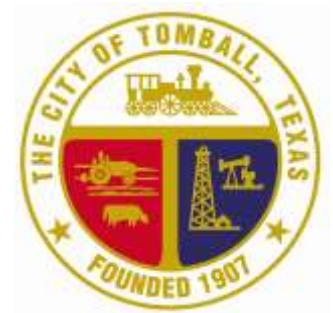# Proposed Changes to Vacation/Holiday Hours

City Council Meeting

February 5, 2024

Proposed Policy Changes

- Holiday Hours
  - Current Policy: Holiday hours DO NOT count as "hours worked" for the purpose of calculating overtime.
  - Proposed Policy: Holiday hours DO count as "hours worked" for the purpose of calculating overtime.

- Vacation Hours
  - Current Policy: Employees cannot use leave/vacation hours in excess of their regular schedule (e.g. an employee cannot use vacation to record more than 40 hours per week for employees or 106 hours per 14-day cycle for shift firefighters)
  - Proposed Policy: Employees have a choice…
    - Flex time: any vacation used beyond regular schedule will be returned to leave bank
    - Regular time +: any vacation time used beyond regular schedule will be paid at straight time

Holiday Hours: Why the Change?

- Employees may be required to work hours beyond their regular schedule on short weeks due to less work hours to complete the same tasks (e.g. City Council meetings on Tuesdays after holidays).

- Special events/extra shifts occur on weeks coinciding with holidays (e.g. Holiday Parade/Thanksgiving, July 4th occurs in middle of the week).

- Challenges getting employees to volunteer for special shifts when holidays are scheduled in same week/pay period.

Example: Holiday Hours

Jane works a 40-hour per week schedule as a non-exempt employee and earns $15 per hour. Monday is a holiday and Jane gets 8 hours of time. Jane then works 32 hours Tuesday through Friday and comes in on Saturday for 4 hours to work a special event.

	Current Policy	Proposed Policy
Holiday Pay	8 hours x $15 per hour = $120	8 hours x $15 per hour = $120
Regular Pay	36 hours x $15 per hour = $540	32 hours x $15 per hour = $480
Overtime Pay	0 hours x $15 per hour = $0	4 hours x $22.50 per hour = $90
Total Pay for Week	$120 + $540 = $660	$120 + $480 + $90 = $690

Vacation Hours: Why the Change?

- Allows employees more control over what happens with vacation time, while still keeping use/lose policy in place to encourage employees to take leave.
- Alleviates issues when an employee takes vacation and is called back for a shift in the same work period.
  - Issue in public safety operations.
- Retention tool to assist employees get value of allowed leave instead of cycling time back to leave bank.
- More clarity in payroll process.

Example: Vacation Hours

Thomas works a 40-hour per week schedule as a non-exempt employee and earns $25 per hour. Thomas takes off Monday and uses 8 hours of vacation time. Thomas then works 35 hours Tuesday through Friday.

Timecard Hours	8 hours Vacation 35 hours Regular Time **Total Hours Recorded: 43 hours**
Current Policy	
Paid Vacation Time	5 hours Vacation
Flexed Vacation Time	3 hours returned to Leave Bank
Total Pay for Week	Vacation Time: 5 hours Vacation x $25 per hour = $125 Regular Time: 35 hours Regular x $25 per hour = $875 Total pay: $125 + $875 = $1,000
Proposed Policy	
Option 1:	Flex time as Current Policy
Option 2:	
Paid Vacation Time	8 hours Vacation
Flexed Vacation Time	0 hours returned to Leave Bank
Total Pay for Week	Vacation Time: 8 hours Vacation x $25 per hour = $200 Regular Time: 35 hours Regular x $25 per hour = $875 Total pay: $200 + $875 = $1,075

Questions?