

**RESOLUTION TO
UPDATE EMPLOYEE HANDBOOK VACATION EARNED AND FINAL PAYOUT**

**SPONSOR: MAYOR MCFARLAND
FROM: FINANCE COMMITTEE**

WHEREAS, the City of Watertown adopted an Employee Handbook in 2012 and has amended the Employee Handbook with the most recent amendment occurring on July 5, 2022 and,

WHEREAS, on January 1, 2022, the annualized vacation change took effect awarding both exempt and non-exempt employees with a full 2022 vacation award created the need to define when vacation is considered earned for both categories to reflect that vacation will be earned throughout the work year but will be available to use as of the first date of employment; and,

WHEREAS, the calculation of required time employed to be entitled to vacation pay out upon separation varies in the handbook and the clarification of a consistent calculation of vacation upon separation is needed to specify proration of time earned from January 1st of the year separation through the date of separation for all employees; and,

WHEREAS, the need for parameters regarding the consistent application of prorated vacation upon initial award for both exempt and nonexempt employees from the date of hire through December 31st of the year of hire.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN THAT:

Article III Section F. "Final Pay" for Employees of the City of Watertown Employee Handbook be amended as follows:

An employee who resigns or is discharged will be paid through the last physical day of work, plus any unused ~~comp time or prorated earned vacation benefit~~ time, less any other agreements the employee may have with the City, in compliance with state laws. This does not apply to promotions.

Any benefit time ~~accumulated and/or accrued~~ such as prorated unused vacation or accumulated ~~comp time~~ cannot be used to extend the termination date. ~~Used and unearned vacation time will be recouped.~~ Remaining benefit time, with the exception of sick leave, will be paid out on the employee's final pay date.

Termination for the purpose of retirement must be consistent with the terms set forth by the Department of Employee Trust Funds. In this instance, the employee may choose to extend the date of retirement from the last physical workday by using accumulated and/or accrued benefit time, with the exception of sick leave. To be eligible to extend the date of retirement, an employee must have worked for the City for a minimum of five consecutive years in a regular part-time or full-time capacity and provide correspondence from ETF confirming the retirement date.

In cases of an employee's death, the final pay due to that employee will be paid to the deceased employee's estate or as otherwise required under state law.

BE IT FURTHER RESOLVED: Article V Section B. "Vacation" of the City of Watertown Employee Handbook be amended as follows:

B. VACATION.

Full-time and eligible part-time employees, except employees in the Fire Department who work on a platoon basis, shall ~~be entitled to annual~~ earn vacation ~~days s-on-the-date-of-employment~~ in accordance with their continuous service with the City.

Vacation schedules, including the number of employees able to be on vacation at the same time and when any employee shall be allowed to take a vacation shall be established and approved by the department head or his or her representative. Vacations must be taken in segments as authorized by the department head.

If vacation is not used within the year it is earned, it may be carried over into the following year. Full-time and eligible part-time employees may carry over up to five (5) days of vacation leave per calendar year. All vacation carried over must be used by March 31st of the following year. A request for vacation carryover form must be provided to the department head by December 1st every year. Any remaining vacation time in excess of five (5) days will be forfeited, absent express written approval of the Mayor for good cause. In the case of department heads, approval is given by the Mayor.

Any employee who terminates employment for any reason will be entitled to pay for all unused, earned vacation from January 1 to the date of termination. ~~Refer to Final Pay section. Employees with less than three (3) months of continuous service shall not be compensated for unused vacation at the time of separation.~~ Vacation shall not accrue during any period of unpaid leave except in the cases of military leave.

Upon a promotion from a non-exempt to an exempt position, the employee will be credited vacation hours to the maximum number of hours for their verified years of service.

1. General, Non-Exempt Employees

**Effective January 1st 2023: Non-exempt employees hired from outside the City of Watertown shall receive credit for the number of years of applicable service with their previous employer(s) as verified by the Wisconsin Retirement System, other public pension systems, or private employer.*

Non-exempt employees regularly working 40 hours per week shall be entitled to annual vacations based on continuous years of service as follows:

During the first year of employment, employees will accrue a prorated amount of the standard allowance based on the number of weeks worked from their date of hire through December 31.

- a. During 1-2 years of service 10 days
- b. During the 3-4 years of service 12 days
- c. During the 5-6 years of service 13 days
- d. During the 7-9 years of service 15 days
- e. During the 10-11 years of service 17 days
- f. During the 12-13 years of service 18 days
- g. During the 14-16 years of service 20 days
- h. During the 17-18 years of service 22 days
- i. During the 19-20 years of service 23 days
- j. During the 21+ years of service 25 days

2. Fire Department Battalion Chiefs and Police Sergeants

Fire Department employees working on a platoon basis, whether or not represented by a

collecting bargaining unit, and Police Sergeants shall be entitled to annual vacations amounts based on years of service as identified in the contracts of the representative employees of their respective departments.

3. Dispatch/Communications Center

All personnel in the Dispatch/Communications Center shall be entitled to vacation time as listed for General, Non-Exempt Employees. However, the days of vacation shall be based on a workday of 8.25 hours.

4. Salaried/Exempt Employees

Exempt employees hired from outside the City of Watertown shall receive credit for the number of years of public service with their previous employer(s) as verified by the Wisconsin Retirement System, or other public pension systems, or private employer. Exempt employees shall be entitled to annual vacations based on the combination of previous verified service and continuous service to the City of Watertown. **During the first year of employment, employees will accrue a prorated amount of the standard allowance based on the number of weeks worked from their date of hire through December 31. as follows:**

- a. During the first 8 years of service 15 days
- b. Years 9-15 of service 20 days
- c. After 16 years of service 25 days

Human Resources shall determine what employment counts as verifiable service under this policy. For employees with previous verified service outside the City of Watertown, the employee earns additional vacation as provided herein on January 1 in the next full calendar year.

5. Regular Part-Time Employees

Regular part time employees working at least twenty (20) hours or more per week shall earn a prorated amount of paid vacation in accordance with the schedule provided above for full-time employees. The amount of prorated vacation shall be calculated by averaging the number of hours worked per week in the previous year and comparing to forty (40). (Example: Employee averaging thirty (30) hours per week in the previous calendar year shall receive seventy-five percent (75%) of the vacation provided to fulltime employees.)

	YES	NO
DAVIS		
LAMPE		
RUETTEN		
BARTZ		
LICHT		
SMITH		
SCHMID		
WETZEL		
ROMLEIN		
MAYOR MCFARLAND		
TOTAL		

ADOPTED September 20, 2022

CITY CLERK

APPROVED September 20, 2022

MAYOR