



HISTORIC  
FRANKLIN  
TENNESSEE


09-23-14

ITEM #25  
BOMA

## MEMORANDUM

August 29, 2014

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator   
Shirley Harmon, Human Resources Director

**SUBJECT:** Proposed adjustment to the City of Franklin Holiday Schedule

### Purpose

The purpose of this memorandum is to provide the Board of Mayor and Aldermen (BOMA) with information to consider a modification to the City's Holiday schedule and to provide full time employees with two personal days per year.

### Background

For many years the City of Franklin has declared 11 official holidays for City employees. These are days during which City offices are closed and with the exception of those employees involved in 24-hour operations (i.e. – Police, Fire, Water/Sewer plant operations). This policy is summarized in Article XVIII, Section A of the City's Human Resources Manual (attached).

After careful review and discussion with Department Leadership, the City Administrator and HR Director would like the Board to consider an adjustment to the holiday schedule that would involve the elimination of the Presidents' Day holiday (recognized on the third Monday in February) as an official City holiday and in its place offer employees two personal days. This holiday reduction would allow for an additional day of productive work time and service delivery for the City organization as a whole and would provide some cost savings to the City in terms of overtime and holiday pay reduction. It should also be noted that many Citizens assume that the City is open on this day. By discontinuing the official holiday, the City could reduce confusion and eliminate the disruption of certain City services that typically occurs during a holiday week. In addition, the provision of the personal days, which are still subject to the approval of supervisors and Department Directors, provides employees with some additional flexibility to meet family and personal obligations. The City did provide employees with two personal days per year during 2009 and 2010 at a time when the City was unable to provide salary increases. They were well received by City team members at that time. Personal Days, similar to vacation days, are subject to supervisor approval based on staffing needs and service demands within the department. Unlike vacation time, Personal Days are not eligible to be carried over from year to year.

### Financial Impact

The projected benefit to removing the holiday equates to at least \$203,000 total. This is the combined impact of Holiday provided to employee from 24/7 operations of approximately \$83,000. There is a "production" benefit associated to the City being "open for business" and additional day during the year. This is calculated by taking our operations budget, netting our 24/7 operations that will be functions regardless of the holiday, and dividing this total by the total number of work days in the year. This production capacity equates to approximately \$120,000 per day. In addition, we do know that some additional overtime does accrue during holiday weeks in our residential trash and recycling operations. While we do not have a precise cost, there is clearly additional cost avoidance in this area.

These three elements (holiday pay reduction, additional day of organizational productivity, and overtime savings) promise to produce a benefit to the City, an estimated minimum of \$203,000 (without an overtime savings calculation). There is a cost impact to providing the additional personal days estimated at \$118,500 assuming all



HISTORIC  
FRANKLIN  
TENNESSEE

## MEMORANDUM

---

full time employees take both days during a year. Combined together this equates to an estimated net benefit to the City of \$84,500 per year.

### **Options**

The Board may choose to approve, deny or modify the proposed change in the City Holiday schedule.

### **Recommendations**

The modification of the City Holiday schedule to eliminate the Presidents' Day holiday and provide full time City employees with two Personal Days per year is recommended. This modification is proposed to become effective in calendar year 2015.

## Article XVIII – Leaves and Absences

### Section A. Holidays

**Holidays** - The following days shall be declared official holidays for the Municipal Government employees and other such days as may be designated by the Board of Mayor and Aldermen:

New Year's Day	January 1
Martin Luther King's Birthday	3rd Monday in January
President's Day	3rd Monday in February
Good Friday	Friday before Easter
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	1st Monday in September
Thanksgiving Day	4th Thursday in November
Friday after Thanksgiving	4th Friday in November
Christmas Day	December 25th
Bonus Christmas Day	The workday before or after Christmas Day

The City Administrator annually sets the date observed as the Bonus Christmas Day.

When a holiday falls on a Saturday, the Friday before the holiday shall be observed as the holiday. When a holiday falls on a Sunday, the following Monday shall be observed as a holiday. Floating holidays are not allowed.

Employees required to work when their scheduled shift falls on any City-observed holidays shall receive compensation in accordance with Article XI, Section H of these Rules and Regulations.

### Section B. Vacation Leave

All active regular full-time and regular part-time employees of the City, and all active employees in a probationary period for regular full-time positions of the City, shall accrue vacation leave monthly. An employee must be in a paid status with the City for at least 50% of the month in order to accrue vacation leave for that month. Employees on sick leave, terminal leave, job related disability / injury leave, layoff, leave without pay, absent without leave, or any combination of the above for more than 50% of the month will not accrue vacation leave time during that month. Employees on disciplinary suspension of one (1) or more days or suspension pending investigation or disciplinary hearing (unpaid) shall not be eligible to accrue vacation leave during the month of suspension. Employees may not borrow against future vacation leave before it is earned and accrued.

Vacation leave shall be accrued on the following basis unless otherwise designated by the City Administrator: