

**EXHIBIT “A”
RESOLUTON R22-12-28**

COMPENSATION, SECTION 9: OVERTIME AND COMPENSATORY TIME

When a non-exempt employee works more than 40 hours in a work week (excluding MOU Fire employees) they are compensated for such excess time as either:

Overtime Pay: Pay for service at one and one-half (1 ½) times the regular rate of pay.

Compensatory Time Off (CTO): Time off at one and one-half (1 ½) hours for each hour worked in lieu of cash payment.

Employees are not allowed to work overtime unless authorized to do so by their supervisor. Failure to receive prior authorization may result in disciplinary action up to and including termination of employment; however, employees will be paid overtime regardless of approval in accordance with the FLSA.

Overtime must be allocated as evenly as possible among all employees qualified to perform the work and may be mandatory in certain circumstances. It is the responsibility of management employees to ensure that overtime is utilized equitably and only when necessary. Overtime must be managed to reduce the overall cost to the City.

If an employee offered compensatory time for overtime work does not agree to compensatory time, the employee may decline to work overtime unless the City offers the employee pay for overtime work. If the employee chooses to work overtime for which only compensatory time has been offered, the City understands that to be the employee's acceptance of the form of compensation. There will be no retaliation against employees who decline to work overtime because only compensatory time is offered. An employee offered paid overtime may not decline to work the overtime hours.

The Department Director may also choose to use flexible scheduling to avoid overtime. If an employee is scheduled to work beyond the normal workday, the Department Director may reduce the number of hours required later in this same workweek. This flexible scheduling must take place within the same workweek or overtime hours shall be accrued.

Hours worked for purposes of calculating overtime pay shall be defined as time on the job performing a work assignment. Vacation, sick leave, holiday, and other leave shall not be considered time worked and shall be deducted from hours worked during overtime calculation for each workweek.

Hours worked for purposes of calculating overtime pay, for Fire MOU employees, shall be defined as time on the job performing a work assignment. Accrued vacation leave, and other leave counted as hours worked, shall be counted as hours worked for purposes of calculating overtime when a Member missed a regularly scheduled shift(s) but only in an amount needed to bring a Member's total hours worked for a work period to 72 hours, when scheduled to work three twenty-four hour

shifts in the 7-day work period or 48 hours, when scheduled to work two twenty-four hour shifts in the 7-day work period.

Effective January 1, 2021, an employee may only use or cash out CTO during the calendar year in which it is earned.

All accrued and unused CTO balances will be cashed out on the second paycheck in December so that the employee's CTO account is reduced to a zero balance.

Employees may use or cash out CTO accrued at any time during the calendar year, prior to the second paycheck in December. Use of compensatory time as compensatory leave must be pre-approved by the immediate supervisor and can be denied for business and operating needs.

Unused CTO hours may not be carried over to a subsequent calendar year.

CTO cannot be elected for overtime worked after the second paycheck in December until the start of the new year.

Employees will not have the option to take CTO instead of cash when the Department is reimbursed by another governmental agency for overtime worked by the employee.

Upon termination of employment or at any other time at the City's discretion, a non-exempt employee will be paid one and one-half times the employee's current regular salary rate for unused compensatory time that has been earned through the last day of work.

The overtime provisions of this policy shall not apply to employees whose positions have been designated as exempt employees. However, the City Manager may authorize overtime pay or compensatory time for such employees in emergency situations.

Exempt Employees: Employees who are characterized by the City as exempt from the overtime provisions of federal law are paid a salary that is intended to fully compensate them for all hours worked each week, however few or many those hours may be. The salary consists of a predetermined amount constituting the exempt employee's compensation. That amount is not subject to reduction because of variations in the quality or quantity of the employee's work. Generally, an exempt employee's salary is not subject to deductions. Exceptions to the general rule will apply only when they are expressly authorized under applicable state and federal laws. This may occur, for example, when an employee has exhausted all accrued personal paid time off benefits and misses additional full days of work for personal reasons.

Report Pay Discrepancies: The City takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of his or her supervisor so that corrections can be made as quickly as possible.

The City prohibits any improper deductions from the salaries of exempt employees. If an exempt employee believes that they are not being paid on a salary basis and/or that improper deductions have been taken from their pay, the employee should contact management in writing. Employees

should review their paycheck stub carefully for accuracy each payday. Employees may make complaints without fear of retaliation.

A prompt investigation of the employee's claims will be conducted, and if it is determined that improper deductions were made or other amounts are due to an employee, the employee will be reimbursed for the deduction/amounts immediately.

HOURS OF WORK, SECTION 3: HOURS OF WORK

Hours of Work: An employee is expected to work the days and hours necessary to perform all assigned responsibilities and tasks to provide continuity in access and service to the citizens of El Mirage and to facilitate teamwork and supervision.

Work Week and Work Hours: The standard work week is generally 40 hours. The work week begins for most employees at 12:00 AM Sunday and ends at 11:59 PM the following Saturday. The work schedule for most employees is 10 hours a day, 4 days a week, with one unpaid lunch period of at least 30 minutes each day.

