



**TOWN OF DEWEY-HUMBOLDT
ADMINISTRATIVE REGULATION**

AR № 08-04

Subject: *Vacation Carryover and Payment*

Effective Date: Nov. 26, 2008

1. Scope. This policy applies to employees in all Town programs.
2. Purpose. To establish principles regarding payment for unused vacation time.
3. Background. The Town provides vacation time for staff and strongly encourages staff to take every hour every year. Vacations may help Town staff live longer, improve their mental health, invest in close relationships, have fun, gain self confidence, find creative inspiration, and become more productive. Of course, finding the time to take time off means more incentive to eliminate distractions, work more efficiently, and get things done when in the office. Unfortunately, with such a small staff, it is not always possible to meet the Town’s minimum obligations and enjoy extended vacations. Council Resolution No 07-48 states, “Vacation leave will be accrued each pay period at a rate of 4.6154 hours or three weeks per year.” Town administrative policy adopted in 2006 limited carryover to “5 days (40 hours) allowed to be carried over from one year to the next. Upon resignation or retirement, the employee would receive payment for any balance at their current hourly rate.” That same policy also added one additional holiday, a “personal day.”
4. Carryover Allowance. The previous administrative policy limiting carryover is hereby amended.
 - 4.1. In their first year of employment, employees may carryover up to 40 hours of vacation time from one calendar year to the next.
 - 4.2. Employees in their second or later years of employment may carryover up to 80 hours of vacation time from one year to the next.
 - 4.3. All vacation and personal hours not used and not subject to carryover will be lost, without compensation, except as provided by § 5.3.
 - 4.4. From January 2009 forward, the “personal day” will be earned per calendar year, rather than per fiscal year.
5. Carryover Payment. To balance the goals of encouraging vacations and maintaining complete citizen service, the Town will pay:
 - 5.1. 100% of all vacation hours remaining upon resignation or retirement, but only 25% if terminated involuntarily;
 - 5.2. 0% (none) of any unused vacation or personal day, except as provided in § 5.3;
 - 5.3. 100% of all vacation hours remaining in excess of 40 (for employees in their first year) or 80 (for employees in their second or later years) as of December 31, 2008 (only).

TOWN MANAGER APPROVAL

Initial: _____

Notes: _____