

CIVIL SERVICE COMMISSION MEETING AGENDA

Tuesday, October 14, 2025 at 4:00 PM Commission Chambers, 300 Municipal Drive, Madeira Beach, FL 33708

This Meeting will be televised on Spectrum Channel 640 and YouTube Streamed on the City's Website.

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

Public participation is encouraged. If you are addressing the Civil Service Commission, step to the podium and state your name and address for the record. Please limit your comments to three (3) minutes and do not include any topic on the agenda. Public comment on agenda items will be allowed when they come up.

4. OATH OF OFFICE - NEW MEMBER SCOTT HAUFE

5. APPROVAL OF MINUTES

A. 08-05-2025, Civil Service Commission Meeting Minutes

6. NEW BUSINESS

- A. Appointment of Chair
- **B.** Appointment of Vice Chair
- C. Establishing 2026 Quarterly Meeting Schedule

7. HR REPORT

8. OLD BUSINESS

- **A.** Legal Advice for Employees moving to Exempt Status
- **B.** Pay Grades for FY 2026, beginning October 1, 2025

9. FUTURE AGENDA ITEMS & PROGRESS REPORT

A. 2025 Future Discussion Items & Progress Report

10. NEXT MEETING

Next meeting has not been scheduled at this time.

11. ADJOURNMENT

One or more Elected or Appointed Officials may be in attendance.

Any person who decides to appeal any decision of the Civil Service Commission with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The law does not require the minutes to be transcribed verbatim; therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense. In accordance with the Americans with Disability Act and F.S. 286.26; any person with a disability requiring reasonable accommodation to participate in this meeting should call City Clerk Clara VanBlargan at 727-391-9951, Ext. 231 or 232 for email a written request to cvanblargan@madeirabeachfl.gov.



MINUTES

CIVIL SERVICE COMMISSION MEETING AUGUST 5, 2025 4:00 P.M.

The City of Madeira Beach Civil Service Commission meeting was scheduled for 4:00 p.m. on August 5, 2025, in the Patricia Shontz Commission Chambers at City Hall, located at 300 Municipal Drive, Madeira Beach, Florida.

MEMBERS PRESENT: Jerry Cantrell, Chair/Commissioner

James Paul, Commissioner Paul Tilka, Commissioner

Clara VanBlargan, Ex-Officio Secretary

MEMBERS ABSENT: Judithanne McLauchlan, Vice Chair/Commissioner

CITY STAFF PRESENT: Robin Gomez, City Manager

Megan Powers, Assistant to City Manager/HR Staff Attorney Rob Eschenfelder, Trask Daigneault, L.L.P.

1. CALL TO ORDER

The meeting was called to order at 4:02 PM.

2. ROLL CALL

City Clerk VanBlargan called the roll. Vice Chair Judith Ann McLaughlin was noted as being out of the country and not present. A quorum was established.

3. PUBLIC COMMENT

Chair Cantrell opened the floor for public comment. There were no members of the public who wished to make comments.

4. APPROVAL OF MINUTES

A. April 30, 2025, Civil Service Commission Meeting Minutes

Chair Cantrell asked the Commissioners to review the April 30, 2025, Civil Service Commission Meeting Minutes and requested comments or a motion to approve.

Commissioner Paul moved to approve the April 30, 2025, Civil Service Commission Meeting Minutes. Commissioner Tilka seconded the motion. The motion carried 3-0.

5. HR REPORT

Ms. Powers presented the HR report. She noted several open positions within the city:

- A sanitation worker position (replacement) remains unfilled due to a lack of qualified candidates
- The Building Official position remains open despite extensive advertising efforts including LinkedIn and Building Official Association
- Code Compliance II and Planner II positions are planned to open in October when space becomes available, as the downstairs area is currently not operational
- The Community Development Director has submitted a two-week notice, and the city is looking to promote internally

Ms. Powers reported on recent hires:

- A part-time parking enforcement officer
- A part-time marina attendant
- Two Recreation Leader I positions for summer camp

She also noted several promotions:

- Karen Paulson has been promoted to Finance Operations Manager
- Geraldine Niles has been promoted to Accountant II
- Russ Schimmer has been promoted to Senior Public Works Tech
- Brandon Behring has been promoted from Recreation Leader I to Document and Records Specialist in the Clerk's Department

Ms. Powers mentioned there is one complaint currently under investigation, with findings to be shared with the Commission once the investigation is complete.

Ongoing HR projects include:

- Safety protocols review
- Employee satisfaction survey research
- Social media policy development
- Application refresh

Commissioner Paul inquired about the nature of the complaint. Ms. Powers indicated it was made the previous week and was still under investigation, with limited information available to share publicly at this point. Mr. Eschenfelder added that if the complaint progresses in certain ways, it could potentially come before the Commission, though the goal is always to resolve issues before that stage.

6. NEW BUSINESS

There were no new business items for discussion.

7. OLD BUSINESS

A. Department Operating Procedures

Chair Cantrell opened discussion on the Department Operating Procedures documents. There was some initial confusion about which documents were being reviewed, as the packet contained multiple department policies.

Chair Cantrell noted the Commission had previously reviewed the Community Development Department Policy and Procedures Manual, but additional documents including the City Clerk and City Manager sections had been added to the current review packet.

Mr. Eschenfelder clarified that the hierarchy of policies is charter, code, personnel policy, and then administrative procedures. He confirmed that the personnel policy already states that departmental procedures cannot conflict with the town code or personnel policies.

The Commission reviewed multiple department operating procedures:

- Community Development Department (pages 16-18): Chair Cantrell recommended creating section numbers instead of using page references to facilitate document revisions. He also noted the importance of including effective dates and revision dates.
- Finance Department (pages 19-61): Chair Cantrell noted numerous issues with organization and duplication of information. He suggested:
- Consistent organization across departments
- Using section numbers instead of page references
- Better organization of related information (e.g., keeping all cash handling procedures together)
- Addressing safety concerns in the marina procedures regarding cash handling during emergencies
- Removing specific employee names from procedures and using position titles instead
- Including revision information for forms and software procedures

Commissioner Paul noted the Finance document was labeled as "Draft FY 2022" and questioned whether it was currently in effect. The City Manager confirmed these were all current operating procedures.

- Emergency Operations Plan: The Commission noted this was well-organized and recently adopted in June 2025. There was some confusion about why it had "2025/2028" on the cover page when the adopting resolution only mentioned 2025. Mr. Eschenfelder suggested this might be a typo.
- Parking Department and Public Works procedures were also reviewed with similar recommendations for consistency and organization.

The Commission's overall recommendations for all department procedures included:

- Create consistent section numbering across all departments
- Establish uniform formatting and organization
- Include effective dates and revision information
- Remove specific employee names and use position titles
- Ensure procedures are regularly reviewed and updated
- Organize related information together
- Make information about reporting deadlines and submission requirements clearer
- Use sections rather than page numbers for cross-references

Chair Cantrell praised the Public Works manual for its organization and structure, suggesting it could serve as a model for other departments.

B. FUTURE AGENDA ITEMS & PROGRESS REPORT

There were no specific future agenda items discussed.

C. NEXT MEETING

The next meeting was confirmed for Tuesday, October 14, 2025, at 4:00 p.m.

D. ADJOURNMENT

Commissioner Paul moved to adjourn the meeting. Commissioner Tilka seconded the motion. The motion carried unanimously.

The meeting adjourned at 5:38 p.m.

ATTEST:		Jerry Cantrell, Chair
Clara VanBlargan, City Clerk/Se	ecretary Ex-Officio	

Item 6C.

Calendar for Year 2026 (United States)

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Holidays and Observances:

						Item 60
Jan 1	New Year's Day	May 10	Mother's Day	Oct 31	Halloween [
Jan 19	Martin Luther King Jr. Day	May 25	Memorial Day	Nov 3	Election Day	/
Feb 14	↓ Valentine's Day	Jun 14	Flag Day	Nov 11	Veterans Da	ay
Feb 16	Presidents' Day	Jun 19	Juneteenth	Nov 26	Thanksgivin	g Day
Mar 17	⁷ St. Patrick's Day	Jun 21	Father's Day	Nov 27	Black Friday	/
Apr 5	Easter Sunday	Jul 3	'Independence Day' day off	Dec 24	Christmas E	ve
Apr 6	Easter Monday	Jul 4	Independence Day	Dec 25	Christmas D	ay
Apr 15	Tax Day	Sep 7	Labor Day	Dec 31	New Year's	Eve
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Calendar generated on www.timeanddate.com/calendar



Memorandum

Meeting Details: September 24, 2025

Prepared For: Mayor & Board of Commissioners

From: Clint Belk, Acting City Manager

Subject: Pay Study Exempt Status

Background

City recently completed a pay study with the Gehring Group with the recommendation that some employees be moved to an Exempt status. Some of these suggestions are not in line with the Fair Labor Standards Act (FLSA) description of meeting the exempt status and should be reviewed.

Fiscal Impact

To be Determined

Recommendation(s)

Discussion item

Attachments



From: Belk, Clint To: VanBlargan, Clara

Subject: FW: Legal Opinion on FLSA HR Study Classifications Tuesday, September 23, 2025 4:17:23 PM Date:

Attachments: image002.png

image005.png

Final email.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400

cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Tuesday, September 23, 2025 4:08 PM

To: Belk, Clint <cbelk@madeirabeachfl.gov>; Powers, Megan <mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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That sounds like a prudent plan.

And I independently know enough about the Marina Manager position and operations having worked with that position on some procurement issues to be very comfortable that the position is exempt, and the Fire Marshal as a regulatory official with broad independent enforcement authority and decision-making abilities founded in state law is also clearly exempt. Don't know much about the parking manager but if you're confident in that one then ok.

Yes, when vendor completes its work I'll be happy to provide an independent review of its analysis (I did much the same when Manatee County hired a consultant to examine every County job back in the day). Getting the benefit of that work helps me move quickly through their analysis.

Regards, Robert M. Eschenfelder, Esquire Board Certified in City, County and Local Government Law Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP Harbor Oaks Professional Center 1001 South Fort Harrison Avenue, Suite 201 Clearwater, FL 33756 (727) 733-0494 Phone (727) 733-2991 Fax



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From: Belk, Clint < cbelk@madeirabeachfl.gov> Sent: Tuesday, September 23, 2025 3:58 PM

To: Robert Eschenfelder < <u>Rob@citvattornevs.legal</u>>; Powers, Megan

<mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Rob,

Since we are in the 23rd hour for budget approval I have removed all the recommended employees from exempt status identified in the pay study and they will remain in non-exempt (hourly) status except:

Brian Crabtree- Marina Manager Jamal Yahia- Parking Supervisor

Raul Perez-Fire Marshal

These are the only three that I felt comfortable making exempt. The mayor and two of the commissioners I have spoken to understand and I stated this will provide us time to evaluate each employee and if warranted we can place them into exempt status next fiscal year. Once the Gehring Group completes the job descriptions then I would like for you to review and provide your legal opinion on this. Thank you for your help so far on this.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400 cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Tuesday, September 23, 2025 2:01 PM

To: Powers, Megan < mpowers@madeirabeachfl.gov >; Belk, Clint < cbelk@madeirabeachfl.gov >

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Well, as I'd noted originally, we can't put anyone into an exempt status just because of their title, so of course if the City is not convinced the maintenance supervisor is exempt, that position should not be exempt.

As to the administrative assistants, your note says, "We have Executive Admins assistants that would pass the admin tests", and then asks whether I would be "comfortable agreeing" they are exempt.

I am not comfortable agreeing on a designation of exemption based only on your email. I have no idea what their job descriptions say, nor have I interviewed them or the directors they work for to ascertain what the really do day in and day out. As I noted in my legal overview, the question of whether a position is exempt requires a very fact-based inquiry.

Some positions are easier (a city manager is always going to be an executive exempt and an employed city engineer or city attorney is always going to be an exempt professional).

But for administrative exemptions, there is just a ton of caselaw, even just on "executive assistants". I know already from past research that some cases find instances where such employees are exempt, and others, with the exact same titles, were not exempt.

My recollection is that the City had hired a consultant which was supposed to be studying all the positions of the City and the exemption question was to be a part of that. Did that consultant do that work for the City yet? If so what was its conclusions?

I'm happy to do my own analysis if that is desired, but I can't sign off on such a general question unless I do the work myself or I see that the consultant did the thorough work and can agree with its conclusions.

Regards,

Robert M. Eschenfelder, Esquire Board Certified in City, County and Local Government Law

Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP Harbor Oaks Professional Center 1001 South Fort Harrison Avenue, Suite 201 Clearwater, FL 33756 (727) 733-0494 Phone (727) 733-2991 Fax



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From: Powers, Megan < mpowers@madeirabeachfl.gov>

Sent: Friday, September 19, 2025 10:55 AM

To: Robert Eschenfelder <Rob@cityattornevs.legal>; Belk, Clint <cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Hi Rob,

After looking at your email I have another question for you. We have Executive Admins assistants that would pass the admin tests you mentioned below. Would you feel comfortable agreeing the admin assistants and executive admin assistants should be exempt?

That said the Ground Maintenance Supervisor would not so I don't think we can push him into exempt status just because his title.

Regards,

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067

mpowers@madeirabeachfl.gov

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From: Robert Eschenfelder < <u>Rob@cityattorneys.legal</u>>

Sent: Thursday, September 18, 2025 5:33 PM

To: Belk, Clint <cbelk@madeirabeachfl.gov>; Powers, Megan <mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Acting Manager Belk,

In response to your question below concerning "consequences" for violation of the FLSA (in this case by misclassifying an employee as overtime exempt when the employee does not meet an exemption category), there are a variety of serious consequences.

First, the United States Department of Labor's Wage and Hour Division (Wage and Hour) enforces the FLSA for employees of private businesses and state and local governments. Wage and Hour's enforcement of the FLSA is done by investigators stationed across the United States. As Wage and Hour's authorized representatives, they conduct investigations and gather data on wages, hours worked and other employment conditions or practices, in order to determine compliance with the law.

The Wage and Hour Division conducts investigations for a number of reasons. Many investigations are initiated by complaints. All complaints are confidential; the name of the complainant and the nature of the complaint are not disclosed. In my experience, an employer does not want a Wage and Hour investigator appearing. These investigators wield great authority to obtain documents, and when they arrive, they do not just focus on the specific complaint made, they do deep dives into the employer and often find added violations (such as failure to comply with the FLSA's record-keeping requirements). Ultimately, if Wage and Hour determines it wants to make an example of the employer, it will have DOL lawyers file suit against the employer in the name of the government.

In addition to Wage and Hour's ability to investigate and DOL's ability to sue to enforce as an agency, the FLSA grants each employee (current and former) the right to file a civil suit in federal or state court for FLSA violations. If the employee prevails in any way, he or she gets all their attorney fees paid.

In terms of the financial exposure, it can be expensive. Employers who are found to have failed to pay overtime to an employee who was misclassified must pay:

- All back wages
- An equal amount of back wages as "liquidated damages"
- Attorney fees and costs

In addition, if the court finds the violation to be "repeated", there is a civil penalty of \$1,000 for each violation. If the violation is found to be "willful" (in other words, the employer knew the employee was misclassified but did not correct the misclassification), the civil penalty is \$10,000 for each violation.

In terms of how far back you go, a 2-year statute of limitations applies to the recovery of back pay, except in the case of a willful violation, in which case a 3-year statute applies. In other words, unless the violations are willful, back wages may be recovered within two years of when the violations occurred.

