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MEMORANDUM

To: Mayor and City Council Members

Through: Ritchie Haynes, City Manager

From: Tanya Osborne, Human Resources Director

Re: Revision City of Lincolnton Personnel Policy:
Article VI Section 3-Vacation Leave

Date: May 20, 2025

As part of the 2025/2026 budget workshop held in April, the Strategic Planning Committee for Employee Benefits asked the Council for consideration of a potential revision to *Article VI Section 3-Vacation Leave* in the City of Lincolnton's Personnel Policy. This section outlines the guidelines related to the accrual and use of vacation time for city employees.

The committee regularly reviews and compares benefits provided by other entities to ensure the City of Lincolnton is positioned well to recruit and retain employees needed to provide the services to Lincolnton's citizens. A recent review of the vacation accruals in relation to years of employment service indicated Lincolnton was behind other agencies of similar size and population, as well as the county Lincolnton is located in.

At the budget workshop, the committee presented to council a document for review which compared three vacation schedules: 1. The City of Lincolnton's current vacation schedule, 2. Lincoln County's current vacation schedule, and 3. The Strategic Planning Committee's proposed vacation schedule. Based upon feedback received from the council at the budget workshop, the committee has attached the following information for council consideration of a personnel policy change related to vacation accruals:

A. Comparison vacation accrual charts-page 2
B. City of Lincolnton Personnel Policy Article VI Section 3 Vacation Leave: 1. current policy-page 3, 2. proposed policy revision reflecting Strategic Plan Committee's recommendation-page 5. The policy revision does not contain any language changes but contains revisions to each chart reflecting the recommended accruals.

Action: Council Consideration

Request council consideration to approve the revision of *The City of Lincolnton Personnel Policy, Article VI, Section 3-Vacation Leave* with an effective date of July 1, 2025

Attachment A

Comparison Vacation Accrual Charts

City of Lincolnton Current Vacation Schedule:

Year Range	# days	hours	Number of Hours
0 thru 4 yrs	10	8	80
5 thru 9 yrs	12	8	96
10 thru 14 yrs	15	8	120
15 thru 19 yrs	18	8	144
20+ Years	22	8	176

Lincoln County's Current Vacation Schedule:

Year Range	# days	hours	Number of Hours
0 thru 2 yrs	11.375	8	91
3 thru 5 yrs	13	8	104
6 thru 10 yrs	16.25	8	130
11 thru 15 yrs	19.5	8	156
16 thru 20 yrs	22.75	8	182
20+ Years	26	8	208

Strategic Committee Proposed Lincolnton Vacation Schedule

Year Range	# days	Number of Hours
0 thru 2 yrs	12	96
3 thru 5 yrs	13	104
6 thru 10 yrs	17	136
11 thru 15 yrs	20	160
16 thru 20 yrs	23	184
21 thru 25 yrs	26	208
26+ Years	28	224

Notes:

1. Effective 7/1/2025 - not retroactive
2. Payroll dated 7/22/2025 (7/1/2025-7/14/2025)

Attachment B

Proposed Personnel Policy Revision, Article VI Section 3-Vacation Leave

1. Current Policy:

ARTICLE VI SECTION 3. VACATION LEAVE (A and B)

A. Purpose:

The intent of vacation leave is to provide for periodic paid absences from work to enhance the health and well-being of City employees, as well as to maintain a competitive stance in the market for recruitment and retention of employees.

B. Manner of Accumulation

Employees working the basic workweek of 40 hours shall earn vacation leave as shown in Table 2 below. For employees having a work week with greater or fewer hours than the basic work week, vacation leave shall be granted in the same proportion as their work week is to a forty (40) hour work week.

