

**Issue Statement
Village of North Hudson
Finance/Board of Trustees
August 6, 2019**

Submitted by: Melissa Luedke

Topic

Amendment of the Employee Handbook to revise overtime and compensatory time language for non-exempt employees.

Background

In conversations between the Village Treasurer and the HR Attorney, it was noted that there is conflicting language in the Employee Handbook under sections C. Overtime and D. Compensatory Time. The attorney has provided revised language to each section. The changes to section C add clarity and explain how premium pay is treated. The change to section D is also for clarification purposes.

Suggested Motion

Move to amend the Employee Handbook to revise overtime and compensatory time language as provided on the attached documents.

VILLAGE OF NORTH HUDSON HANDBOOK PROPOSAL

C. OVERTIME

Each position is designated as either “Non-exempt” or “Exempt” from the Federal Fair Labor Standards Act and state wage and hour laws. Employees in “non-exempt” jobs are paid on an hourly basis and are entitled to overtime pay for hours worked in excess of 40 hours per week. Employees in “exempt” positions are generally paid on a salary basis and are excluded from specific provisions of federal and state wage and hour laws and are not eligible for overtime pay. Employees should contact their supervisor if they are unsure of their position’s designation.

The work week for overtime purposes starts at 12 a.m. Saturday and ends at 11:59 p.m. the following Friday (Saturday through Friday). Time and one-half (1½) shall not constitute time worked when calculating overtime. Vacation, personal day, sick leave, holidays, and other paid leave time will be counted ~~toward~~ as hours worked when calculating overtime. Compensatory time used will not be counted as hours worked when calculating overtime. The work week for overtime purposes starts at 12 a.m. Saturday and ends at 11:59 p.m. the following Friday (Saturday through Friday). Premium pay at time and one-half (1-1/2) for full-time non-exempt personnel paid for on-call and call-in shall be credited towards overtime compensation, as applicable.

Employees will be required to work overtime according to Village needs as determined by their Department Head or the Village Administrator. If it is determined by a Department Head that an employee will be required to work overtime, the Department Head will notify the employee as early as is feasible.

There may be times when an employee would like to work overtime. However, prior authorization must always be received from an employee’s Department Head or the Village Administrator before the employee may work overtime. An employee who works unapproved overtime will be subject to discipline, up to and including discharge.

Overtime hours must be authorized in advance by the Department Head or the Village Administrator or his/her designee.

D. COMPENSATORY TIME

The Village Treasurer shall serve as the primary record keeper of compensatory time balances for all Village of North Hudson employees. Department Heads are designated as the secondary record keepers of compensatory time balances for the employees within their charge.

1. Unused or “banked” compensatory time may not be used to extend an employee’s termination or employment separation date. However, 100% of the unused or “banked” compensatory time shall be paid to the employee upon separation from Village of North Hudson employment at their current rate of pay.

3. Payroll forms and/or computerized payroll programs shall be used to compute and track compensatory time use and accrual.
4. Part-time employees, exempt and non-exempt, are not eligible for compensatory time accumulation.
5. Exempt Employees
 - a. Exempt employees include: the Chief of Police, Public Works Director, Administrator, Clerk, and Treasurer.
 - b. Exempt employees are eligible to earn compensatory time for all hours worked in excess of forty (40) hours per workweek.
 - c. The rate of compensatory time for exempt employees is one hour earned for one hour worked or "one-for-one."
 - d. Maximum annual accumulation of compensatory time is eighty (80) hours. The maximum amount of carryover compensatory hours from calendar year to calendar year for employees in these positions is eighty (80) hours.
 - e. Exempt employees shall receive no additional compensation or compensatory time off for hours worked over 40 hours in a week once the maximum annual accumulation of compensatory time has been reached.
6. Non-Exempt Employees
 - a. Non-exempt employees include: the Police Department Administrative Assistant, Deputy Clerk/Treasurer, Public Works employees (excepting the Public Works Director).
 - b. Non-exempt employees earn compensatory time at time and one-half (1-1/2) for all hours worked in excess of forty (40) hours per workweek, with the exception of non-exempt Police Patrol Officers and the Police Patrol Sergeant.
 - c. Maximum annual accumulation of compensatory time is forty (40) hours. The maximum amount of carryover hours from calendar year to calendar year is forty (40) hours.
 - d. Once an employee has reached the maximum annual accumulation of compensatory time, any additional overtime earned shall be paid out at time and one-half (1½) the employee's regular rate of pay.
7. North Hudson Police Patrol Officers earn, accrue, use, and carryover compensatory time consistent with the current collective bargaining unit agreement.