Side Letter Agreement SIERRA FIRE PROTECTION DISTRICT AND SIERRA FIRE FIGHTERS ASSOCIATION, I.A.F.F. LOCAL 3895

The undersigned agree to the following:

- 1. In the FY 11-12 collective bargaining agreement (CBA), the parties agreed to change the work cycle from 12 to 24 days and to pay overtime related to the work cycle on the paycheck that the FLSA work cycle ends.
- 2. Paying FLSA OT on a 24 day cycle and other overtime on a biweekly basis creates operational difficulties for the District.
- 3. The parties have discussed a resolution to the operational difficulties associated with paying overtime on two different periods and have arrived at this Agreement.
- 4. Article 17, Work Hours, A 3 for the current CBA shall be changed to read as follows:

FLSA overtime shall be computed on a twenty-four (24) day cycle with a proportionate amount being paid on each paycheck.¹ Employees may elect to accrue FLSA pay for compensatory time, at the rate of one and one-half (1.5) hours of compensatory time for every one (1) hour of owed FLSA pay. Since regular time for hours worked in excess of the FLSA threshold is already paid in base pay, FLSA pay is paid at half time for each hour owed. Therefore, for every two (2) hours of owed FLSA pay, employees may accrue one (1) hour of compensatory time.

- 5. The FLSA "regular" rate for computing overtime is the total compensation for the biweekly payroll period divided by the number of hours worked.
- 6. The following is an example of the method used to compute the FLSA "regular" rate:
 - a. 112.32 paid hours per biweekly pay period at \$20.00/hour base rate=\$2,246.40
 - b. 10.00 hours of additional overtime at base rate=\$200.00
 - c. Prior incentive of \$520.00 for 6 months or \$40.00 per pay cycle (13 cycles in 6 month)
 - d. Total compensation for the biweekly payroll period=\$2,486.40
 - e. \$2,486.40/122.32 hours=FLSA "regular" rate of \$20.33 per hour
 - f. Total: 122.32 hours worked and a total of \$2,486.40 in earnings to yield an FLSA "regular" rate of \$20.33 per hour.²

¹ The biweekly number of FLSA OT hours is equal to 5.85 as follows. Firefighters working on a 24-day work period with a standard shift of 192 hours are entitled to FLSA overtime of 10 hours for every 24-day work period. On an annual basis, there are 15.21 work periods (365/24) and 2,920.32 hours worked (15.21*192) and 152.08 hours of overtime (15.21*10). The 2,920.32 annual total work hours becomes 112.32 hours per payroll cycle (2920 / 26). The 152.08 hours of FLSA overtime becomes 5.85 hours of FLSA overtime each payroll cycle (152.08/26), which is paid at 50% of the FLSA "regular" rate.

² Under this example, the firefighter would be paid FLSA OT of 5.85 hours*\$20.33/2=\$59.47 and would receive additional OT compensation of 10 hours*\$20.33/2=\$101.65.

- 7. The parties acknowledge that the method identified in this agreement is the same method that has been used to calculate and pay both FLSA and other overtime since the inception of the new collective bargaining agreement, so there is no change in compensation or compensation owed resulting from this Agreement.
- 8. This Agreement is effective on January 23, 2012.

FOR THE DISTRICT

FOR SIERRA FIREFIGHTERS ASSOCIATION

John Breternitz Chair Robert M. Larkin SFPD Board of Fire Commissioners

President