## **ORDINANCE NO. 6139**

## AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE SECTION 42-3, RETROACTIVE PAY

**WHEREAS**, certain City collective bargaining agreements contain complex pay schedules that make processing retroactive wage increases extremely time consuming; and

**WHEREAS**, the City of Fairbanks has spent administrative time and additional funds, including overtime pay, processing retroactive wage increases; and

**WHEREAS**, in a recent case, the City of Fairbanks was unable to meet the contractual deadline for processing retroactive pay.

## NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

<u>Section 1</u>. That Fairbanks General Code Section 42-3. Retroactive Pay, is hereby repealed and reenacted as follows [repealed version shown in strikethrough font; reenacted version shown in <u>bold/underline</u> font:

## Sec. 42-3. Retroactive pay.

It is the policy of the city not to pay retroactive pay in one fiscal year for a previous fiscal year. If the city is negotiating a contract which would call for retroactive pay, and if negotiations will not be completed in the fiscal year in which they were begun, and if it appears approval of the contract will not happen until the next fiscal year, the parties will negotiate a separate agreement on retroactive pay and submit it to the city council no later than the second to the last meeting of the year. If the city council does not approve retroactive pay before the end of the fiscal year, no retroactive pay will be paid for that fiscal year.

Sec. 42-3. Retroactive pay.

The City of Fairbanks adopts the following policies regarding retroactive pay:

(a) To not pay retroactive pay in one fiscal year for a previous fiscal year.

(b) To pay negotiated wage increases prospectively.

(c) If appropriate, to negotiate retroactive payment of increases to the city's share of the cost of employee benefits.

<u>Section 2</u>. That the effective date of this Ordinance shall be the 19th day of September 2020.

Jim Matherly, City Mayor

AYES: NAYS: ABSENT: WITHDRAWN: August 24, 2020, withdrawn by sponsor with unanimous consent of Council.

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Paul Ewers, City Attorney

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