



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: September 10, 2021
 TO: Board of Directors
 FROM: General Manager
 SUBJECT: General Manager Request for Exception to District Voluntary Separation Policy

RECOMMENDATION: That the Board approve the General Manager's Request For An Exception to the District's Voluntary Separation – Resignation or Retirement Policy, On a Non-Precedent Setting Basis, Allowing the Use of the Balance of Accrued Paid Time Off in Excess of 22 Days,

BACKGROUND AND DISCUSSION:

This matter came before the Personnel Committee on September 1, 2021, and received the Personnel Committee's support to bring forward to the full board for approval.

In May 2017, the General Manager implemented a new District Policy, Voluntary Separation – Resignation or Retirement, establishing a consistent process and set of rules for processing voluntary employee separations. See Attachment A.

California labor regulations require all accrued paid time off (PTO) (vacation, management leave and floating holidays) to be paid out at time of separation. District policy provides employees the option of using approximately one month of accrued paid time off (PTO) at the end of an employee's service time to extend their length of service. Employees who elect to use accrued paid time off in this manner, are considered 'active' employees and all benefits continue for the duration of time they are on PTO and their last day of work for all "official" purposes is their last day on PTO. Section 5.a of Voluntary Separation – Resignation or Retirement policy, sets a limit on the number of PTO days an employee may use to extend their length of service to 22 days total, equivalent to approximately one month.

In June 2021, I informed the Board and staff that I intended to resign my position, effective September 17, 2021 and that I intended to use all my accrued PTO until it had been exhausted, effectively remaining an "active" employee through March 2022. I offered to make myself available to assist the new General Manager as needed during the time I would be on paid leave.

After further discussion with the Leadership Team, I have decided to change my resignation date and to continue working through December 17, 2021, in order to be continuously available at the worksite during the new General Managers transition period. My intention remains the same in regard to the use of all accrued paid time off after my last day at work. Based on my current PTO balance and projected accruals to be earned while on paid leave (beginning December 20, 2021), my PTO balance will be approximately 827 hours or 103 days as shown on Attachment B. I do anticipate taking some additional days off during this interim period.

GM Request for Exception to District Voluntary Separation Policy

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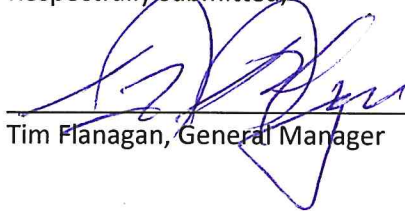
FINANCIAL IMPACT:

Since the balance of PTO must be paid out at time of separation, in accordance with California labor regulations, the financial impact of a policy exception as discussed above, would only include the District contributions towards, CalPERS, 457(b) employer match, benefits and the continued PTO accruals for the period over the 22 days permitted by policy, and is estimated to amount to \$35,057.90.

CONCLUSION:

The Personnel Committee recommends the Board approve the General Manager's request for an exception to District policy, on a non-precedent setting basis, allowing the use of the balance of accrued PTO in excess of 22 days. Since my last day at work will be December 17, 2021, my current PTO accrual will effectively extend my employment through mid-May 2022. The total period of paid time off will may change, depending on the actual balance of PTO on December 17, 2021.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Tim Flanagan', is written over a horizontal line.

Tim Flanagan, General Manager



Monterey Regional Waste Management District

VOLUNTARY SEPARATION - RESIGNATION OR RETIREMENT

Applies to:	All Employees
Date Implemented:	May 2017 (Distributed with 5/31/17 payroll.)
Policy Owner:	Human Resources Department

1. An employee may voluntarily resign from the District by presenting his/her resignation in writing to their Manager and the Human Resources Department. To resign in good standing, an employee shall provide advance notice of two-weeks minimum, unless there are extenuating circumstances that make it difficult for the employee to provide such advance notice.
2. A resignation is accepted upon submission of the resignation. Withdrawal of the letter of resignation can only be accomplished by the mutual written agreement of the District and the employee. The District will act on reliance of resignations and initiate the recruitment process as soon as practical, for filling the position, if deemed appropriate by the District.
3. On or about the employee's last day, a Human Resources representative shall conduct an exit interview with the separating employee. The information received during the exit interview, may be shared with the General Manager, Department Director and/or Manager for improvement opportunities.
4. Employees shall return all District property (uniforms, keys, gate pass, tools and equipment, credit card, District communication devices, etc.) to his/her manager as soon as practical, but no later than the employee's last day at work.
5. Employees who separate from the District shall receive payment of all actual hours worked and accrued paid time off (vacation, comp, floating holidays) for which the employee is eligible. Such payment shall be subject to all applicable deductions.
 - a. Separating employees may elect to use accrued paid time off (up to a maximum of 22 days) after their last day on the job to extend their "official last day of work". These employees shall be placed on paid leave of absence during this period.
 - b. Separating employees who are placed on paid leave of absence shall accrue all regular benefits and paid time off during that period and shall receive their paycheck on the normal payday until their "official last day of work".
 - c. The final paycheck will include payment of the balance of all accrued, unused vacation hours, comp time and floating holidays, if applicable.
6. Health insurance benefits shall remain in effect as if the employee was actively employed, through the end of the following month, after the employee's official last day of work. (Example: Employee's last day is May 15. Benefits expire on June 30th.)
7. Whenever applicable, the District shall report the employee's retirement to CalPERS and transfer all accrued paid sick leave hours for conversion at retirement, pursuant to the rules of the Public Employee's Retirement System.
8. Separated employees shall provide written notice to Human Resources of any address and phone number changes during the first year of their separation for year-end (W2) mailings.

// END OF POLICY

PTO Accrual Schedule

Attachment B

Tim Flanagan

Bal @ 8/5/21		Management		
Pay date	Pay period	Vacation	Floating Holiday	Leave
		326.77	184.00	343.00
8/19/2021	8/1-8/14	6.77		
9/2/2021	8/15-8/28	6.77		
9/16/2021	8/29-9/11	6.77		
9/30/2021	9/12-9/25	4.92		
10/14/2021	9/16-10/9			
10/28/2021	10/10-10/23			
11/10/2021	10/24-11/6			
11/24/2021	11/7-11/20			
12/9/2021	11/21-12/4			
12/23/2021	12/5-12/18		8.00	(109.00) Buy Out over 234 hours
1/6/2022	12/19-1/1/22			4.50
1/20/2022	1/2-1/15			4.50
2/3/2022	1/16-1/29			4.50
2/17/2022	1/30-2/12			4.50
3/3/2022	2/13-2/26			4.50
3/17/2022	2/27-3/12			4.50
3/31/2022	3/13-3/26			4.50
4/14/2022	3/27-4/9			4.50
4/28/2022	4/10-4/23			4.50
5/12/2022	4/24-5/7			4.50
5/26/2022	5/8-5/21			4.50
		352.00	192.00	283.50

Total Hours	827.50
Total Days	103.44