

HATC Action Item 6A
August 3, 2017

Resolution No. HATC-2017-19, To Approve HATC Annual Leave Buy-Back Program.

WHEREAS, Annual leave is paid time off work granted to each full-time HATC employee to be used for whatever the employee wishes; and

WHEREAS, The proposed *Program* is structured similar to a vast majority of municipal entities throughout the U.S. with similar programs; and

WHEREAS, The proposed *Program* affords the organization to reduce its long-term liability by reducing the amount of annual leave to be paid out to employees in a more deliberate, consistent fashion over time.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of HATC hereby:

1. Approves Resolution No. HATC-2017-19,
2. Authorizes the CEO/Executive Director to execute all necessary documents and extensions.

Passed and approved the 3th day of August 2017.



John Hernandez, Chair, Board of Commissioners

Attested and approved as to form:



Patrick B. Howard, CEO/Executive Director

HATC Action Item 6A
August 3, 2017

Subject: HATC Annual Leave Buy-Back Program

Background Information:

In an effort to: (1) reduce large employee accrued Annual Leave balances, and (2) provide full-time employees the opportunity to earn additional income toward year's end, HATC Annual Leave Buy-Back Program is proposed, subject to funding availability.

Here are the basic tenets of the proposed program:

- Any eligible full-time HATC employee may "sell back" a portion of unused Annual/Vacation Leave, depending on years of service completed. Annual Leave Buyback would typically occur during the month of November each year.
- Only an employee who is on active employment status, on Family and Medical Leave (FMLA), Short-term disability, or Workers' Compensation on the date of the Buy-Back payments would be eligible to participate in the buy-back program.
- An employee who is on extended Military Leave may participate in the buy-back program upon return to active employment status. All leave accrued over the time the employee was on Military Leave will be restored and the employee may sell back hours that would have been eligible for buy-back during the leave of absence.
- To be eligible to participate in the *Annual Leave Buy-Back Program*, employees must have taken at least 24 hours of Annual Leave, and must maintain a minimum balance of 24 hours of unused annual leave subsequent to the leave buy-back.
- *Annual Leave Buy-Back Program* does not take into account leave accrued for Sick, Personal, Military, etc., but rather it is only associated with Annual Leave only.
- Accrual and buy-back hours are indicated in the Annual Leave Buy-Back table below.

ANNUAL LEAVE BUY BACK TABLE

YEARS OF EMPLOYMENT (AS OF 1 NOVEMBER OF THE CURRENT YEAR)	HOURS ELIGIBLE FOR BUY-BACK
Less than 1 year	16 hours
1 year	24 hours
2 years	32 hours
3 years	48 hours
4 years	64 hours
5 years through 10 years	72 hours
10 years and above	80 hours

Requested Action:

Consideration and appropriate action regarding **Resolution No. HATC-2017-19**, To Approve HATC Annual Leave Buy-Back Program.

Alternate Option:

The Board of Commissioners could elect to Not Approve the proposed *Annual Leave Buy-Back Program*.


Fiscal Impact:

See Attachment

Attachment:

- A. Potential FY18 Fiscal Impact of Proposed Annual Leave Buy-Back Program

Prepared and Approved by:



Patrick B. Howard, *CEO/Executive Director*

ATTACHMENT A

Potential FY18 Fiscal Impact of Proposed Annual Leave Buy-Back Program

Current Employee Tenure - Years	Potential Buy-Back Hours Total Vacation Hours	Potential Impact
10 or more years (6 staffers)	80	~\$9,104.24
5 to 10 years (3 staffers)	72	~\$5784.62
3 years (1 staffer)	48	~\$865.20
2 years (2 staffers)	32	~\$4586.50
1 year (2 staffers)	24	~\$1100.04
Less than one year (3 staffers)	16	~\$1545.02
TOTAL		~ \$23K x 1.1 % (Retirement) = ~\$25.3K