



Board of County Commissioners

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MEMO

TO: Board of County Commissioners (BOCC)

FROM: Erik Martin, County Manager

DATE: December 5, 2022

SUBJECT: Annual Leave Cash-Out Policy

There are several exempt employees in the county that often carry a balance for annual leave over the 240 max per the employee handbook. Per county policy, if an employee is over the 240 limit at year end they lose the excess hours unless they submit a request to their elected or director to carry the balance over into the next year. Many exempt employees often work over 40 hours a week because of a particular skill set and knowledge but also to a lack of redundancy in their positions duties. Because of their exempt status, they are not eligible for overtime and because of their specialized skills they often struggle with taking extended periods of time off. This has been especially true over the last 3 years.

I am proposing to offer an optional annual leave cash-out policy for 2022, only to exempt employees with the following criteria:

- As of 12/1, if an exempt employee has 200 to 240 hours of annual leave (not over max), up to 40 hours of leave may be cashed out. If over 240 hours, then up to 80 hours may be cashed out.
- At no time may the leave balance for a participant drop below 160 hours due to the cash out.
- The cash out would require the use-it-or-lose it policy to be observed. So if an employee were in excess of 240 hours, after a cash out they would lose any remaining hours down to the 240 max.

Erik Martin
County Manager

Sean Swope
First District

Lindsey R. Pollock, DVM
Second District

Scott Brummer
Third District

Rieva Lester
Clerk of the Board

- This is a one-time only cash out for 2022 due to increased workload over the last 3 years which included Capital Project and Parks emphasis, new and special Public Works projects (including broadband), ARPA and CARES funded projects and compliance, and increased law and justice activities directly and indirectly related to the pandemic, and a general shortage of labor in the marketplace.

I would like to work on a more permanent policy for future years which probably needs more time to be vetted. We need good practices and policies that will discourage abuse of this policy. Therefore, I would assume that the use of this policy would DECREASE over time and not increase based on good management practices.

I have worked with the Auditor's office, the Budget office, and Human Resources on this policy and there appears to be no issues. A similar benefit is available to some collective bargaining units currently. It appears that most of the cost of this proposal could be covered by budget savings due to vacancies but if the board accepts this policy, it should be prepared to grant some small budget amendments to cover this cost.