

Office of the City Manager

City of Richland Hills, Texas

Memorandum

To: Honorable Mayor Bill Agan and members of the Richland Hills City Council
From: Eric Strong, City Manager
Date: June 21, 2016
Subject: Update to Employee Handbook

Council Action Requested:

Approval of amendment to Employee Handbook

Background Information:

Currently, our employee handbook states that overtime rate for employees is calculated for any hours over 40 on the time sheet (or over the FLSA minimum requirement for fire employees). In addition, it states that "Time off for vacation leave, sick leave, compensatory leave, and paid holiday leave" may be counted as "hours worked" for the purposes of calculating overtime.

This is not standard practice in the city and is not a best practice generally. What we actually have been doing is calculating overtime pay based on actual hours worked, compensatory time and holiday time, but NOT vacation or sick. In essence, if an employee works 40 hours in a week, and takes 8 hours of sick time, they are paid straight time for all 48 hours. However, if they actually work all 48 hours, they are paid straight time for 40 and overtime for 8. I would like for council to approve an update to the Employee Handbook to implement what we are actually doing and to fall in line with general best practices. The amendment is as follows (changes in red):

Overtime Rate (except for certain fire and police personnel). Overtime pay for nonexempt employees (excluding certain fire and police personnel as outlined below) is at the rate of 1-½ times the employee's regular hourly rate for hours worked in excess of 40 in a workweek. Time off for ~~vacation leave, sick leave,~~ compensatory leave, and paid holiday leave that was scheduled and approved in advance may be counted as "hours worked" for purposes of performing overtime calculations. Such paid leave time must

have been scheduled and approved before the additional hours are worked. All other types of leave, whether paid or unpaid, including Family and Medical Act Leave, jury duty leave, witness duty leave, **sick time, vacation time** or bereavement leave, is **not** considered time worked for purposes of performing overtime calculations.

Overtime Rate for Sworn Twenty-Four Hour Shift Fire Department Personnel

Overtime pay for sworn twenty-four hour shift fire department personnel is at the rate of 1-1/2 times the employee's regular hourly rate for hours worked in excess of 204 hours in a 27 day work period. Time off for ~~vacation leave, sick leave~~, compensatory leave, and paid holiday leave that was scheduled and approved in advance may be counted as "hours worked" for purposes of performing overtime calculations. Such paid leave time must have been scheduled and approved before the additional hours are worked. All other types of leave, whether paid or unpaid, including Family and Medical Act Leave, jury duty leave, witness duty leave, **sick time, vacation time** or bereavement leave, is **not** considered time worked for purposes of performing overtime calculations.

Overtime Rate for Sworn members of the Police Department

Overtime pay for sworn members of the Police Department is at the rate of 1-1/2 times the employee's regular hourly rate for hours worked in excess of 80 hours in a 14 day work period. Time off for ~~vacation leave, sick leave~~, compensatory leave, and paid holiday leave that was scheduled and approved in advance may be counted as "hours worked" for purposes of performing overtime calculations. Such paid leave time must have been scheduled and approved before the additional hours are worked. All other types of leave, whether paid or unpaid, including Family and Medical Act Leave, jury duty leave, witness duty leave, **sick time, vacation time** or bereavement leave, is **not** considered time worked for purposes of performing overtime calculations

Board/Citizen Input: N/A

Financial Impact: N/A

Staff Contacts

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Attachments: N/A