One of the significant problems with misclassification cases is that since the employer was not properly classifying the employee, it often has no records of the actual hours the employee worked year in and year out. That, then, results in a separate records violation, but it also greatly undermines the employer's ability to refute an employee who comes forward with their own records of when they worked (often these come in the form of notebooks the employee says he or she was keeping all along). And so unless there are years' worth of time-stamped video of the employee coming and going the employer can turn to, how does the employer refute the employee's allegations they worked late each day? And, of course, since employers treat exempt employees as being able to respond to emails or calls or perform other work on nights and weekends from home, those actions, too, would become compensable hours worked and often the employee has the emails and text messages showing the after-hours work.

So, in sum, I cannot impress upon the City enough that it should take great care to ensure that it is not categorizing anyone as FLSA exempt unless the City is absolutely sure the employee fits into one of the exemption categories I reviewed for you yesterday. Again, as to any given employee, I'm happy to do the detailed examination if desired.

Regards,
Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
Rob@cityattorneys.legal
TRASK DAIGNEAULT, LLP
Harbor Oaks Professional Center
1001 South Fort Harrison Avenue, Suite 201
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From: Belk, Clint < cbelk@madeirabeachfl.gov Sent: Thursday, September 18, 2025 5:05 PM

To: Robert Eschenfelder < <u>Rob@cityattorneys.legal</u>>; Powers, Megan

<mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Rob,

If we were to place employees in an exempt status outside of the FLSA requirements what, if any issues could the city be open to? I am making an agenda item for the workshop on 9/24 to discuss with the commission.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400 cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Thursday, September 18, 2025 12:35 PM

To: Powers, Megan < <u>MPowers@madeirabeachfl.gov</u>>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Great, thanks.

Regards,
Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
Rob@cityattorneys.legal
TRASK DAIGNEAULT, LLP
Harbor Oaks Professional Center
1001 South Fort Harrison Avenue, Suite 201
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From: Powers, Megan < MPowers@madeirabeachfl.gov>

Sent: Thursday, September 18, 2025 12:10 PM

To: Robert Eschenfelder < Rob@cityattorneys.legal>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Hi Rob,

Thank you for your email, I will speak with the team and get back to you if we have any additional questions.

Regards,

Megan Powers

Assistant to the City Manager

City of Madeira Beach

727-503-0067

mpowers@madeirabeachfl.gov

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u=http://www.madeirabeachfl.gov/



From: Robert Eschenfelder < <u>Rob@citvattorneys.legal</u>>

Sent: Wednesday, September 17, 2025 4:36 PM

To: Powers, Megan < MPowers@madeirabeachfl.gov">MPowers@madeirabeachfl.gov>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Ms. Powers.

Thanks for your question below indicating you and Chief Belk desire some clarification around the FLSA's exemption categories.

As we know, the FLSA generally requires employees be paid a minimum wage, and that they receive time and one half for all hours worked over 40 in a work week.

However, § 13(a)(1) of the Act provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees.

To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$684 per week.

It is vitally important to understand that job titles do not determine exempt status. An employee's title and formal job description are not dispositive of the nature of the employee's primary duty for purposes of the administrative exemption. Instead, that inquiry demands an intensive factual assessment focused on "evidence regarding the actual day-to-day activities of the employee rather than more general job descriptions contained in ... position descriptions." *Erdemir v. Allstate Marble & Granite, Kitchens & Baths Inc.*, 704 F. Supp. 3d 337, 365 (E.D.N.Y. 2023) (internal quotation marks omitted); see *Coker v. Goldberg & Assocs. P.C.*,

No. 21 Civ. 1803 (ER), 2022 WL 874719, at *3 (S.D.N.Y. Mar. 24, 2022) (noting that "the exempt or nonexempt status of an employee cannot be assessed from the employee's title alone").

In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department's regulations. I will review each of the exemptions (except for outside sales) below:

Executive Exemption

To qualify for the executive employee exemption, all the following tests must be met:

- The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
- The employee must customarily and regularly direct the work of at least two or more other full-time employees or their equivalent; and
- The employee must have the authority to hire or fire other employees, or the employee's suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Your inquiry only mentions two positions: Grounds Maintenance Supervisor and Executive Assistants. Since neither of these positions have a primary duty of managing the City, or a City department, the Executive Exemption would not apply to those positions. Also, Executive Assistants do not direct the work of two or more subordinate employees, and so they would fail for that element as well.

Administrative Exemptions

To qualify for the administrative employee exemption, all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers; and
- The employee's primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

The federal regulations adopted by the Labor Department to implement the FLSA provide additional detail regarding these Administrative Exemption elements. As to the second requirement, the regulations explain that "[t]he phrase 'directly related to the management or general business operations' refers to the type of work performed by the employee." 29 C.F.R. § 541.201(a).

Thus, to meet that requirement "an employee must perform work directly related to assisting with the running or servicing of the business." Id. The regulations provide the following non-exhaustive list of functions that are considered to be "directly related to management or general business operations":

work in functional areas such as tax; finance; accounting; budgeting; auditing; insurance; quality control; purchasing; procurement; advertising; marketing; research; safety and health; personnel management; human resources; employee benefits; labor relations; public relations, government relations; computer network, internet and database administration; legal and regulatory compliance; and similar activities.

Id. § 541.201(b).

The third element of the Administrative Exemption provides that the "employee's primary duty must include the exercise of discretion and independent judgment with respect to matters of significance." Id. § 541.202(a). As a general matter, "the exercise of discretion and independent judgment involves the comparison and the evaluation of possible courses of conduct, and acting or making a decision after the various possibilities have been considered." Id. And "[t]he term 'matters of significance' refers to the level of importance or consequence of the work performed." Id.

The regulations provide additional guidance concerning the level of discretion and independent judgment that an employee must exercise to fall within the exemption. At the very least, that requirement "implies that the employee has authority to make an independent choice, free from immediate direction or supervision." Id. § 541.202(c). An employee can still exercise discretion and independent judgment, however, "even if their decisions or recommendations are reviewed at a higher level." Id. Accordingly, the requirement of discretion and independent judgment "does not require that the decisions made by an employee have a finality that goes with unlimited authority and a complete absence of review." Id. Thus, "decisions made as a result of the exercise of discretion and independent judgment may consist of recommendations for action rather than the actual taking of action," and "[t]he fact that an employee's decision may be subject to review and that upon occasion the decisions are revised or reversed after review does not mean that the employee is not exercising discretion and independent judgment." Id.

The regulation directs courts to consider the following non-exhaustive list of factors in determining whether an employee exercises discretion and independent judgment:

whether the employee has authority to formulate, affect, interpret, or implement management policies or operating practices; whether the employee carries out major assignments in conducting the operations of the business; whether the employee performs work that affects business operations to a substantial degree, even if the employee's assignments are related to operation of a particular segment of the business; whether the employee has authority to commit the employer in matters that have significant financial impact; whether the employee has authority to waive or deviate from established policies and procedures without prior approval; whether the employee has authority to negotiate and bind the company on significant matters; whether the employee provides consultation or expert advice to management; whether the employee is involved in planning long- or short-term business objectives; whether the employee investigates and resolves matters of significance on behalf of management; and whether the employee represents the company in handling complaints, arbitrating disputes or resolving grievances.

Id. § 541.202(b).

As noted earlier, you cannot just look at the title Grounds Maintenance Supervisor or Executive Assistant and decide if the position is exempt or not. Rather, you have to first look at the detailed job description of such positions, and then also you need to HONESTLY look at what the employee ACTUALLY does day in and day out. For instance, not all "executive assistants" are created equally. Some are allowed to do significant work such as managing the schedule of a top executive, using company credit card to acquire services for the executive, training new executive office personnel, directly interacting with legal or accounting professionals, etc. Other executive assistants do little more than type memos and letters for their boss, open the mail, and receive phone calls and record messages.