Fire MOU employees assigned to a shift schedule have a 7-day work week/period in compliance with 29 U.S.C. § 207(k) utilizing a 53-hour work week/period. Shift assignments are determined by the Fire Chief. Employees' work hours consist of regularly scheduled shifts of 48 hours on duty followed by 96 hours off duty (48/96 schedule). Fire employees covered by the Memorandum of Understanding (MOU) assigned to a 40-hour schedule have a 7-day work week/period utilizing a 53-hour work week/period. The work week/period begins at 8:00 AM Saturday and ends at 7:59 AM the following Saturday.

Exception – to convert from an 18-day work week/period to a 7-day work week/period while remaining in compliance with 29 U.S.C. § 207(k) the 18-day work week/period ending December 11th, 2022, will be converted to a 17-day work week/period ending December 10th, 2022, at 7:59 AM and hours worked in excess of 129 will be paid at overtime rate. The 7-day work week/period will begin December 10th, 2022, at 8:00 AM.

Flexible Work Schedules: Department Directors may consider alternate work options on a case-by-case basis by evaluating service level impact, employee performance, responsibilities, and work style.

HOURS OF WORK, SECTION 4: FAIR LABOR STANDARDS ACT (FLSA) – RECORDING HOURS

The Fair Labor Standards Act (FLSA) sets the minimum wage, overtime pay, and record keeping standards for employees. For purposes of determining eligibility for overtime compensation, the FLSA contains rules which define employees as either non-exempt or exempt. Non-exempt employees are entitled to overtime, while exempt employees are not.

The Human Resources Director determines the FLSA exemption status of all City job classifications. The exempt status for each position is listed on the Job description.

Exempt Employees: Exempt employees do not record actual hours worked on time records. If leave is taken, exempt employees must record this time on their timecard.

Non-Exempt Employees: Non-exempt employees must record all hours worked accurately on their time record and all ins and outs to include arrival, departure, lunch, and any other time away from work during the workday. If leave is requested, the non-exempt employee submits a leave request in the City's designated timekeeping system and records time on their timesheet, in accordance with section: Combination of Regular Hours Worked and Leave Taken. Time worked is tracked in 15-minute increments. Employee time from 1 to 7 minutes may be rounded down, and thus not counted as hours worked, but employee time from 8 to 14 minutes must be rounded up and counted as a quarter hour of time worked.

Non-exempt employees are not allowed to work off the clock. Off-the-clock means work an employee performs work but fails to report the hours worked on the time record. Upon a report or discovering a non-exempt employee is due time that was worked off the clock, the employee will be paid time owed in accordance with FLSA, but the employee may be subject to disciplinary action.

Management employees must review and approve their employees' timesheets each pay period. Timecard corrections shall be made by the employee or by the City if the employee is unavailable to make the correction. Employees will be notified of a correction made and must acknowledge the change accurately reflects the hours worked. Employees should carefully and accurately record their time to minimize timesheet changes. Should a timesheet need correction after payroll has been processed, the Finance Department must be notified immediately.

Combination of Regular Hours Worked and Leave Taken: Actual hours worked should always be recorded. When leave is recorded, the combination of regular hours worked, and leave taken cannot exceed 40 hours or the number of hours in an employee's regularly scheduled workweek.

Fire employees assigned to a shift schedule (48/96 schedule): Actual hours worked should always be recorded. When scheduled to work three twenty-four hour shifts in the 7-day work period and actual hours worked equal or exceed 72 hours, no leave can be recorded on the time record. When scheduled to work two twenty-four hours shifts in the 7-day work period and actual hours worked equal or exceed 48 hours, no leave can be recorded on the time record.

Examples: 1) An employee assigned to work 40 hours in the workweek records 10 hours of leave and 40 hours worked, the leave hours on the timecard will not be processed for compensation or deducted from the employee's leave bank, the employee will be compensated for the 40 hours worked. 2) An employee assigned to work 40 hours in the workweek records 10 hours of leave and 35 hours worked. 5 hours of leave will be processed for compensation and deducted from the employee's leave bank and the employee will be compensated for 35 hours worked. 3) An employee assigned to work 40 hours in the workweek records 10 hours of leave and 30 hours

worked, the 10 hours of leave on the timecard will be processed for compensation and deducted from the employee's leave bank and the employee will be compensated for 30 hours worked.

Fire shift schedule examples: May be found in the most current Memorandum of Understanding, between the City of El Mirage and the El Mirage Fire Fighters Association (EMFFA), Chapter of Northwest Valley Fire Fighters Local 4361.

Timecards must be completed accurately and timely.

Leave requests will be accepted in the following order: Bereavement, Jury, Military, Workers Comp, Emergency Leave, Sick, Recognition Leave, Service Leave/Executive Leave, Holiday Closure, Comp Time, and Vacation.

Work Start and Work End: The Department Director is responsible for informing each employee of the expected workday or shift start and end times.

It is the responsibility of the employee to arrive and report to work at the beginning of the scheduled workday or shift. Arrival any time after the beginning of the scheduled workday or shift is considered late or tardy for performance purposes.

Non-exempt employees should not commence work more than 7 minutes before their scheduled starting time or continue working more than 7 minutes after their scheduled ending time without the advanced approval of the employee's supervisor, except in emergency situations where advance approval cannot be obtained. Notwithstanding this section, employees must accurately report time worked pursuant to this policy. Failure to do so may result in disciplinary action.