

Department of Employee Relations

Tom Barrett Mayor

Maria Monteagudo Director

Michael Brady Employee Benefits Director

Deborah Ford Labor Negotiator

June 13, 2014

To The Honorable
The Committee on Finance
and Personnel
Common Council
City of Milwaukee

Dear Committee Members:

Re: Common Council File #131590

File #131590 recommends amending Chapter 350-5-4 of the Milwaukee Code of Ordinances by adding language which would require a pay out of comp-time balances for employees who have been promoted into FLSA exempt positions (not covered by federal overtime pay provisions) and who have not used those balances—within two years of the promotion. In addition, this file recommends a requirement as of July 6, 2014—to have the comp-time balance of a non-FLSA exempt employee paid out prior to promotion to an FLSA exempt position removing the two year window for use of said balance. This change would affect current employees who have been promoted within the last two years and currently have a comp-time balance.

There are currently twelve employees who were promoted from non-FLSA exempt positions to FLSA positions who are either well past the two year window or right at this window. Upon approval of this file these employees will be paid out any comp-time balance they have. Any remaining employee with comp-time balances will either be able to use them prior to reaching the two year window or will be paid out at the time they reach the two year mark. The pay-out balances for these employees range from \$6.59 to \$3,402.84.

Employees who are promoted from a position eligible for overtime to a FLSA exempt position after July 6, 2014 will have any comp-time balances paid out prior to promotion to the FLSA exempt position. This will allow for the comp-time balance to be paid out at the rate at which it was earned prior to the promotion instead of at a higher rate after the promotion or upon separation.

Departments that will be affected by this change and be required to pay-out comp-time balances have been notified of the proposed change and have indicated that they will be able to comply. This change has also been communicated with the largest employee representative group.



Copies of the ordinance change and a fiscal note are attached. It is recommended that the attached ordinance change be approved.

Sincerely,

Nicole M. Fleck

Labor Relations Officer

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Attachments

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