Same with front line supervisors. Some do very little supervising (so-called "working supervisors") and are more akin to a "lead worker." Other supervisors may indeed spend most of their time scheduling crews, administering HR policies, drafting evaluations for the chain of command to review, and being part of the interviewing and hiring process. Again, it is what the position actually does that must be examined.

To be clear, though, to the extent we're talking about your role, at least under the prior manager, you were assigned to perform functions which clearly would satisfy the Administrative Exemption.

Professional Exemption

Here, we're talking about doctors, Engineers, lawyers, professors. To qualify for the learned professional employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
- The advanced knowledge must be in a field of science or learning; and
- The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

To qualify for the creative professional employee exemption (actors/performers/artists/directors), all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of work requiring invention, imagination, originality or talent in a recognized field of artistic or creative endeavor.

The only people in City employment who would fall into this exemption would be if you had an in-house City Engineer (who's minimum qualifications required the advanced degree and professional license).

Computer Employee Exemption

To qualify for the computer employee exemption, the following tests must be met:

- The employee must be compensated either on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week or, if compensated on an hourly basis, at a rate not less than \$27.63 an hour;
- The employee must be employed as a computer systems analyst, computer programmer, software engineer or other similarly skilled worker in the computer field performing the duties described below;
- The employee's primary duty must consist of:
 - The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;
 - The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;
 - The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or
 - A combination of the aforementioned duties, the performance of which requires the same level of skills.

Highly Compensated Employees

Highly compensated employees performing office or non-manual work and paid total annual compensation of \$107,432 or more (which must include at least \$684 per week paid on a salary or fee basis) are exempt from the FLSA if they customarily and regularly perform at least one of the duties of an exempt executive, administrative or professional employee identified in the standard tests for exemption.

Police, Fire Fighters, Paramedics & Other First Responders

The exemptions also do not apply to police officers, detectives, deputy sheriffs, state troopers, highway patrol officers, investigators, inspectors, correctional officers, parole or probation officers, park rangers, fire fighters, paramedics, emergency medical technicians, ambulance personnel, rescue workers, hazardous materials workers and similar employees, regardless of rank or pay level, who perform work such as preventing, controlling or extinguishing fires of any type; rescuing fire, crime or accident victims; preventing or detecting crimes; conducting investigations or inspections for violations of law; performing surveillance; pursuing, restraining and apprehending suspects; detaining or supervising suspected and convicted criminals, including those on probation or parole; interviewing witnesses; interrogating and fingerprinting suspects; preparing investigative reports; or other similar work.

There are a ton of cases out there parsing how these exemptions apply in a huge number of different jobs. Again it is a very fact-driven inquiry. With no additional facts to go on, I hope the above analysis has at least provided the basic background for you and Acting Manager Belk to go on when considering these questions. If you get hung up on any particular position and want a deeper analysis, I would need the job description and then to discuss with you or the director what the person actually does so I can examine the caselaw.

Regards, Robert M. Eschenfelder, Esquire Board Certified in City, County and Local Government Law

Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP Harbor Oaks Professional Center 1001 South Fort Harrison Avenue, Suite 201 Clearwater, FL 33756 (727) 733-0494 Phone (727) 733-2991 Fax



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From: Powers, Megan < <u>MPowers@madeirabeachfl.gov</u>>

Sent: Wednesday, September 17, 2025 3:23 PM **To:** Robert Eschenfelder < Rob@cityattorneys.legal> **Subject:** Legal Opinion on FLSA HR Study Classifications

Hi Rob,

I hope all is well, it's been a while! We are finally almost done with the HR study but there was a point that was brought up in our staff meeting.

We have some conflicting views on what makes an employee exempt vs non-exempt. Positions like Grounds Maintenance Supervisor and Executive Assistants are being brought up as should not be exempt since they do not hire/fire.

Now that Robin is gone Acting City Manager Chief Belk would like to see what your legal opinion is.

Thanks!

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067 mpowers@madeirabeachfl.gov

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From: Belk, Clint To: VanBlargan, Clara

Subject: FW: Legal Opinion on FLSA HR Study Classifications Tuesday, September 23, 2025 4:01:54 PM Date:

Attachments: image002.png

image003.png

Please update the agenda.

Clint Belk, B.S., CFO

Fire Chief **Madeira Beach Fire Department** (727) 391-3400 cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Belk, Clint <cbelk@madeirabeachfl.gov> Sent: Tuesday, September 23, 2025 3:58 PM

To: Robert Eschenfelder < Rob@cityattorneys.legal>; Powers, Megan

<mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Rob.

Since we are in the 23rd hour for budget approval I have removed all the recommended employees from exempt status identified in the pay study and they will remain in nonexempt (hourly) status except:

Brian Crabtree- Marina Manager Jamal Yahia-Parking Supervisor

Raul Perez-Fire Marshal

These are the only three that I felt comfortable making exempt. The mayor and two of the commissioners I have spoken to understand and I stated this will provide us time to evaluate each employee and if warranted we can place them into exempt status next fiscal year. Once the Gehring Group completes the job descriptions then I would like for you to review and provide your legal opinion on this. Thank you for your help so far on this.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400

cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Tuesday, September 23, 2025 2:01 PM

To: Powers, Megan < mpowers@madeirabeachfl.gov >; Belk, Clint < cbelk@madeirabeachfl.gov >

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Well, as I'd noted originally, we can't put anyone into an exempt status just because of their title, so of course if the City is not convinced the maintenance supervisor is exempt, that position should not be exempt.

As to the administrative assistants, your note says, "We have Executive Admins assistants that would pass the admin tests", and then asks whether I would be "comfortable agreeing" they are exempt.

I am not comfortable agreeing on a designation of exemption based only on your email. I have no idea what their job descriptions say, nor have I interviewed them or the directors they work for to ascertain what the really do day in and day out. As I noted in my legal overview, the question of whether a position is exempt requires a very fact-based inquiry.

Some positions are easier (a city manager is always going to be an executive exempt and an employed city engineer or city attorney is always going to be an exempt professional).

But for administrative exemptions, there is just a ton of caselaw, even just on "executive assistants". I know already from past research that some cases find instances where such employees are exempt, and others, with the exact same titles, were not exempt.

My recollection is that the City had hired a consultant which was supposed to be studying all the positions of the City and the exemption question was to be a part of that. Did that consultant do that work for the City yet? If so what was its conclusions?

I'm happy to do my own analysis if that is desired, but I can't sign off on such a general question unless I do the work myself or I see that the consultant did the thorough work and can agree with its conclusions.

Regards,

Robert M. Eschenfelder, Esquire

Board Certified in City, County and Local Government Law

Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP Harbor Oaks Professional Center 1001 South Fort Harrison Avenue, Suite 201 Clearwater, FL 33756 (727) 733-0494 Phone

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From: Powers, Megan < mpowers@madeirabeachfl.gov>

Sent: Friday, September 19, 2025 10:55 AM

To: Robert Eschenfelder <<u>Rob@cityattorneys.legal</u>>; Belk, Clint <<u>cbelk@madeirabeachfl.gov</u>>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Hi Rob,

After looking at your email I have another question for you. We have Executive Admins assistants that would pass the admin tests you mentioned below. Would you feel comfortable agreeing the admin assistants and executive admin assistants should be exempt?

That said the Ground Maintenance Supervisor would not so I don't think we can push him into exempt status just because his title.

Regards,

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067

<u>mpowers@madeirabeachfl.gov</u> <u>https://link.edgepilot.com/s/1b50db51/icrMIWgWy06kD_TbwFnfwg?</u> <u>u=http://www.madeirabeachfl.gov/</u>



From: Robert Eschenfelder < <u>Rob@citvattornevs.legal</u>>

Sent: Thursday, September 18, 2025 5:33 PM

To: Belk, Clint <<u>cbelk@madeirabeachfl.gov</u>>; Powers, Megan <<u>mpowers@madeirabeachfl.gov</u>>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Acting Manager Belk,

In response to your question below concerning "consequences" for violation of the FLSA (in this case by misclassifying an employee as overtime exempt when the employee does not meet an exemption category), there are a variety of serious consequences.

