

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY
AMENDING THE PERSONNEL POLICIES AND PROCEDURES OF THE TOWN OF
APPLE VALLEY**

Summary Statement:

I have reviewed the administrative leave policies of the Cities of Chino, Chino Hills, Fontana, Hesperia, Lancaster, Montclair, Palmdale, Rancho Cucamonga, Redlands, Rialto, Upland and Victorville. Based on my review of these policies, I have recommended a change to remove the option for a cash payout of any unused Administrative Leave time.

Most of the cities surveyed require Administrative Leave to be used during the fiscal year. Any administrative leave not used is forfeited. The exceptions to this policy are the City of Chino that allows a cash payout of unused leave, the City of Hesperia that allows unused administrative leave to be converted to vacation at the end of the fiscal year and the City of Palmdale that allows administrative leave to accumulate without limit and it is paid out at termination. The more common policy requires Administrative Leave to be used during the fiscal year and any leave that is not used by the end of the fiscal year is forfeited. The attached modification to the policy makes the change to require the use of the leave during the fiscal year or the leave is forfeited.

In addition, as the Town enters its twentieth year as a city, we have more and more employees who have been employed at the Town for ten and fifteen years. As the tenure of the employees increases, so has the need to modernize our approach to accrual of vacation. It is in the best interests of the Town to limit the funded liability for leave accruals while still providing a reasonable leave bank for the employees.

(Continued on the next page)

Recommended Action:

Adopt Resolution No. 2008-38, a Resolution of the Town Council of the Town of Apple Valley Amending the Personnel Policies and Procedures Manual.

Proposed by: James L. Cox, Town Manager **Item Number** _____

T. M. Approval: _____ **Budgeted Item** Yes No N/A

Attached is a modification to the vacation leave policy of the Town to provide for an across the board maximum accrual of 500 hours of vacation. It also includes a provision for a cash-out of up to one hundred and eighty (180) hours of vacation leave provided a balance of eighty (80) hours accrued vacation leave is maintained after the cash-out. This change will allow employees to manage their vacation leave without penalty of losing vacation. It will also effectively limit the Town's liability for this benefit. Should this item be approved by the Town Council, the approval will be followed by a Town Manager policy requiring all department heads and managers to properly determine and plan for annual vacations for all employees under their supervision. An adequate period of rest and relaxation is needed by all working employees. Included in the Town Manager policy will be a requirement that at least two weeks of vacation be taken annually and at least five working days be taken collectively.

RESOLUTION NO. 2008-38

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY AMENDING THE PERSONNEL POLICIES AND PROCEDURES FOR THE TOWN OF APPLE VALLEY

WHEREAS, the Town Council of the Town of Apple Valley has established Personnel Policies and Procedures for the Town of Apple Valley employees; and

WHEREAS, the Town Council of the Town of Apple Valley wishes to modify the Personnel Policies and Procedures for the Town of Apple Valley employees;

NOW, THEREFORE, BE IT RESOLVED THAT the Town of Apple Valley Personnel Policies and Procedures are hereby amended as follows:

Section 5.2 Exempt Benefit Levels

Employees designated as either Professional/Supervisory, Management or Executive Management are not eligible for overtime pay or compensatory time for working hours over and above the normal daily or weekly work schedule. Employees so designated shall be entitled to all benefits provided to general employees and the following:

A. Professional/Supervisory

1. Administrative leave to a maximum of forty (40) hours per fiscal year at the discretion of the appropriate supervisor after successful completion of six (6) months service within this classification. Any administrative leave not used by June 30th of the fiscal year shall be forfeited.
2. Deferred compensation program contribution of two percent (2%) of salary.

B. Management

1. Administrative leave to a maximum of fifty six (56) hours per fiscal year at the discretion of the appropriate supervisor after successful completion of six (6) months service within this classification. Any administrative leave not used by June 30th of the fiscal year shall be forfeited.
2. Deferred compensation program contribution of three percent (3%) of salary.

C. Executive Management

1. Administrative leave to a maximum of eighty (80) hours per fiscal year at the discretion of the appropriate supervisor after successful completion of six (6) months service within this classification. Any administrative leave not used by June 30th of the fiscal year shall be forfeited.
2. Automobile allowance of \$470.00 per month if a Town vehicle is not provided, if approved by the Town Manager.
3. Deferred compensation program contribution of five percent (5%) of salary.

Section 6.5 Vacation

Regular employees of the Town shall be entitled to paid annual vacation based on length of credited service with the Town. Employees in regular positions shall accrue, on a pro rata basis, vacation leave for completed pay periods. Such vacation allowance shall be available for use on the first day following the pay period in which it is earned provided an employee has completed six (6) months of continuous service from the employee's hire date.

Regular full time employees of the Town shall accrue vacation benefits at the rate of ten (10) days vacation per year during the first four years continuous service.

Regular full time employees of the Town shall accrue vacation benefits at the rate of fifteen (15) days vacation per year during the fifth through ninth year continuous service.

Regular full time employees of the Town shall accrue vacation benefits at the rate of twenty (20) days vacation per year during the tenth through fourteenth year of continuous service.

Regular full time employees of the Town shall accrue vacation benefits at the rate of twenty-five (25) days vacation per year during the fifteenth through nineteenth year continuous service.

Regular full time employees of the Town shall accrue vacation benefits at the rate of thirty (30) days vacation per year following the nineteenth year continuous service.

Temporary, part-time and seasonal employees of the Town shall not be eligible for vacation leave benefits.

Maximum Accrual - All employees may accrue a maximum of five hundred (500) hours as of June 30th of each year. Effective July 1 of each year, employees may exercise the option at any time during the fiscal year to "cash-out" up to one hundred and eighty (180) hours of vacation leave if a minimal balance of eighty (80) hours accrued vacation leave is maintained after the cash-out.

Earned vacation leave may be taken in fifteen (15) minute increments with the approval of the employee's immediate supervisor and at such time as will not impair the work schedule and efficiency of the department, or result in overtime. Should employee vacation requests conflict with staffing requirement, supervisors shall arrange a mutually acceptable vacation schedule based on length of employee service and the order in which employee vacation requests were submitted.

Accrued, unused vacation shall be paid upon termination of employment.

The effective date of this Resolution shall be July 1, 2008.

PASSED, APPROVED AND ADOPTED THIS 24TH DAY OF JUNE 2008.

Timothy J. Jasper, Mayor

ATTEST:

La Vonda Pearson
Town Clerk