



**MEMORANDUM**

To: City of Menasha Personnel Committee

From: Peggy Steeno, Director of Administrative Services

Date: January 29, 2015

RE: Proposed Updates to the City's Overtime Policy for Non-Represented Employees

**BACKGROUND**

As you know, we have been discussing the need to update our existing Personnel Policy Handbook due to the dissolution of some of the bargaining units as of 1/1/12. Since it would be extremely difficult to complete all of the updates at once, we will be presenting individual sections in an effort to work our way through the handbook.

At this time, we are presenting the overtime policy, as the first section, for your consideration.

**ANALYSIS**

The attached document includes three sections:

1. The overtime policy as outlined in the existing City of Menasha Personnel Policy Handbook. This has been in place, for quite some time, for non-represented employees.
2. The overtime policy that was established in 2012 for the employees that were previously covered under bargaining agreements.
3. A proposed overtime policy that will cover all current, non-represented employees, thereby combining sections one and two.

The changes being request are as follows:

- A. A change in the way overtime is calculated. Currently, overtime is calculated based on the Fair Labor Standards Act (FLSA) Overtime Provisions except that holiday pay is considered time worked and is included for the purpose of calculating overtime pay. The requested change is that two more exceptions be added to the holiday pay exception; also including vacation and floating holiday hours in the calculation of overtime pay. This is being requested to assist the City in obtaining extra, after hours staffing in emergency situations. This requested change is common among other WI communities.

- B. A change in the number of compensatory hours that can be accumulated by the Communications Technicians at the Police Department. The way compensatory time is handled for these positions is different than that of other non-represented positions due to the nature and work schedules of those positions. The requested change is to allow the accumulation of 40 hours of compensatory hours at any given time rather than 240 hours. There are two current employees that have greater than 40 hours accumulated that would need to be addressed if this item is approved. The plan for this would be to cap those two employees at their current accumulated number of hours and allow them to continue with those caps as long as they are employed by the City.

**FISCAL IMPACT**

The fiscal impact of the exceptions to the FLSA overtime provisions is estimated to be less than \$350 per year. And, there is a positive fiscal impact in regard to the change in the number of hours the Communications Technicians are allowed to accumulate due to the timing of payment for those hours if the hours are not taken as additional time off since the hours are paid out at the employees current rate of pay at the time of pay out.

**RECOMMENDATION**

Staff recommends approval of the proposed Overtime Policy in the attached document.

## **City of Menasha Personnel Policy Handbook—Long Standing Policy for Non-Represented Employees**

### C. Overtime.

1. Employees not exempt from Fair Labor Standards Act Overtime Provisions, who are required to work in excess of eight (8) hours a day or forty (40) hours per week, will be compensated at time and one-half their straight time pay rate for the overtime hours worked.

## **Current Rules for Former 1035/1035 B Group (Mayor's Memo – 1/1/12) – Established Due to the Dissolution of the Bargaining Units**

C5. Public Works and Parks employees will receive two times the regular rate of pay for all of the hours worked on Sundays. Any employee can choose to have any overtime paid or taken in compensatory time. Any compensatory time not used by June 30 and by December 31 of each year will be paid in cash at the employee's then rate of pay. The use of compensatory time must be approved in advance by the Department Head. For purposes of calculating overtime, the City will follow FLSA rules except that Holiday pay will be considered time worked.

C5. Police complaint clerks will receive overtime at the rate of one and one half of the regular rate for all of the hours worked beyond their regular work schedule. The employees can choose to have the overtime paid or taken in compensatory time. A maximum of 240 hours of compensatory time can be accumulated. Taking compensatory time off will be scheduled with the Police Chief or their designee.

## **Proposed Overtime Policy – City of Menasha Personnel Policy Handbook – All Non-Represented Employees**

### C. Overtime.

1. *Employees not exempt from Fair Labor Standards Act (FLSA) Overtime Provisions, who are required to work in excess of forty (40) hours per week, will be compensated at time and one-half the regular rate of pay for the overtime hours worked. **For purposes of calculating overtime, the City will follow FLSA rules except that Holiday Pay, Floating Holiday Pay, and Vacation Pay will be considered time worked.***
2. *Full Time, Municipal Operations Employees will receive two times the regular rate of pay for all hours required to be worked on Sundays.*
3. *Police Communications Technicians will receive overtime at the rate of one and one half of the regular rate for all of the hours worked beyond their regular work schedule. The employees can choose to have the overtime paid or taken in compensatory time. A maximum of ~~240~~ 40 hours of compensatory time can be accumulated. Taking compensatory time off will be scheduled with the Police Chief or their designee.*
4. *Any employee can choose to have any overtime paid or taken in compensatory time. Any compensatory time not used by June 30 and by December 31 of each year will be paid out at the employee's current rate of pay in July and January of each year. The use of compensatory time must be approved in advance by the Department Head.*