applicable.

6.12 Worker's Compensation

6.12.01 When an employee is receiving industrial insurance compensation, the City shall continue to pay the employee's regular salary from the employee's accumulated sick-leave, provided the employee shall reimburse the City the amount of such industrial insurance compensation immediately upon receipt by the employee.

6.12.02 The employee will continue to receive all applicable benefits while receiving industrial insurance compensation until such time as all sick-leave benefits have been exhausted. The employee will retain the right to self-pay medical and dental insurance premiums at the group rate to the City while on industrial insurance compensation.

### 6.13 Bereavement Leave

6.13.01 In the event of death in the immediate family, or aunt, uncle, niece, nephew, father-in-law, mother-in-law, son-in-law or daughter-in-law, of an employee, up to five (5) days paid leave may be approved by the department manager, for an employee to attend to family matters and the funeral. An additional two (2) days leave for extended travel in conjunction with family bereavement leave if extended travel is required. This request must be approved by the City Administrator and will be charged to: a) sick leave, if accrued; or in its absence, b) vacation leave if accrued; otherwise c) leave without pay.

6.13.02 An employee requesting bereavement leave under section 6.12.01 may be required to substantiate the request by providing documentation or verification to the City upon request.

6.13.03 Family bereavement leave shall be non-accumulative and only available within 15 days of the occurrence.

### 6.14 Military Leave

6.14.01 A regular status employee who is a member of the Washington National Guard or a federal military unit is entitled to leave from his or her duties for up to fifteen (15) work days each calendar year (using an October 1 to September 30 year) for official military duty in accordance with RCW 38.40.060. "Day", for purposes of this section, shall be defined as a twenty-four hour period. Such leaves are in addition to any other leave or vacation benefits. During the fifteen (15) work day period of military duty, the employee shall continue to receive his or her normal rate of pay.

6.14.02 An employee who is called to or volunteers for service with the armed forces of the United States or the Washington National Guard, may be entitled to reinstatement in his or her position upon completion of service, pursuant to state and federal laws.

An employee promoted or hired to fill a vacancy created by a person on military leave is appointed to the position subject to the return of the absent employee. Upon such return, a promoted employee is restored to his or her

original position or an equivalent position subject to the provisions of state and federal law.

6.14.03 Active Military Duty Shared Leave. The intent of this shared leave provision is to provide short-term financial stability to allow an employee to adjust to a different income and benefit level under military pay.

Any employee who is ordered to report for active military duty for a significant military event such as "Operation Enduring Freedom: as determined by the Mayor and is unable to perform the duties of his or her City position may be eligible to receive donated hours. This may include an employee who is a member of the Army, Navy, Air Force, Marine Corps, Coast Guard and their reserves; the Army and Air National Guards, the Public Health Service commissioned corps, and other categories designated by the President in a time of emergency.

Any regular full-time or part-time City employee may donate accrued vacation leave hours to provide financial assistance to employees who are called to active military duty and who are unable to perform the duties of their position.

Donations of leave shall be in hourly increments. Vacation leave shall be transferred on a dollar for dollar basis. The value of the leave shall be determined at the current hourly wage of the donator and the leave available to the receiving employee shall be calculated at the receiving employee's wage.

An eligible employee may receive up to 50% of their regular pay per pay period as shared leave to supplement military pay for a total not to exceed 100% of their regular pay. The employee must turn over military paycheck stubs to the City so the City can determine the correct supplemental pay and donated leave amounts. An employee can receive shared leave for active military duty for up to six (6) consecutive pay periods.

While receiving shared leave, the City will continue to pay its portion of the employee and family health insurance benefits, and the employee will pay his or her portion. Employees will not accrue vacation, sick leave or other leave benefits while receiving shared leave. Other regular benefit deductions, such as retirement, will continue and will be based on the amount of pay received or number of hours of shared leave paid as appropriate. Continuation of optional benefits deductions is at the discretion of the employee receiving active military duty shared leave.