Table 1 – 37.50 Hour per FLSA Work Week Employee (75 hours bi-weekly)

Years of Service	Hours Accrued Per Pay Period
0 thru 4 Years	2.89
5 thru 9 Years	3.47
10 thru 14 Years	4.33
15 thru 19 Years	5.20
20 + Years	6.35

Table 2 - 40 Hour per FLSA Work Week Employee (80 hours bi-weekly)

Years of Service	Hours Accrued Per Pay Period
0 thru 4 Years	3.08
5 thru 9 Years	3.70
10 thru 14 Years	4.62
15 thru 19 Years	5.54
20 + Years	6.77

Table 3 – 84 Hours per Bi-Weekly Work Period Employee

Years of Service	Hours Accrued Per Pay Period
0 thru 4 Years	3.24
5 thru 9 Years	3.88
10 thru 14 Years	4.85
15 thru 19 Years	5.82
20 + Years	7.11

Table 4 – 106 Hours per Bi-Weekly Work Period

Years of Service	Hours Accrued Per Pay Period
0 thru 4 Years	4.08
5 thru 9 Years	4.90
10 thru 14 Years	6.12
15 thru 19 Years	7.34
20 + Years	8.97

A. An employee will begin earning vacation leave immediately upon employment, and vacation leave is accrued in each payroll period.

B. Employees serving a probationary period shall be permitted to take accumulated vacation leave during the probationary period.

C. Vacation leave will continue to accumulate while an employee is on an approved paid leave.

D. An employee on vacation cannot work for the City, nor is an employee authorized to use vacation that is accrued by another employee.

E. Employees wishing to schedule time off for religious observances, other than those observed by the City, may request vacation leave from their respective department head. The department head will attempt to arrange the work schedule so that an employee may be granted vacation leave for the religious observance. Vacation leave for religious observances may be denied only when granting leave would create an undue hardship for the City.

F. Vacation leave records will be maintained in the Finance Department.

2. Proposed Policy Revision:

ARTICLE VI SECTION 3. VACATION LEAVE (A and B)

A. Purpose:

The intent of vacation leave is to provide for periodic paid absences from work to enhance the health and well-being of City employees, as well as to maintain a competitive stance in the market for recruitment and retention of employees.

B. Manner of Accumulation

Employees working the basic workweek of 40 hours shall earn vacation leave as shown in Table 2 below. For employees having a work week with greater or fewer hours than the basic work week, vacation leave shall be granted in the same proportion as their work week is to a forty (40) hour work week.

Table 1 – 37.50 Hour per FLSA Work Week Employee (75 hours bi-weekly)

Years of Service	Hours Accrued Per Pay Period
0 through 2 Years	3.47
3 through 5 Years	3.75
6 through 10 Years	4.91
11 through 15 Years	5.77
16 through 20 Years	6.64
21 through 25 Years	7.50
26 + Years	8.08

Table 2 - 40 Hour per FLSA Work Week Employee (80 hours bi-weekly)

Years of Service	Hours Accrued Per Pay Period
0 through 2 Years	3.70
3 through 5 Years	4.00
6 through 10 Years	5.24
11 through 15 Years	6.16
16 through 20 Years	7.08
21 through 25 Years	8.00
26+ Years	8.62

Table 3 – 84 Hours per Bi-Weekly Work Period Employee

Years of Service	Hours Accrued Per Pay Period
0 through 2 Years	3.88
3 through 5 Years	4.20
6 through 10 Years	5.50
11 through 15 Years	6.47
16 through 20 Years	7.44
21 through 25 Years	8.40
26+ Years	9.05

Table 4 – 106 Hours per Bi-Weekly Work Period Employee

Years of Service	Hours Accrued Per Pay Period
0 through 2 Years	4.90
3 through 5 Years	5.30
6 through 10 Years	6.94
11 through 15 Years	8.16
16 through 20 Years	9.38
21 through 25 Years	10.60
26+ Years	11.42

1. An employee will begin earning vacation leave immediately upon employment, and vacation leave is accrued in each payroll period.
2. Employees serving a probationary period shall be permitted to take accumulated vacation leave during the probationary period.
3. Vacation leave will continue to accumulate while an employee is on an approved paid leave.
4. An employee on vacation cannot work for the City, nor is an employee authorized to use vacation that is accrued by another employee.
5. Employees wishing to schedule time off for religious observances, other than those observed by the City, may request vacation leave from their respective department head. The department head will attempt to arrange the work schedule so that an

employee may be granted vacation leave for the religious observance. Vacation leave for religious observances may be denied only when granting leave would create an undue hardship for the City.

6. Vacation leave records will be maintained in the Finance Department.