

TOWN OF MIDDLEBURY
Policy Review Committee
Meeting Minutes – October 27, 2017

In attendance

Committee members: Donna Donahue, Gary Baker, Beth Dow and Chris English
Town staff: Ann Webster and Jackie Sullivan

Chris called the meeting to order at 8:00 a.m.

Approval of October 13, 2017 Meeting Minutes. Beth moved to approve the minutes of the Committee's September 29th meeting, with a second from Donna. Unanimously approved.

Resumption of Discussion of Staff Proposals for Revisions to Personnel Policy. The Committee picked up its review of staff proposals with Section 18. Highlights of the discussion follow:

Section 18: Holiday Leave and Personal Days. Chris reviewed language that he and Donna had drafted for paragraph 18.01 and distributed to participants prior to the meeting. He explained that the new language was an attempt to capture the formula for holiday pay the Committee had discussed at the October 13th meeting, which calculated an average daily rate of compensation based on the number of hours an employee is scheduled to work by the number of scheduled days. A good deal of discussion ensued illustrating individual situations in which this approach would not work, because it would not be consistent with other departments or it would put an employee at a financial disadvantage.

Ann reaffirmed her intention to work with the Selectboard on a separate agreement for the Clerk's Office regarding vacation time, holiday pay and sick time, explaining that she would like to propose a system for accounting for time that would be aligned with the idea of Combined Time Off. With that in mind, Donna proposed dropping the new draft language for paragraph 18.01 altogether and substituting it with the following, simpler statement:

18.01 The Town observes the following holidays each year. Full- and part-time employees will receive paid holiday leave for the number of hours that they are scheduled to work on the day that the holiday falls.

She argued that the Committee's primary consideration was that the policy include rules of procedure that Jackie's office could apply easily and consistently across all Town departments. She further suggested that the new, simplified, language could be put into effect going forward and any individual employee arrangements that are in conflict with it could be grandfathered in, with the understanding that all new employees would follow the new procedure. Gary expressed support for Donna's argument, suggesting that no single policy statement can account for all the variations in the

way individual department heads manage their personnel schedules, but that at some point the Committee has to choose an approach that works for most situations.

In light the changes that the Committee endorsed to paragraph 18.01, the Committee agreed to amend paragraph 18.03 as follows:

18.03 Holidays falling on a Saturday will be observed the preceding Friday. Holidays falling on a Sunday will be observed the following Monday. ~~Should a holiday fall on a day when an employee is not scheduled to work, comparable time may be taken on another day within the same pay period.~~ Holidays that fall during an employee's vacation leave will not be charged as vacation leave.

The Committee also agreed to endorse – with amendments - the following suggested revision to paragraph 18.04:

18.04 All full-time employees are entitled to 16 hours of personal time, at their current rate of pay, each fiscal year (July 1st – June 30th). New full-time employees must begin work prior to December 31st in order to accrue personal time within that fiscal year. Personal time must be used in the fiscal year it is earned and the time off arranged in advance with the employee's supervisor. Personal time will be granted provided it does not cause an interruption of the essential operations of the Town.

To this proposed language, Jackie said that she recommended adding a sentence stating that new employees starting work after January 1st will only receive 8 hours of personal time until the end of the fiscal year. She offered to look more closely at the paragraph and work on appropriate wording to discuss at the next meeting.

The Committee agreed to delete paragraph 18.05, regarding granting an employee unpaid leave to attend his/her town's annual meeting, since it is a statutory requirement.

Section 19: Vacation Leave

The Committee endorsed, as presented, a staff recommendation to replace paragraph 19.02 with the following revised language:

19.02 An increase in the annual rate of accrual will occur on the employee's anniversary date of hire. Vacation is paid at the employee's current rate of pay at the time vacation time is used.

The Committee endorsed, as presented, a staff recommendation to replace paragraph 19.03 with the following revised language:

19.03 Vacation time may accrue up to the maximum number of hours the employee can accrue in a two year period. Accrual stops if an employee has reached their maximum number of vacation hours and time must be used in order for accrual to restart.

The Committee agreed to revise paragraph 19.04 as follows:

19.04 A full time employee may, upon approval of the Town Manager, receive one half of the annual vacation time allotted and accrued to said employee in the form of a dollar amount based on the employee's current weekly wage or salary. Vacation time may only be sold once in a ~~twelve-month period~~ calendar year.

The Committee did not endorse the following staff suggestion as replacement language for paragraph 19.04:

19.04 A full-time employee may request approval, from the Town Manager, to exchange unused vacation time for payment at their current rate of pay. The maximum number of hours an employee may exchange is one half of the employee's current annual accrual, and only once in a twelve month period.

There was a fairly lengthy discussion among meeting participants about whether the language in paragraph 19.05 – about the Town discouraging the extensive use of the vacation buy-back provision – is really appropriate, since the Town offers it as a benefit to begin with. This language is a carryover from the old Personnel Policy and reflects long-standing practice. While acknowledging that the needs of the Town often make it difficult for personnel to take earned vacation without creating a burden for co-workers, it was also recognized that buying back vacation time also tends to create an incentive for employees to “bank” their time rather than using it, and treat the annual payback as a cash bonus. Jackie mentioned that the Town's financial auditors include a question as part of their data-gathering process about whether the Town requires employees to use their vacation time. She said she would try to find the exact language, for discussion at the next meeting.

Ultimately, the Committee decided to leave the language in 19.05 intact but discussed the possibility of making a formal recommendation to the Selectboard that it consider phasing out the vacation buy-back provision.

The Committee did not endorse the following staff suggestion as replacement language for paragraph 19.06:

19.06 An employee who resigns from employment with the town will be compensated for unused vacation time, provided that the employee has given a minimum of two weeks written notice of the resignation.

Section 27: Longevity Pay

The Committee briefly discussed Longevity Pay (Ann had left the meeting at this point), and its origin in the policy. It was noted that Longevity Pay was introduced several years back, during a period when management employees were not receiving an annual pay increase, as an incentive for long-term employment with the Town. The Committee questioned whether Longevity Pay, like the vacation buy-back provision, still made sense to keep in the Personnel Policy. This section will be taken up again formally at the next meeting.

Next Steps. The Committee will meet again this Friday, November 3rd @ 8:00 a.m., at which time it will resume its review with Section 20: Sick Leave.

The meeting adjourned at 9:10 a.m.

Submitted by:

Chris English
Assistant Town Manager