

RESOLUTION NO. 2018-49
(6-8-18)

**RESOLUTION AUTHORIZING THE OVERTIME CALCULATION AND
COMPENSATION POLICY AND ONE TIME PAY ADJUSTMENTS TO ELIMINATE
SALARIED EXEMPT OVERTIME**

WHEREAS, the Village of Caledonia is paying certain salaried exempt employees overtime for hours worked over 40 hours;

WHEREAS, this practice is not following the FLSA laws and our lawyer advised us to change our practice to follow the applicable laws;

WHEREAS, the Village has drafted a Overtime Calculation and Compensation Policy to replace the current Overtime and Compensation Policy in the Personnel Manual and is attached hereto as **Exhibit A**;

WHEREAS, the Village will provide a one-time salary increase to certain positions that are currently earning overtime, then no more overtime will be earned and these positions will follow the FLSA laws as Exempt employees; the following positions will earn a prorated one-time salary increase:

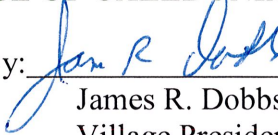
- Battalion Chiefs- \$5,000
- Police Lieutenants- \$ 2,500
- Police Captain- \$5,000


WHEREAS, the Personnel Committee of the Caledonia Village Board has reviewed the new Overtime Calculation and Compensation policy, recommends adopting the new Policy and approves the prorated one-time salary increase effective July 1, 2018 for the Battalion Chiefs of \$5,000, the Police Lieutenants of \$2,500 and the Police Captain of \$5,000; and

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board the new Overtime Calculation and Compensation Policy as of July 1, 2018 replaces the current Overtime Calculation and Compensation Policy, there will be a prorated one-time salary increase for the Battalion Chiefs, Police Lieutenants and Police Captain and no more overtime will be earned.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin,
this 18th day of June, 2018.

VILLAGE OF CALEDONIA

By: 
James R. Dobbs
Village President

Attest: 
Karie Torkilsen
Village Clerk

16. Overtime Calculation and Compensation

A. Employee Status

Exempt employee: An employee who is designated by the Fair Labor Standards Act (FLSA) as being exempt from its minimum wage and overtime requirements.

Non-exempt employee: An employee who is subject to the wage and hour laws established by the FLSA. Employees designated as such are subject to minimum wage and must receive overtime pay at the rate of one and one-half times their regular rate of pay for each hour worked above 40 hours worked per week.

B. Overtime Compensation- General Rules

Exempt employees are not eligible for paid overtime or compensatory time.

Non-exempt employees shall receive time and one half their regular rate of pay for all hours worked in excess of forty hours per week. Compensatory time, at the rate of one and one-half hours per overtime hour worked, may be earned in lieu of pay, but the granting of such time shall be subject to the efficient operation of the department. Benefit time such as vacation, floating holidays, and sick time does not count as hours worked. (Village mandated holidays will count as hours worked for FLSA overtime calculation purposes). All overtime must be pre-approved by one's supervisor or the employee will be subject to discipline.

C. Overtime Compensation- Special Rules

- Non-exempt Highway Department Employees- Non-exempt Highway Department employees who are ***working snow removal operations*** will receive time-and-a-half overtime pay (or compensatory time) for hours worked in excess of 8 hours per day, or in excess of 40 hours per week or time otherwise worked outside of the regular assigned hours of 6:30AM to 2:30PM.
- Non-exempt Utility Department Employees- Non-exempt Utility Department employees who are working between November 1st and April 30th will receive time-and-a-half overtime pay (or compensatory time) for hours worked in excess of 8 hours per day, or in excess of 40 hours per week or time otherwise worked outside of the regular assigned hours of 6:30AM to 2:30PM.
- Police Sergeants- Any police Sergeants assigned a 5-2/5-3 schedule will receive overtime paid at one and a half times (1 ½) the employee's current rate of pay for hours worked in excess of 8 hours per day, or in excess of 40 hours per week.

D. Compensatory Time Bank and Payout

- Compensatory time bank. Non-exempt employees may earn and bank compensatory time to a maximum of eighty (80) hours per calendar year. Compensatory time above the authorized accumulation will be paid out during the pay period in which it was earned. There will be no carryover of compensatory time into the next calendar year. Any hours banked and not used by December 31 will be paid out on the next paycheck. Compensatory time shall be paid at the overtime rate it was earned. One time per year, employees may request a payout of compensatory hours in their earned bank. The request for payout must be made and submitted to Payroll between June 15 and June 30 and then will be paid out on the next paycheck.
- Compensatory time payout. Compensatory time payouts will be made as part of a regular payroll cycle, not as a separate direct deposit or check.

Compensatory time will be charged to the department under which it was earned. When an employee has earned compensatory time and separates or transfers out of that department, the compensatory time must be resolved prior to the employee leaving the department. In addition, all compensatory time must be resolved prior to an employee transferring from a nonexempt to an exempt position. Comp time may only be used in minimum quarter (1/4) hour increments.

Revised 6/15/18

Adopted 7/1/18