Any donated leave of less than \$100 value which is unused because an employee returns to work will be forfeited and used to cover the costs of administering the shared leave program. If the value of unused donated leave exceeds \$100, the unused leave will be returned to the donors on a pro rata basis, proportional to the donation, to the extent administratively feasible.

#### 6.15 Jury Duty

6.15.01 A regular status employee summoned for jury duty is granted leave for such duty with city payment of the difference between his normal city salary and compensation received for jury duty; provided that the employee shall reimburse the City the amount of fees received from such excused duty immediately upon receipt of said fees, exclusive of travel allowance. The employee's department manager is to be informed immediately by the employee upon receipt of a summons for jury duty.

6.15.02 An employee called for jury duty who is temporarily excused from attendance at court must report to his/her place of work at least one-half of his/her normal work day, in order to be eligible for payment of regular wages under this section. The employee must furnish a written statement from the appropriate public official showing the date and time served and the amount of jury duty pay received.

#### 6.16 Leave Without Pay (Leave of Absence)

The Mayor or his/her designee may grant leaves without pay for absence from work not covered by any other type of leave or if other leave balances are exhausted. Only regular full-time and regular part-time employees who have satisfactorily completed their probationary period are eligible for leave without pay. The following requirements apply:

6.16.01 Leave without pay may be granted to an employee for a period of up to six calendar months, upon the approval of the Mayor or his/her designee. Leave without pay may be allowed when such leave will not operate to the detriment of the city.

6.16.02 Leave without pay may be authorized for any reasons applicable to:

- a) Leave with pay.
- b) Educational leave.
- c) Adoptive/Paternity Leave.
- d) Leaves granted for government service in the public interest upon specific request of any employee.

- e) Medical Leave or Family Medical Leave
- f) Military Leave

6.16.03 Upon written request of the employee and approval of the department manager, the Mayor may grant a regular status employee a leave of absence without pay not to exceed six months. Normally, leave without pay will not be granted until all accrued vacation time has been exhausted.

6.16.04 Vacation and sick leave accrual is suspended during periods of leave without pay. The anniversary date of the employee will be adjusted by the length of leave granted. Any employee on approved leave of absence may continue medical and/or dental insurance coverage by paying the full cost to the city in advance for each month or portion thereof in which the employee is to be absent.

6.16.05 Upon expiration of a regularly approved leave without pay, the employee will be reinstated in the position held at the time the leave was granted or to a similar position, provided that return to employment is not in conflict with any rule relating to re-employment following layoff.

6.16.06 The City reserves the right to recall an employee from a previously authorized leave of absence when operational needs dictate.

6.16.07 An employee who fails to report promptly at the end of the leave without pay is presumed to have voluntarily resigned.

#### 6.17 Leave Due to Inclement Weather or other Significant Disruptions of the Transportation System

6.17.01 Absence due to an employee's inability to report for scheduled work because of severe inclement weather, conditions caused by severe inclement weather or other significant disruptions of the transportation system shall be charged to the following in the order listed:

- Accrued vacation leave, annual leave (floating holiday(s)) or compensatory time;
- Accrued sick leave up to a maximum of 24 hours in any calendar year;
- Leave without pay.

Although the types of time off shall be used in the order listed in this policy, and each type of paid time off shall be exhausted before the next is used, employees shall be permitted to use leave without pay rather than paid time off at their request.

6.17.02 Tardiness due to an employee's inability to report for scheduled work because of severe inclement weather, conditions caused by severe inclement weather or significant disruptions of the transportation system will be allowed up to one and one-half hour at the beginning of the work day. Tardiness under this policy in excess of one and one-half hour shall be charged as provided above.

#### 6.18 Unauthorized Absence

6.18.01 Unauthorized absence is treated as leave without pay and may be grounds for disciplinary action. Upon return from unauthorized absence, the employee is required to provide a written statement to the department manager explaining the reason for the absence.

6.18.02 An unauthorized absence for a period of three days will be considered as a resignation from employment of the city.