First, the United States Department of Labor's Wage and Hour Division (Wage and Hour) enforces the FLSA for employees of private businesses and state and local governments. Wage and Hour's enforcement of the FLSA is done by investigators stationed across the United States. As Wage and Hour's authorized representatives, they conduct investigations and gather data on wages, hours worked and other employment conditions or practices, in order to determine compliance with the law.

The Wage and Hour Division conducts investigations for a number of reasons. Many investigations are initiated by complaints. All complaints are confidential; the name of the complainant and the nature of the complaint are not disclosed. In my experience, an employer does not want a Wage and Hour investigator appearing. These investigators wield great authority to obtain documents, and when they arrive, they do not just focus on the specific complaint made, they do deep dives into the employer and often find added violations (such as failure to comply with the FLSA's record-keeping requirements). Ultimately, if Wage and Hour determines it wants to make an example of the employer, it will have DOL lawyers file suit against the employer in the name of the government.

In addition to Wage and Hour's ability to investigate and DOL's ability to sue to enforce as an agency, the FLSA grants each employee (current and former) the right to file a civil suit in federal or state court for FLSA violations. If the employee prevails in any way, he or she gets

all their attorney fees paid.

In terms of the financial exposure, it can be expensive. Employers who are found to have failed to pay overtime to an employee who was misclassified must pay:

- All back wages
- An equal amount of back wages as "liquidated damages"
- Attorney fees and costs

In addition, if the court finds the violation to be "repeated", there is a civil penalty of \$1,000 for each violation. If the violation is found to be "willful" (in other words, the employer knew the employee was misclassified but did not correct the misclassification), the civil penalty is \$10,000 for each violation.

In terms of how far back you go, a 2-year statute of limitations applies to the recovery of back pay, except in the case of a willful violation, in which case a 3-year statute applies. In other words, unless the violations are willful, back wages may be recovered within two years of when the violations occurred.

One of the significant problems with misclassification cases is that since the employer was not properly classifying the employee, it often has no records of the actual hours the employee worked year in and year out. That, then, results in a separate records violation, but it also greatly undermines the employer's ability to refute an employee who comes forward with their own records of when they worked (often these come in the form of notebooks the employee says he or she was keeping all along). And so unless there are years' worth of time-stamped video of the employee coming and going the employer can turn to, how does the employer refute the employee's allegations they worked late each day? And, of course, since employers treat exempt employees as being able to respond to emails or calls or perform other work on nights and weekends from home, those actions, too, would become compensable hours worked and often the employee has the emails and text messages showing the after-hours work.

So, in sum, I cannot impress upon the City enough that it should take great care to ensure that it is not categorizing anyone as FLSA exempt unless the City is absolutely sure the employee fits into one of the exemption categories I reviewed for you yesterday. Again, as to any given employee, I'm happy to do the detailed examination if desired.

Regards,

Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
Rob@cityattorneys.legal
TRASK DAIGNEAULT, LLP
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1001 South Fort Harrison Avenue, Suite 201
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From: Belk, Clint < cbelk@madeirabeachfl.gov Sent: Thursday, September 18, 2025 5:05 PM

To: Robert Eschenfelder < <u>Rob@cityattorneys.legal</u>>; Powers, Megan

<mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Rob,

If we were to place employees in an exempt status outside of the FLSA requirements what, if any issues could the city be open to? I am making an agenda item for the workshop on 9/24 to discuss with the commission.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400 cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Thursday, September 18, 2025 12:35 PM

To: Powers, Megan < MPowers@madeirabeachfl.gov>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Great, thanks.

Regards,
Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
Rob@cityattorneys.legal
TRASK DAIGNEAULT, LLP
Harbor Oaks Professional Center
1001 South Fort Harrison Avenue, Suite 201
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From: Powers, Megan < MPowers@madeirabeachfl.gov>

Sent: Thursday, September 18, 2025 12:10 PM

To: Robert Eschenfelder < Rob@cityattorneys.legal >

Cc: Belk, Clint <cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Hi Rob,

Thank you for your email, I will speak with the team and get back to you if we have any additional questions.

Regards,

Megan Powers

Assistant to the City Manager

City of Madeira Beach

727-503-0067

mpowers@madeirabeachfl.gov

https://link.edgepilot.com/s/a07be6e1/Oo5uMQcIOEusz4fV_0Xj3g?

u=http://www.madeirabeachfl.gov/



From: Robert Eschenfelder < <u>Rob@citvattorneys.legal</u>>

Sent: Wednesday, September 17, 2025 4:36 PM

To: Powers, Megan < MPowers@madeirabeachfl.gov>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Ms. Powers.

Thanks for your question below indicating you and Chief Belk desire some clarification around the FLSA's exemption categories.

As we know, the FLSA generally requires employees be paid a minimum wage, and that they receive time and one half for all hours worked over 40 in a work week.

However, § 13(a)(1) of the Act provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees.

To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$684 per week.

It is vitally important to understand that job titles do not determine exempt status. An employee's title and formal job description are not dispositive of the nature of the employee's primary duty for purposes of the administrative exemption. Instead, that inquiry demands an intensive factual assessment focused on "evidence regarding the actual day-to-day activities of the employee rather than more general job descriptions contained in ... position descriptions." *Erdemir v. Allstate Marble & Granite, Kitchens & Baths Inc.*, 704 F. Supp. 3d 337, 365 (E.D.N.Y. 2023) (internal quotation marks omitted); see *Coker v. Goldberg & Assocs. P.C.*,

No. 21 Civ. 1803 (ER), 2022 WL 874719, at *3 (S.D.N.Y. Mar. 24, 2022) (noting that "the exempt or nonexempt status of an employee cannot be assessed from the employee's title alone").

In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department's regulations. I will review each of the exemptions (except for outside sales) below:

Executive Exemption

To qualify for the executive employee exemption, all the following tests must be met:

- The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
- The employee must customarily and regularly direct the work of at least two or more other full-time employees or their equivalent; and
- The employee must have the authority to hire or fire other employees, or the employee's suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Your inquiry only mentions two positions: Grounds Maintenance Supervisor and Executive Assistants. Since neither of these positions have a primary duty of managing the City, or a City department, the Executive Exemption would not apply to those positions. Also, Executive Assistants do not direct the work of two or more subordinate employees, and so they would fail for that element as well.

Administrative Exemptions

To qualify for the administrative employee exemption, all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers; and
- The employee's primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

The federal regulations adopted by the Labor Department to implement the FLSA provide additional detail regarding these Administrative Exemption elements. As to the second requirement, the regulations explain that "[t]he phrase 'directly related to the management or general business operations' refers to the type of work performed by the employee." 29 C.F.R. § 541.201(a).

Thus, to meet that requirement "an employee must perform work directly related to assisting with the running or servicing of the business." Id. The regulations provide the following non-exhaustive list of functions that are considered to be "directly related to management or general business operations":

work in functional areas such as tax; finance; accounting; budgeting; auditing; insurance; quality control; purchasing; procurement; advertising; marketing; research; safety and health; personnel management; human resources; employee benefits; labor relations; public relations, government relations; computer network, internet and database administration; legal and regulatory compliance; and similar activities.

Id. § 541.201(b).

The third element of the Administrative Exemption provides that the "employee's primary duty must include the exercise of discretion and independent judgment with respect to matters of significance." Id. § 541.202(a). As a general matter, "the exercise of discretion and independent judgment involves the comparison and the evaluation of possible courses of conduct, and acting or making a decision after the various possibilities have been considered." Id. And "[t]he term 'matters of significance' refers to the level of importance or consequence of the work performed." Id.

