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MEMORANDUM

Date: October 22, 2018

To: Dan Duchniak

From: Lynn Gomez

Re: Proposed Revisions to Policy 206-Duty Hours

Attached to this memo are proposed revisions to Policy 206-Duty hours that we will present to the Commission for approval this month. These revisions include the addition of comp time off and a revision to the current overtime language.

Though the Utility has never offered 'comp time' to hourly staff, it is common practice in the public sector to offer this as an alternative to overtime pay. A recent survey of utilities and municipalities in Wisconsin shows that of 47 entities surveyed, 35 of them (74.5%) offered comp time. In fact, the City of Waukesha and Waukesha County both offer it. The majority of overtime is unscheduled emergency time that is taking unplanned family time from our employees. Feedback from staff is that, to many, time off is more valuable than extra pay.

In addition, we propose a change to the overtime pay calculation. Currently, the utility pays overtime for actual hours worked over 40 in a week. The management team would like to <u>include holiday pay</u> with the calculation for overtime pay. PTO and other leaves will still be excluded.

Recommended Motion: Approve revisions to policy 206: Duty Hours to include compensatory time provisions and revisions to the overtime pay calculation.

206: Duty Hours

Approved: 1/19/2012 Revision Proposed: 10/25/2018 (for January 1, 2019 effective date)

Duty hours for all employees are scheduled at such times as are appropriate for the effective and efficient accomplishment of Utility objectives, and will be assigned at the sole discretion of management.

206.1: Overtime and Compensatory Time

In accordance with Fair Labor Standards Act (FLSA) requirements, the Utility will pay overtime for hours worked in excess of forty hours per week for those employees covered by the FLSA. All overtime must be approved by the Department Manager or designated Supervisor.

Non-Exempt (hourly) Employees- Any time worked in excess of forty (40) hours per week shall be considered overtime. Paid time off for hours not at work, with the exception of authorized holidays listed in 202.5, are not considered hours worked for overtime purposes. All overtime work shall be compensated at a rate of pay one and one-half (1 1/2) times greater than the employee's regular base rate of pay.

<u>Exempt (salary) employees</u> may be required to work extra hours and may request compensatory time off from the General Manager for extra hours worked. Requests for compensatory time off will be considered on a case by case basis and may or may not be approved.

206.2: Call-in Time

Call-in time consists of <u>unscheduled or emergency work time</u> outside of normal duty hours and is separate and distinct from overtime as described in 206.1.

Emergency, for purposes of this provision, shall be defined as water system emergencies as determined by the General Manager.

Each case in which an employee is called in and reports to a Utility facility or worksite will be compensated at a minimum of two hours of regular pay or overtime, if applicable. In cases when time worked on a called-in basis exceeds one hour and twenty minutes the overtime rate shall be applied. All non-emergency overtime will be compensated in accordance with policy 206.1. Employees called-in for an emergency must report within 30 minutes.

206.3: Called at Home

Employees who are contacted at home and who perform work at home on behalf of the Utility will be compensated for actual time worked, but not less than fifteen (15) minutes. This time will be compensated at 1.5 times regular pay if in excess of 40 hours worked in accordance with policy 206.1.

206.4: Compensatory Time Off (effective January 1, 2019)

Non-Exempt employees who are eligible for overtime pay as outlined in 206.1 and 206.2 may choose to bank compensatory time off at the rate of time and $\frac{1}{2}$ in lieu of overtime pay, for use at a later date.

- a. Compensatory time off earned and banked shall accumulate to a maximum of 36 hours in a calendar year (which is 24 hours worked at time and ½ pay rate). The 36 hours is the maximum hours that an employee can bank in each calendar year, and cannot be refilled when exhausted.
- All compensatory time off shall be approved in advance by the Department Manager or designated Supervisor in order to assure minimum acceptable staffing requirements of the department.
- c. Compensatory time shall not be taken in less than one hour increments (unless there is a balance of less than 1 hour)
- d. Overtime worked in December will be compensated at the appropriate overtime rate and, not be eligible for conversion to compensatory time.
- e. Compensatory time banked and unused on December 1st of each year will be paid in December and will not be carried over to the next calendar year.

206.4: Standby Pay. Revised: 12/12/2014

Standby duty will be scheduled by the Utility, as the Utility deems standby is necessary, based on a rotating schedule of employees qualified to handle the emergency work.

The standby duty may be traded by employees only in one week increments. The department manager/supervisor must be made aware of all trades. The person accepting the trade will assume all of the responsibilities and duties associated with the standby assignment for the week of standby.