

Town of Cheverly

Annual Leave conversion to Sick Leave

Summary

Currently the Town Code limits 30 days of vacation (annual) leave or less that can be carried over into succeeding years or calendar years. The Employee Handbook also limits the amount of vacation leave that can be carried over into succeeding years to 30 days (240 hours) or less that can be carried into succeeding years. Town Code preempts the Employee Handbook. This proposal would change Town Code to allow vacation (annual) leave accrued by employees over 240 hours to convert to sick leave at the end of the calendar year. Sick leave can be rolled into the State pension systems to increase years of service by up to 1 year. This proposal would benefit long-term employees who accrue vacation leave at a higher rate and have over 240 hours at the end of the calendar year. If directed, I will have the Town Attorney prepare the appropriate documents to change the Town Code consistent to this document.

Town Code Change: Section 21-10 (e) (4)

Vacation leave may be accumulated up to a total of thirty (30) days and that amount or less may carried into succeeding years until used. **Any accrued vacation leave in excess of thirty (30) days at the end of a calendar year will be converted to sick leave for succeeding years.**

Key: New language

Employee Handbook: Section 2 – Attendance & Leave, Vacation Leave

Employees must request the use of vacation leave 24 hours in advance from their department head. Vacation Leave may be accumulated up to a total of 30 days (240 hrs) and that amount or less may be carried into succeeding years until used. **Any accrued Vacation Leave in excess of 30 days (240 hours) at the end of a calendar year will be converted to sick leave for succeeding years.**

Note: New language and the Employee Handbook will be formally updated when the entire Handbook is comprehensively reviewed and updated.

Below is an estimated cost for the various pension systems:

FAE = Final Average Earnings and YOS = Years of Service

Alternate Pension System: 30 YOS x 1.8%/year x \$50,000 FAE = \$27,000/year

Plus 1 YOS Sick Leave: 31 YOS x 1.8%/year x \$50,000 FAE = \$27,900/year

Sick Leave Increase = \$900/year

Reformed Pension System: 30 YOS x 1.5%/year x \$50,000 FAE = \$22,500/year

Plus 1 YOS Sick Leave: 31 YOS x 1.5%/year x \$50,000 FAE = \$23,250/year

Sick Leave Increase = \$750/year

Law Enforcement Officers Pension System (LEOPS): 29 YOS x 2.0%/year x \$50,000 = \$29,000

Plus 1 YOS Sick Leave: 30 YOS x 2.0%/year x \$50,000 FAE = \$30,000

Sick Leave Increase = \$1,000/year

Note: Alternate Pension for employees hired before 7/1/2011 and all YOS after 6/30/1998; LEOPS maximum of 30 YOS