#### 6.19 Insurance Benefit Plans

6.19.01 The city will offer to full-time status and regular part-time status employees and their eligible dependents, working at least thirty (30) hours per week, unless otherwise specified in bargaining unit agreements, insurance plans for medical, hospital, vision and dental benefits, to be used at the option of the employee, subject to the carrier's underwriting rules. Part-time status employees who are scheduled to work less than 30 hours per week are eligible for the City's insurance plans for medical, hospital, vision and dental benefits on a pro rata basis, to be used at the option of the employee, subject to the carrier's underwriting rules. The city will contribute to the costs of such plans, as approved by the City Council as part of the annual budget.

The City may offer healthcare coverage to certain temporary and/or seasonal employees and their dependents on a self-pay basis. In order for a temporary employee to be eligible for this benefit on a self-pay basis the employee must be appointed to a temporary position that is intended to continue for at least 6 months.

Beginning July 1, 2012 employees shall begin contributing 10% of the cost of the employee(s) premium through payroll withdrawal to maintain current levels of healthcare coverage.

Beginning July 1, 2012 employees with dependent(s) that have elected to enroll their dependents under the City's sponsored healthcare coverage (i.e. spouses or children) shall begin contributing 12.5% of the cost of the

employee(s) dependents premium through payroll withdrawal to maintain current levels of healthcare coverage for their dependents All insurance premiums will be subject to applicable payroll taxes as required by the Internal Revenue Service.

The City will not provide duplication of health care coverage to an employee who is married to another employee of the City. One spouse or state registered domestic partner may be named as the policy holder and the other as a covered spouse or state registered domestic partner; OR each may be a policy holder, but in that case neither may be listed as a covered spouse or state registered domestic partner. Their children may be listed as covered dependents on one policy or the other, but not on both. In this circumstance primary coverage of the dependent children may be dictated by the insurance under State statute.

6.19.02 Newly hired regular-status employees and their dependents shall generally be eligible for benefit coverage within 30 days of hire, subject to enrollment and processing by the carrier.

6.19.03 In compliance with COBRA (Consolidated Omnibus Budget Reconciliation Act), the City offers continuing health care coverage on a self-pay basis to employees and their dependents following termination (for reasons other than gross misconduct), unpaid leave of absence, reduction in hours, retirement or death. These health benefits will be identical to the coverage offered to regular employees. For terminated employees or employees whose hours are reduced below that of a regular employee, the coverage may last up to eighteen (18) months or until they become eligible for other health insurance coverage, whichever is earlier.

In the event of the employee's retirement, divorce, separation or death, the coverage may last up to thirty-six (36) months for the employee and/or qualified beneficiary. The full policy monthly premium plus a two percent (2%) administration fee will be paid by the employee or the beneficiary to the City or designated benefit administrator. The employee or beneficiary may waive all rights to continuation coverage according to notification procedures and time limits outlined in a continuation coverage "Notification of Rights" letter.

6.19.04 Industrial Accident Insurance is provided for all employees, except full-time uniformed employees who are covered under the LEOFF Act as set forth in RCW 41.26.

## 6.20 Health Insurance Opt-Out Program

6.20.01 Eligible employees who can demonstrate and attest to having other employer-sponsored group health insurance for their eligible dependent(s) may elect to opt out of the City's sponsored Medical/Prescription, Vision and Dental coverage with the Association of Washington Cities Employee Benefit Trust. Employees who elect to opt out of dependent(s) coverage will receive a cash payment equal to fifty percent (50%) of the premium amount for eligible coverage in return for this waiver which will be paid monthly for each full month the waiver remains in effect. Any cash payments made to the employee under the Opt-Out Program will be subject to normal withholdings and reported as taxable income and the employee will be required to pay any taxes due on them.

The City will review this program on an annual basis during the budget process and may cancel the program effective on the first day of the "succeeding" plan year, but will not cancel it at any time during the current year it is offered.