The regulations provide additional guidance concerning the level of discretion and independent judgment that an employee must exercise to fall within the exemption. At the very least, that requirement "implies that the employee has authority to make an independent choice, free from immediate direction or supervision." Id. § 541.202(c). An employee can still exercise discretion and independent judgment, however, "even if their decisions or recommendations are reviewed at a higher level." Id. Accordingly, the requirement of discretion and independent judgment "does not require that the decisions made by an employee have a finality that goes with unlimited authority and a complete absence of review." Id. Thus, "decisions made as a result of the exercise of discretion and independent judgment may consist of recommendations for action rather than the actual taking of action," and "[t]he fact that an employee's decision may be subject to review and that upon occasion the decisions are revised or reversed after review does not mean that the employee is not exercising discretion and independent judgment." Id.

The regulation directs courts to consider the following non-exhaustive list of factors in determining whether an employee exercises discretion and independent judgment:

whether the employee has authority to formulate, affect, interpret, or implement management policies or operating practices; whether the employee carries out major assignments in conducting the operations of the business; whether the employee performs work that affects business operations to a substantial degree, even if the employee's assignments are related to operation of a particular segment of the business; whether the employee has authority to commit the employer in matters that have significant financial impact; whether the employee has authority to waive or deviate from established policies and procedures without prior approval; whether the employee has authority to negotiate and bind the company on significant matters; whether the employee provides consultation or expert advice to management; whether the employee is involved in planning long- or short-term business objectives; whether the employee investigates and resolves matters of significance on behalf of management; and whether the employee represents the company in handling complaints, arbitrating disputes or resolving grievances.

Id. § 541.202(b).

As noted earlier, you cannot just look at the title Grounds Maintenance Supervisor or Executive Assistant and decide if the position is exempt or not. Rather, you have to first look at the detailed job description of such positions, and then also you need to HONESTLY look at what the employee ACTUALLY does day in and day out. For instance, not all "executive assistants" are created equally. Some are allowed to do significant work such as managing the schedule of a top executive, using company credit card to acquire services for the executive, training new executive office personnel, directly interacting with legal or accounting professionals, etc. Other executive assistants do little more than type memos and letters for their boss, open the mail, and receive phone calls and record messages.

Same with front line supervisors. Some do very little supervising (so-called "working supervisors") and are more akin to a "lead worker." Other supervisors may indeed spend most of their time scheduling crews, administering HR policies, drafting evaluations for the chain of command to review, and being part of the interviewing and hiring process. Again, it is what the position actually does that must be examined.

To be clear, though, to the extent we're talking about your role, at least under the prior manager, you were assigned to perform functions which clearly would satisfy the Administrative Exemption.

Professional Exemption

Here, we're talking about doctors, Engineers, lawyers, professors. To qualify for the learned professional employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
- The advanced knowledge must be in a field of science or learning; and
- The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

To qualify for the creative professional employee exemption (actors/performers/artists/directors), all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of work requiring invention, imagination, originality or talent in a recognized field of artistic or creative endeavor.

The only people in City employment who would fall into this exemption would be if you had an in-house City Engineer (who's minimum qualifications required the advanced degree and professional license).

Computer Employee Exemption

To qualify for the computer employee exemption, the following tests must be met:

- The employee must be compensated either on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week or, if compensated on an hourly basis, at a rate not less than \$27.63 an hour;
- The employee must be employed as a computer systems analyst, computer programmer, software engineer or other similarly skilled worker in the computer field performing the duties described below;
- The employee's primary duty must consist of:
 - The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;
 - The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;
 - The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or
 - A combination of the aforementioned duties, the performance of which requires the same level of skills.

Highly Compensated Employees

Highly compensated employees performing office or non-manual work and paid total annual compensation of \$107,432 or more (which must include at least \$684 per week paid on a salary or fee basis) are exempt from the FLSA if they customarily and regularly perform at least one of the duties of an exempt executive, administrative or professional employee identified in the standard tests for exemption.

Police, Fire Fighters, Paramedics & Other First Responders

The exemptions also do not apply to police officers, detectives, deputy sheriffs, state troopers, highway patrol officers, investigators, inspectors, correctional officers, parole or probation officers, park rangers, fire fighters, paramedics, emergency medical technicians, ambulance personnel, rescue workers, hazardous materials workers and similar employees, regardless of rank or pay level, who perform work such as preventing, controlling or extinguishing fires of any type; rescuing fire, crime or accident victims; preventing or detecting crimes; conducting investigations or inspections for violations of law; performing surveillance; pursuing, restraining and apprehending suspects; detaining or supervising suspected and convicted criminals, including those on probation or parole; interviewing witnesses; interrogating and fingerprinting suspects; preparing investigative reports; or other similar work.

There are a ton of cases out there parsing how these exemptions apply in a huge number of different jobs. Again it is a very fact-driven inquiry. With no additional facts to go on, I hope the above analysis has at least provided the basic background for you and Acting Manager Belk to go on when considering these questions. If you get hung up on any particular position and want a deeper analysis, I would need the job description and then to discuss with you or the director what the person actually does so I can examine the caselaw.

Regards, Robert M. Eschenfelder, Esquire Board Certified in City, County and Local Government Law

Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP Harbor Oaks Professional Center 1001 South Fort Harrison Avenue, Suite 201 Clearwater, FL 33756 (727) 733-0494 Phone (727) 733-2991 Fax



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From: Powers, Megan < <u>MPowers@madeirabeachfl.gov</u>>

Sent: Wednesday, September 17, 2025 3:23 PM **To:** Robert Eschenfelder < Rob@cityattorneys.legal> **Subject:** Legal Opinion on FLSA HR Study Classifications

Hi Rob,

I hope all is well, it's been a while! We are finally almost done with the HR study but there was a point that was brought up in our staff meeting.

We have some conflicting views on what makes an employee exempt vs non-exempt. Positions like Grounds Maintenance Supervisor and Executive Assistants are being brought up as should not be exempt since they do not hire/fire.

Now that Robin is gone Acting City Manager Chief Belk would like to see what your legal opinion is.

Thanks!

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067 mpowers@madeirabeachfl.gov

https://link.edgepilot.com/s/c810a432/L0suPs0xuUityLPujtP8eg?u=http://www.madeirabeachfl.gov/



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From: Robert Eschenfelder

To: Belk, Clint; Powers, Megan

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Date: Thursday, September 18, 2025 5:32:57 PM

Attachments: image002.png

image005.png

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Acting Manager Belk,

In response to your question below concerning "consequences" for violation of the FLSA (in this case by misclassifying an employee as overtime exempt when the employee does not meet an exemption category), there are a variety of serious consequences.

First, the United States Department of Labor's Wage and Hour Division (Wage and Hour) enforces the FLSA for employees of private businesses and state and local governments. Wage and Hour's enforcement of the FLSA is done by investigators stationed across the United States. As Wage and Hour's authorized representatives, they conduct investigations and gather data on wages, hours worked and other employment conditions or practices, in order to determine compliance with the law.

The Wage and Hour Division conducts investigations for a number of reasons. Many investigations are initiated by complaints. All complaints are confidential; the name of the complainant and the nature of the complaint are not disclosed. In my experience, an employer does not want a Wage and Hour investigator appearing. These investigators wield great authority to obtain documents, and when they arrive, they do not just focus on the specific complaint made, they do deep dives into the employer and often find added violations (such as failure to comply with the FLSA's record-keeping requirements). Ultimately, if Wage and Hour determines it wants to make an example of the employer, it will have DOL lawyers file suit against the employer in the name of the government.

In addition to Wage and Hour's ability to investigate and DOL's ability to sue to enforce as an agency, the FLSA grants each employee (current and former) the right to file a civil suit in federal or state court for FLSA violations. If the employee prevails in any way, he or she gets all their attorney fees paid.

In terms of the financial exposure, it can be expensive. Employers who are found to have failed to pay overtime to an employee who was misclassified must pay:

- All back wages
- An equal amount of back wages as "liquidated damages"
- Attorney fees and costs

In addition, if the court finds the violation to be "repeated", there is a civil penalty of \$1,000 for each violation. If the violation is found to be "willful" (in other words, the employer knew the employee was misclassified but did not correct the misclassification), the civil penalty is \$10,000 for each violation.

