

BOARD OF ALDERMEN

ITEM NO. C(6)

AGENDA ITEM ABSTRACT

MEETING DATE: November 15, 2005

TITLE: An Ordinance Amendment Clarifying Reductions in Pay for Exempt Employees

DEPARTMENT: Human Resources	PUBLIC HEARING: YES ___ NO <u>X</u> ___
ATTACHMENTS: A. Ordinance	FOR INFORMATION CONTACT: Tamara Hayes, 918-7320 Mike Brough, 929-3905

PURPOSE

The purpose of this item is for the Board to adopt an amendment to the Personnel Ordinance to clarify the Town’s policy with respect to the reduction in pay, for disciplinary reasons or for nondisciplinary suspensions, of employees who are exempt from the overtime provisions of the Fair Labor Standards Act.

INFORMATION

Under the new regulations of the Fair Labor Standards Act, disciplinary sanctions and nondisciplinary suspensions may not be imposed to reduce the salary of any employee who is exempt from the overtime provision of the Fair Labor Standards Act for any workweek in which the employee performs work, except as follows:

- (1) Deductions from pay may be made for penalties imposed in good faith for infractions of safety rules of major significance; or
- (2) Deductions from pay may be made for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of written workplace conduct rules applicable to all employees.

FISCAL IMPACT

N/A

STAFF RECOMMENDATION

The town staff recommends that the Board adopt the attached ordinance.