Employees who elect to opt-out of dependent coverage may do so during the Open Enrollment period. In return, the employee is eligible for up to twelve (12) months of monetary waiver payments, which will be made in twelve (12) pay periods. Employees who elect to opt-out of dependent coverage will not be permitted to re-enroll until the next annual open enrollment period commencing in December of each year and effective in January of the following year unless re-enrollment provisions apply.

Employees will not be allowed to waive/reduce existing coverage and receive cash payment for their eligible dependent(s) unless they can offer proof of coverage under an alternate health insurance plan.

Employees desiring to participate in the Opt-Out Program must complete a waiver form and submit it to the Finance Director during the Open Enrollment but no later than Thursday, December 11, 2014. Following the submission of the waiver form and the information for the verification of alternate insurance coverage found at the end of the waiver form, the current City health insurance coverage will terminate on December 31 of the year that the form was submitted. Further, an employee may apply to participate in the Opt-Out Program during the benefit plan year if, within thirty (30) days of a qualifying life-changing event (i.e., marriage, new dependents), they notify the Finance Director and complete the necessary forms.

Participants in the program will no longer have a monthly deduction of the employee dependent premium co-payments for which the employee has opted-out and will receive the waiver payment instead. The waiver

payment will be made over twelve (12) pay periods during the following plan year. All payments are considered income and are subject to normal withholdings. Offering this program does not obligate the City to continue the program from year-to-year if it is not economically feasible or if in conflict with Federal or State law.

6.20.02 New full time employees starting with the City after the beginning of a plan year may be eligible to participate in the opt-out program by declining health insurance coverage for their eligible dependent(s) during the initial enrollment period. The waiver payment received will be prorated for the balance of the benefit plan year based on the number of waiver payment pay periods remaining in the plan year. Also, new employees must also offer proof of coverage for their eligible dependent(s) under another health insurance plan.

6.20.03 Duration. A waiver of health insurance is in effect for twelve months (January 1 - December 31). If economically viable and not in conflict with Federal or State law, the City may authorize the program for the next benefit year. Employees who prefer to continue in the Opt-Out Program for the next benefit year must complete a new waiver form (with proof of alternative insurance coverage) during the designated open enrollment period. Employees desiring not to continue in the Opt-Out Program MUST complete all required enrollment forms for City health insurance coverage for their eligible dependent(s) at the next open enrollment period and coverage will be effective at the start of the next following plan year.

6.20.04 Separation. If an employee participating in the Opt-Out Program separates employment with the City during a plan year, waiver payments will only continue through the last payroll period he or she is employed. NOTE: An employee participating in the program who separates and/or retires during the plan year does NOT have health insurance rights to participate in a City health insurance plan after separation and/or retirement, except as allowed under the City's COBRA policy, Section 6.19.03 of the City's Personnel Manual, on a self-pay basis.

6.20.05 Re-enrollment to a City health insurance plan can only occur during the annual open enrollment period or within thirty (30) days of a life-changing event (e.g., spouse losing insurance coverage). Under a qualifying re-enrollment during the plan year, the waiver payment will cease in the payroll period that City health insurance coverage becomes effective. Employees, opting-out and re-enrolling in a City health insurance plan, must continue City coverage for three (3) plan years to again be eligible for the Opt-Out Program.

## 6.21 Retirement

6.21.01 City employees are covered under the Washington Public Employees Retirement System in accordance with State law and all employees in a qualifying position, regardless of appointment status, will become members of the Retirement System. Payroll deduction for employee contributions is required, regardless of anticipated length of service. Employer contributions will be made in accordance with applicable State law.

6.21.02 Uniformed personnel shall be members of the Washington Law Enforcement Officers and Fire Fighters Retirement System with employer contributions made in accordance with applicable State law.

## 6.22 Optional Benefit or Investment Plans

The city may offer to regular-status employees working at least forty (40) hours per week optional benefit plans such as life insurance, income protection, deferred compensation or other retirement plans, etc. These benefits, when offered, are at the option and cost of the employee.