In terms of how far back you go, a 2-year statute of limitations applies to the recovery of back pay, except in the case of a willful violation, in which case a 3-year statute applies. In other words, unless the violations are willful, back wages may be recovered within two years of when the violations occurred.

One of the significant problems with misclassification cases is that since the employer was not properly classifying the employee, it often has no records of the actual hours the employee worked year in and year out. That, then, results in a separate records violation, but it also greatly undermines the employer's ability to refute an employee who comes forward with their own records of when they worked (often these come in the form of notebooks the employee says he or she was keeping all along). And so unless there are years' worth of time-stamped video of the employee coming and going the employer can turn to, how does the employer refute the employee's allegations they worked late each day? And, of course, since employers treat exempt employees as being able to respond to emails or calls or perform other work on nights and weekends from home, those actions, too, would become compensable hours worked and often the employee has the emails and text messages showing the after-hours work.

So, in sum, I cannot impress upon the City enough that it should take great care to ensure that it is not categorizing anyone as FLSA exempt unless the City is absolutely sure the employee fits into one of the exemption categories I reviewed for you yesterday. Again, as to any given employee, I'm happy to do the detailed examination if desired.

Regards,

Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
Rob@cityattorneys.legal
TRASK DAIGNEAULT, LLP
Harbor Oaks Professional Center
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Clearwater, FL 33756
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From: Belk, Clint <cbelk@madeirabeachfl.gov>

Sent: Thursday, September 18, 2025 5:05 PM

To: Robert Eschenfelder < Rob@cityattorneys.legal>; Powers, Megan

<mpowers@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Rob,

If we were to place employees in an exempt status outside of the FLSA requirements what, if any issues could the city be open to? I am making an agenda item for the workshop on 9/24 to discuss with the commission.

Clint Belk, B.S., CFO

Fire Chief Madeira Beach Fire Department (727) 391-3400 cbelk@madeirabeachfl.gov



250 Municipal Drive Madeira Beach, FL 33708

From: Robert Eschenfelder < Rob@cityattorneys.legal>

Sent: Thursday, September 18, 2025 12:35 PM

To: Powers, Megan < <u>MPowers@madeirabeachfl.gov</u>>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Great, thanks.

Regards,

Robert M. Eschenfelder, Esquire

Board Certified in City, County and Local Government Law

Rob@cityattorneys.legal

TRASK DAIGNEAULT, LLP

Harbor Oaks Professional Center

1001 South Fort Harrison Avenue, Suite 201

Clearwater, FL 33756

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From: Powers, Megan < <u>MPowers@madeirabeachfl.gov</u>>

Sent: Thursday, September 18, 2025 12:10 PM

To: Robert Eschenfelder < Rob@cityattorneys.legal>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

Hi Rob,

Thank you for your email, I will speak with the team and get back to you if we have any additional questions.

Regards,

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067

mpowers@madeirabeachfl.gov

https://link.edgepilot.com/s/a07be6e1/Oo5uMQcIOEusz4fV_0Xj3g?

u=http://www.madeirabeachfl.gov/



From: Robert Eschenfelder < Rob@cityattorneys.legal> Sent: Wednesday, September 17, 2025 4:36 PM

To: Powers, Megan < MPowers@madeirabeachfl.gov>

Cc: Belk, Clint < cbelk@madeirabeachfl.gov>

Subject: RE: Legal Opinion on FLSA HR Study Classifications

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Ms. Powers,

Thanks for your question below indicating you and Chief Belk desire some clarification around the FLSA's exemption categories.

As we know, the FLSA generally requires employees be paid a minimum wage, and that they receive time and one half for all hours worked over 40 in a work week.

However, § 13(a)(1) of the Act provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees.

To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$684 per week.

It is vitally important to understand that job titles do not determine exempt status. An employee's title and formal job description are not dispositive of the nature of the employee's primary duty for purposes of the administrative exemption. Instead, that inquiry demands an intensive factual assessment focused on "evidence regarding the actual day-to-day activities of the employee rather than more general job descriptions contained in ... position descriptions." *Erdemir v. Allstate Marble & Granite, Kitchens & Baths Inc.*, 704 F. Supp. 3d 337, 365 (E.D.N.Y. 2023) (internal quotation marks omitted); see *Coker v. Goldberg & Assocs. P.C.*, No. 21 Civ. 1803 (ER), 2022 WL 874719, at *3 (S.D.N.Y. Mar. 24, 2022) (noting that "the exempt or nonexempt status of an employee cannot be assessed from the employee's title alone").

In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department's regulations. I will review each of the exemptions (except for outside sales) below:

Executive Exemption

To qualify for the executive employee exemption, all the following tests must be met:

- The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
- The employee must customarily and regularly direct the work of at least two or more

- other full-time employees or their equivalent; and
- The employee must have the authority to hire or fire other employees, or the employee's suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Your inquiry only mentions two positions: Grounds Maintenance Supervisor and Executive Assistants. Since neither of these positions have a primary duty of managing the City, or a City department, the Executive Exemption would not apply to those positions. Also, Executive Assistants do not direct the work of two or more subordinate employees, and so they would fail for that element as well.

Administrative Exemptions

To qualify for the administrative employee exemption, all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers; and
- The employee's primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

The federal regulations adopted by the Labor Department to implement the FLSA provide additional detail regarding these Administrative Exemption elements. As to the second requirement, the regulations explain that "[t]he phrase 'directly related to the management or general business operations' refers to the type of work performed by the employee." 29 C.F.R. § 541.201(a).

Thus, to meet that requirement "an employee must perform work directly related to assisting with the running or servicing of the business." Id. The regulations provide the following non-exhaustive list of functions that are considered to be "directly related to management or general business operations":

work in functional areas such as tax; finance; accounting; budgeting; auditing; insurance; quality control; purchasing; procurement; advertising; marketing; research; safety and health; personnel management; human resources; employee benefits; labor relations; public relations, government relations; computer network, internet and database administration; legal and regulatory compliance; and similar activities.

Id. § 541.201(b).

The third element of the Administrative Exemption provides that the "employee's primary duty must include the exercise of discretion and independent judgment with respect to matters of significance." Id. § 541.202(a). As a general matter, "the exercise of discretion and independent judgment involves the comparison and the evaluation of possible courses of conduct, and acting or making a decision after the various possibilities have been considered." Id. And "[t]he term 'matters of significance' refers to the level of importance or consequence of the work performed." Id.

The regulations provide additional guidance concerning the level of discretion and independent judgment that an employee must exercise to fall within the exemption. At the very least, that requirement "implies that the employee has authority to make an independent choice, free from immediate direction or supervision." Id. § 541.202(c). An employee can still exercise discretion and independent judgment, however, "even if their decisions or recommendations are reviewed at a higher level." Id. Accordingly, the requirement of discretion and independent judgment "does not require that the decisions made by an employee have a finality that goes with unlimited authority and a complete absence of review." Id. Thus, "decisions made as a result of the exercise of discretion and independent judgment may consist of recommendations for action rather than the actual taking of action," and "[t]he fact that an employee's decision may be subject to review and that upon occasion the decisions are revised or reversed after review does not mean that the employee is not exercising discretion and independent judgment." Id.

The regulation directs courts to consider the following non-exhaustive list of factors in determining whether an employee exercises discretion and independent judgment:

whether the employee has authority to formulate, affect, interpret, or implement management policies or operating practices; whether the employee carries out major assignments in conducting the operations of the business; whether the employee performs work that affects business operations to a substantial degree, even if the employee's assignments are related to operation of a particular segment of the business; whether the employee has authority to commit the employer in matters that have significant financial impact; whether the employee has authority to waive or deviate from established policies and procedures without prior approval; whether the employee has authority to negotiate and bind the company on significant matters; whether the employee provides consultation or expert advice to management; whether the employee is involved in planning long- or short-term business objectives; whether the employee investigates and resolves matters of significance on behalf of management; and whether the employee represents the company in handling complaints, arbitrating disputes or resolving grievances.

