

RESOLUTION 23-214

**A RESOLUTION TO MODIFY THE OVERTIME AND COMPENSATORY TIME;
EMERGENCY CALLOUTS; STEP-UP PAY**

WHEREAS, the City of Spring Hill recognizes the importance of maintaining up-to-date and comprehensive personnel policies to guide our organization's human resources practices; and

WHEREAS, the City modified Ordinance 11-02 to adopt the Employee Handbook by Resolution; and

WHEREAS, future amendments or revisions to the personnel policies shall be considered for adoption by Resolution; and

WHEREAS, it has become difficult for the Fire department to maintain appropriate staffing due to staffing shortages; and

WHEREAS, current Fair Labor Standards Act rules provides a disincentive to employees to work additional hours by subtracting any leave taken by the employee during the pay period to determine overtime due; and

WHEREAS, the purpose of this incentive is to provide additional hourly pay to a firefighter's normal hourly pay rate when they work extra shifts due to staffing shortages between work hours 96 and 106; and

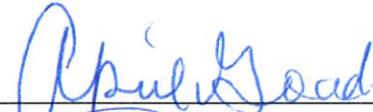
WHEREAS, it is in the best interest of the City of Spring Hill to adopt the Overtime And Compensatory Time; Emergency Callouts; Step-Up Pay policy revision.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, that the current overtime and compensatory time; emergency callouts; step-up pay policy, as presented in the document titled "4.10 – Overtime And Compensatory Time; Emergency Callouts; Step-Up Pay", is hereby adopted as the official overtime and compensatory time; emergency callouts; step-up pay policy of the City of Spring Hill.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 16th day of October 2023.

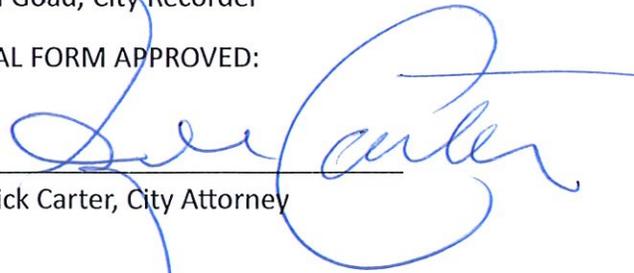

Jim Hagaman, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



MEMORANDUM

Date: October 16, 2023

To: Board of Mayor and Aldermen

From: Richard Stokes, HR Director

Re: Revising Overtime and Compensatory Time; Emergency Callouts; Step-up Pay Policy

PURPOSE:

The purpose of this incentive is to provide additional hourly pay to a firefighter's normal hourly pay rate when they work extra shifts due to staffing shortages. Normally the hours between 96 and 106 are straight pay. This change would provide a financial incentive to work additional shifts and get compensated above their normal hourly rate before overtime is initiated.

BACKGROUND:

The Fire Department has encountered previous challenges with regards to securing firefighters for overtime shifts, primarily due to the way the Fair Labor Standards Act accounts for time worked. Under the Act's regulations, when an employee takes leave or goes on unpaid leave, the time away is subtracted from the overtime calculation, resulting in lower-than-expected take-home pay for employees. To mitigate this issue and incentivize firefighters to work overtime hours, the proposed provision aims to adjust the calculation method.

By utilizing the existing "Step-Up" system and associated chart, employees would indicate on their time sheets that hours worked between the 96th and 106th hour were due to staffing shortages or additional shifts. These hours would be compensated at the step-up rate for the 10 hours between their regular shift hours and the commencement of time-and-a-half pay. Once they reach the 107th hour or more, their regular overtime rate would apply. Any hours worked beyond 106 hours would be recorded as either "Overtime Time and One-Half" or "Step-Up OT" if they continued to perform duties in a higher-class capacity. This adjustment aims to address previous pay discrepancies and encourage firefighters to take on overtime shifts.

FINANCIAL IMPACT:

\$30,000

STAFF RECOMMENDATION:

It is recommended that the resolution is adopted effective immediately.



OFFICE OF THE HUMAN RESOURCES

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4.10 Overtime and Compensatory Time; Emergency Callouts; Step-up Pay

Overtime is computed and paid according to current Federal Fair Labor Standards Act criteria and regulations. Overtime must be authorized by prior approval of the department head, other authorized department designee, or the City Administrator, except in the case of an emergency.

Non-exempt employees required to work overtime may be compensated with time off (compensatory time) or paid for such overtime. Except for shift personnel of the Fire Department, overtime, whether paid or exchanged for compensatory time, will be computed on the basis of one and one-half times the regular rate of pay for the hours worked in excess of forty (40) hours per week; eighty-six (86) hours per two weeks for sworn police officers. Overtime for shift personnel of the Fire Department will be computed on the basis of one and one-half times the regular rate of pay for hours worked in excess of 216 hours per twenty-eight (28) day pay period.

The forty (40), eighty-six (86) or Two Hundred Sixteen (216) hours, as the case may be, must be actual hours worked. Time off for sick, holiday or vacation will not be considered hours worked for the purposes of calculating overtime. Non-exempt employees may accumulate up to a maximum of forty (40) hours of compensatory time. If an employee who has reached the maximum compensatory time accrual of forty (40) hours earns additional overtime before any of the accrued compensatory time can be used, said additional overtime will be paid in cash at the rate of time and one-half. All non-exempt employees called in for overtime will be guaranteed pay or compensatory time for a minimum of two (2) hours.

If a non-exempt employee is called back to work for an emergency after the normal work shift has ended and after the employee has left the work premises, then compensation for the extra hours worked will be at a rate of one and one-half times the regular rate of pay, including a reasonable length of time to travel to work. The department head will determine whether the work is of an emergency nature and will determine whether the travel time is reasonable.

Regular full-time and regular part-time employees who are in executive, administrative, or professional positions as defined by the Fair Labor Standards Act are exempt from the overtime provisions of the Act. Therefore, the City is not legally required to compensate these employees, either through overtime pay or compensatory time, for extra hours worked.

During times an employee is asked to fill a position different from the one in which they are employed, the employee's compensation shall be temporarily adjusted to reflect the change in assignment. The adjustment shall be one half (50%) of the difference between the employee's assigned compensation level and the compensation level for which the employee has been temporarily reassigned. In the discretion of the City Administrator, the adjustment may be up to but not exceed three fourths (75%) of the difference between the employee's assigned compensation level and the compensation level for which the employee has been temporarily assigned. This temporary compensation change shall occur regardless of the length of time of the temporary reassignment.

The Fire Department may use step-up pay as an incentive to encourage employees to work extra shift hours due to staffing shortages. A staff member would indicate on their time sheet that the hours between 96 and 106 were for staffing shortages/additional shift and they would be compensated at that step-up rate for the 10 hours between their normal time and when their time and one-half pay begins. At hour 107+ their normal overtime rate would kick in. Overtime (>106) would be documented as either Overtime Time and One-Half or Step-Up OT if they remained acting in a higher class. Timecard Note should indicate at a minimum the station worked, position worked, and who approved the overtime.

Under the current plan, Firefighters would select Step-Up 1 for a Firefighter or Engineer position; Step-Up 3 for Captain position. Engineers would select Step-Up 2 for Firefighter, Engineer or Captain position. Captains would select Step-Up 2 and Battalion Chiefs would select Step-Up 1.

STEP-UP PAY CHART

	ACTING ENG (G)	ACTING CAPT (I)	ACTING BC (K)
<u>Assigned Rank</u>			
Firefighter (F)	Step-up 1	Step-up 3	XXX
Engineer (G)	XXX	Step-up 2	XXX
Captain (I)	XXX	XXX	Step-up 2