

Introduced by: Mayor Matherly and
Council Member Kun
Finance Committee Review: October 6, 2021
Introduced: October 11, 2021

ORDINANCE NO. 6184, AS AMENDED

**AN ORDINANCE CREATING AN EMPLOYEE CAPITAL INCENTIVE
PROGRAM (ECIP) AT THE CITY OF FAIRBANKS**

WHEREAS, the City of Fairbanks recognizes that employees are essential to achieving the mission of providing services to the citizens of Fairbanks; and

WHEREAS, the City of Fairbanks invests significant funds in new employee training and certifications, especially in public safety; and

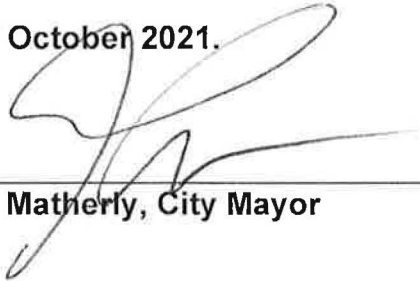
WHEREAS, the City of Fairbanks repeatedly has qualified employees resign due to excessive overtime and less competitive wage and benefit packages; and

WHEREAS, the City of Fairbanks had salary savings of \$6,000,000 from 2016 to 2020 that were transferred to the capital fund; and

WHEREAS, the City administration and City Council are committed to retaining experienced employees that serve the City of Fairbanks.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks, that the City establishes an Employee Capital Incentive Program as described in Attachment A.

PASSED and APPROVED this 25th Day of October 2021.



Jim Matherly, City Mayor


AYES: Therrien, Clark, Kun, Marney, Gibson
NAYS: None
ABSTAIN Rogers
ADOPTED: October 25, 2021

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, MMC, City Clerk



Paul J Ewers, City Attorney

ATTACHMENT A

The procedure to determine the dollar value of the Employee Capital Incentive Program (ECIP) is as follows:

- The Council will determine the salary savings percentage allocated for the ECIP annually ~~but will start with a 30% allocation for 2021.~~
- The annual salary savings will be calculated for each union within the City of Fairbanks by January 15 of the following year.
 - PSEA Union savings will be calculated separately for Police and Dispatch.
- The annual number of full-time personnel by union is calculated as of December 31. To be eligible for this program, the employee must be a permanent, full-time employee for at least 6 months.
 - Employees that have worked more than 6 months, but less than 12 months will receive a prorated share based on the number of months worked.
 - Employees are not eligible for months that they were in field training and did not count towards manning. They will receive a pro-rated share for months that they worked after completing field training.
- The ECIP amount per eligible employee will be paid by January 31 based on Union salary savings and number of months.
- **The ECIP will not be implemented if the Unassigned General Fund Balance is less than \$10,000,000 on December 31st.**

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 6184

Abbreviated Title: EMPLOYEE CAPITAL INCENTIVE PROGRAM (ECIP)

Department(s): ALL

Does the adoption of this ordinance or resolution authorize:

1) additional costs beyond the current adopted budget? Yes _____ No X

2) additional support or maintenance costs? Yes _____ No X

If yes, what is the estimate? see below

3) additional positions beyond the current adopted budget? Yes _____ No X

If yes, how many positions? _____

If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

EXPENDITURES:	Total
SALARY AND WAGES	\$0
TOTAL	\$0

FUNDING SOURCE:	Total
GENERAL FUND	\$0
TOTAL	\$0

The Employee Capital Incentive Program (ECIP) will provide eligible staff additional wages based on Union salary savings. The City had the following salary savings: 2016 - \$347,227; 2017 - 1,227,383; 2018 - \$1,434,685; 2019 - \$1,025,628; and 2020 - \$1,932,833.

Reviewed by Finance Department: Initial mb Date 10/4/2021