FOR IMMEDIATE RELEASE
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## City of Salisbury Shares Findings from US Department of Labor Review

*Compensation Provided to Three Employees, No Penalties Assessed to the City*

Salisbury, NC_December 5, 2011 – Following a review of City of Salisbury labor practices by the US Department of Labor (DOL) Wage and Hour Division, three employees have received compensation.

The review conducted under the Fair Labor Standards Act (FLSA) was based on an assessment of the past two years. Findings of the review were issued to City of Salisbury officials by written notification from the DOL on November 29. The review disclosed violations of FLSA Section 7 resulting from the failure to pay statutory overtime pay for those worked in excess of 40 hours per week. These violations resulted in underpayments totaling $2,010.28 due to three (3) employees. The City of Salisbury was not assessed penalties as a result of this review.

Human Resources Director Zack Kyle said, "Based on the findings of the recent DOL review, the City of Salisbury has provided back payment to three Salisbury-Rowan Utilities' employees. After completion of the DOL's review, the City of Salisbury is in compliance. Our staff is devoted to continue labor practices that ensure total compliance with all provisions of the FLSA well into the future."

Interim City Manager Doug Paris said, "As a City we thank the DOL for their work during our recent review and are appreciative of their findings. They have identified areas that will help us improve our FLSA compliance to best serve our employees. In addition to the recommendations by the DOL, the City of Salisbury will continue FLSA training at the supervisory level and the City will also establish a FLSA Compliance Committee which will conduct biannual spot checks of departments to ensure compliance with FLSA standards."

The official written documentation provided by the US Department of Labor is included as an attachment in reference to the matter addressed in this release.

*The City of Salisbury is an equal opportunity employer with over 180 different job classifications and more than 400 full time positions. For more information regarding the City of Salisbury and its services and departments, please visit us on the web at www.salisburync.gov. To receive updates regarding local initiatives, meetings, programs, and events, please join the City of Salisbury's Facebook users group at www.salisburync.gov/facebook or follow us on Twitter at http://twitter.com/CitySalisburyNC.*

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**US Department of Labor**

Wage and Hour Division
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November 29, 2011

Jim Behmer, P.E. Utilities Director
Doug Paris, Interim City Manager
Zack Kyle, Human Resources Director

The City of Salisbury
Dba: Salisbury-Rowan Utilities
Post Office Box 479
132 North Main Street
Salisbury, NC 28145-0479

SUBJECT: FLSA Violations at City of Salisbury-Rowan Utilities– Case# 1627138

Dear Mr. Behmer, Mr. Paris and Mr. Kyle:

The recent investigation of your firm conducted by Investigator Lopresti under the Fair Labor Standards Act (FLSA) covered the period from 09/06/2009 through 09/04/2011. The investigation disclosed that your employees are subject to the requirements of the FLSA.

The investigation disclosed violations of FLSA Section 7 resulting from the failure to pay statutory overtime pay for hours worked in excess of 40 hours per week. These violations resulted in underpayments totaling $ 2,010.28 due to 3 (three) employees.

Investigator Lopresti has advised me that you have agreed to comply fully with all the provisions of the FLSA in the future to include:

1. *The firm will continue to maintain accurate records of all hours of work and will seek to periodically advise supervisors of their responsibility to ensure employees accurately report all hours of work. The employer already prints a notice on earnings statements that employees should contact payroll if their pay is not correct. See Ex. E-1-g and Pay Stmt.*

2. *The firm had already properly classified non-exempt working supervisors and assured the WHI that those policies were applied throughout the city.*

***You have paid the above described back wages in full which has been noted in the case file.***

We would like to direct your attention to section 16(e) of the FLSA and Regulations, Part 578. As you will note, section 16(e) provides for the assessment of a civil money penalty for any repeated or willful violations of section 6 or 7, in an amount not to exceed $1,100 for each such violation. **No penalty is being assessed as a result of this investigation. If at any time in the future your firm is found to have violated the monetary provisions of the FLSA, it will be subject to such penalties.**

Copies of FLSA Regulations Part 578 have been enclosed for your reference. If you have any questions about the investigation or about any aspect of the FLSA, please do not hesitate to contact me or Investigator Lopresti.

Sincerely,

Makine Mills,
Assistant District Director

Enclosures: FLSA Regulations Part 578

MM/eap