Id. § 541.202(b).

As noted earlier, you cannot just look at the title Grounds Maintenance Supervisor or Executive Assistant and decide if the position is exempt or not. Rather, you have to first look at the detailed job description of such positions, and then also you need to HONESTLY look at what the employee ACTUALLY does day in and day out. For instance, not all "executive assistants" are created equally. Some are allowed to do significant work such as managing the schedule of a top executive, using company credit card to acquire services for the executive, training new executive office personnel, directly interacting with legal or accounting professionals, etc. Other executive assistants do little more than type memos and letters for their boss, open the mail, and receive phone calls and record messages.

Same with front line supervisors. Some do very little supervising (so-called "working supervisors") and are more akin to a "lead worker." Other supervisors may indeed spend most of their time scheduling crews, administering HR policies, drafting evaluations for the chain of command to review, and being part of the interviewing and hiring process. Again, it is what the position actually does that must be examined.

To be clear, though, to the extent we're talking about your role, at least under the prior manager, you were assigned to perform functions which clearly would satisfy the Administrative Exemption.

Professional Exemption

Here, we're talking about doctors, Engineers, lawyers, professors. To qualify for the learned professional employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
- The employee's primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
- The advanced knowledge must be in a field of science or learning; and
- The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

To qualify for the creative professional employee exemption (actors/performers/artists/directors), all the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$684 per week;
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Police, Fire Fighters, Paramedics & Other First Responders

The exemptions also do not apply to police officers, detectives, deputy sheriffs, state troopers, highway patrol officers, investigators, inspectors, correctional officers, parole or probation officers, park rangers, fire fighters, paramedics, emergency medical technicians, ambulance personnel, rescue workers, hazardous materials workers and similar employees, regardless of rank or pay level, who perform work such as preventing, controlling or extinguishing fires of any type; rescuing fire, crime or accident victims; preventing or detecting crimes; conducting investigations or inspections for violations of law; performing surveillance; pursuing, restraining and apprehending suspects; detaining or supervising suspected and convicted criminals, including those on probation or parole; interviewing witnesses; interrogating and fingerprinting suspects; preparing investigative reports; or other similar work.

There are a ton of cases out there parsing how these exemptions apply in a huge number of different jobs. Again it is a very fact-driven inquiry. With no additional facts to go on, I hope the above analysis has at least provided the basic background for you and Acting Manager Belk to go on when considering these questions. If you get hung up on any particular position and want a deeper analysis, I would need the job description and then to discuss with you or the director what the person actually does so I can examine the caselaw.

Regards,

Robert M. Eschenfelder, Esquire
Board Certified in City, County and Local Government Law
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Sent: Wednesday, September 17, 2025 3:23 PM **To:** Robert Eschenfelder < Rob@cityattorneys.legal > **Subject:** Legal Opinion on FLSA HR Study Classifications

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We have some conflicting views on what makes an employee exempt vs non-exempt. Positions like Grounds Maintenance Supervisor and Executive Assistants are being brought up as should not be exempt since they do not hire/fire.

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Thanks!

Megan Powers

Assistant to the City Manager City of Madeira Beach 727-503-0067

mpowers@madeirabeachfl.gov

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City of Madeira Beach **Pay Grades**

. 10/1/2025 to 9/30/2026

	Green is NOT a Safety Sensitive Position		
GRADE	POSITION TITLE	RANGE MIN	RANGE MAX
	Building Code Compliance Officer I	\$36,108	49,733.00 23.91
1	Grounds Maintenance Worker Marina Attendant	\$17.20	23.91
	Parking Enforcement Officer		
	Recreation Leader I		
	Sanitation Worker		
	Seasonal Marina Attendant		
	Seasonal Recreation Leader I		
	Stormwater Grounds Maintenance Worker		
	Stormwater/ Public Works Technician		
	Administrative Assistant	\$43,330	70,096.99
2	Building Code Compliance Officer II	\$20.83	33.70
	Bus Driver	720.03	33.70
	Certified Permit Technician		
	Front Desk Administration Assistant		
	Permit & Code Compliance Specialist		
	Permit Clerk		
	Recreation Leader II		
	Senior Grounds Maintenance Worker		
	Senior Marina Attendant		
	Senior Parking Enforcement Officer Senior Public Works Technician		
	Senior Sanitation Worker	ĆAE AA	74 64 4 22
	Building Codes Compliance Officer III	\$45,447	71,614.22
3	Certified Permit Technician	\$21.85	34.43
	Community Engagement Officer		
	Document & Records Specialist Mechanic I		
	Planner I		
	Senior Administrative Assistant	4	
	Accountant I	\$55,245	87,020.30
	Broadcast & IT Coordinator	\$26.56	41.84
	Building Compliance Supervisor		
	Building Office Manager		
4	Executive Assistant to City Clerk		
	Executive Assistant to Fire Chief		
	Executive Assistant to the City Manager		
	Grounds Maintenance Supervisor		
	Inspector		
	Long Range Planner		
	Marina Supervisor		
	Mechanic II		
	Parking Supervisor		
	Payroll/ Finance Coordinator		
	Planner II		
	Planner III		
	Rec Leader III		
	Recreation Supervisor		
	Sanitation Supervisor		
	Storm Water Supervisor		
	Accountant II	\$63,983	95,975.55
5	Finance Operations Manager	\$30.76	46.14
	Parking Manager		
	Senior Mechanic		
6	Assistant to the City Manager	\$74,070	116,628.87
	Accounting Manager	\$35.61	56.07
	Marina Manager		
	Senior Planner		
	Assistant Finance Director	\$104,207	200,000.00
	Building Official	\$50.10	96.15
	City Clerk	·	
	Community Development Director		
	Community Development Engineer		
	Deputy Chief		
7	Deputy Chief Finance Director		
7	Deputy Chief Finance Director Fire Chief		
7	Deputy Chief Finance Director Fire Chief Fire Marshal		
7	Deputy Chief Finance Director Fire Chief Fire Marshal HR Director		
7	Deputy Chief Finance Director Fire Chief Fire Marshal HR Director Public Works Director		
7	Deputy Chief Finance Director Fire Chief Fire Marshal HR Director		

CIVIL SERVICE COMMISSION

FUTURE DISCUSSION ITEMS & PROGRESS REPORT

FUTURE DISCUSSION ITEMS

- A. Employee Satisfaction Surveys
- B. Separation Survey
- C. HR Director Position
- D. New Job Descriptions Format
- E. Offer Letter
- F. City's Appeal Form
- G. Safety Manual
 - Pg. XIX-1 of New Personnel Policy, XIX. Safety (2):
 The City Manager is authorized to develop and publish a Madeira Beach Safety Manual to provide safety policies and procedures to be used by all departments for the safety of City employees and protection of City property.
- H. Continue monitoring the personnel policy implementation process to make sure that all Rules, Regulations, and Procedures of the Employee Personnel Policy are working and are followed by everyone; recommend changes as needed:
 - <u>City Charter, Section 5.7, Personnel Systems; Civil Service Commission</u> In connection with the aforementioned personnel rules, the Civil Service Commission shall inquire into the implementation of such personnel rules as considered necessary to ensure compliance therewith.

PROGRESS REPORT - COMPLETED ITEMS

- A. Ordinance 2025-01, New Employee Personnel Handbook BOC adopted 04/02/2025
- B. Ordinance 2025-02, Civil Service Commission Rules BOC adopted 04/02/2025
- C. Ordinance 2025-03, Special Magistrate Ordinance regarding Grievance Hearings *BOC* adopted 04/02/2025
- D. Department-Specific Rules (Reviews 8/5/2025)