



BKD NATIONAL GOVERNMENTAL GROUP

City of Colorado Springs Fire Department *OVERTIME ANALYSIS – Council Presentation*

April 10, 2017

Agenda

- 1. Questions Investigated**
- 2. Process**
- 3. Summary of Results**
- 4. Results Details**
- 5. Questions**

Questions Investigated

- 1. What is the likely impact of removing vacation from “hours worked” from the overtime calculation for FD personnel?**
- 2. What is the likely impact of switching FLSA cycles from 27 days to 18 days? What about to 9 days?**

Process

Analyzed FD
time and
payroll data

Modeled
scenarios

Drew from
other cities'
experience

Provided
initial
findings to
City

Incorporated
feedback

Summary of Results

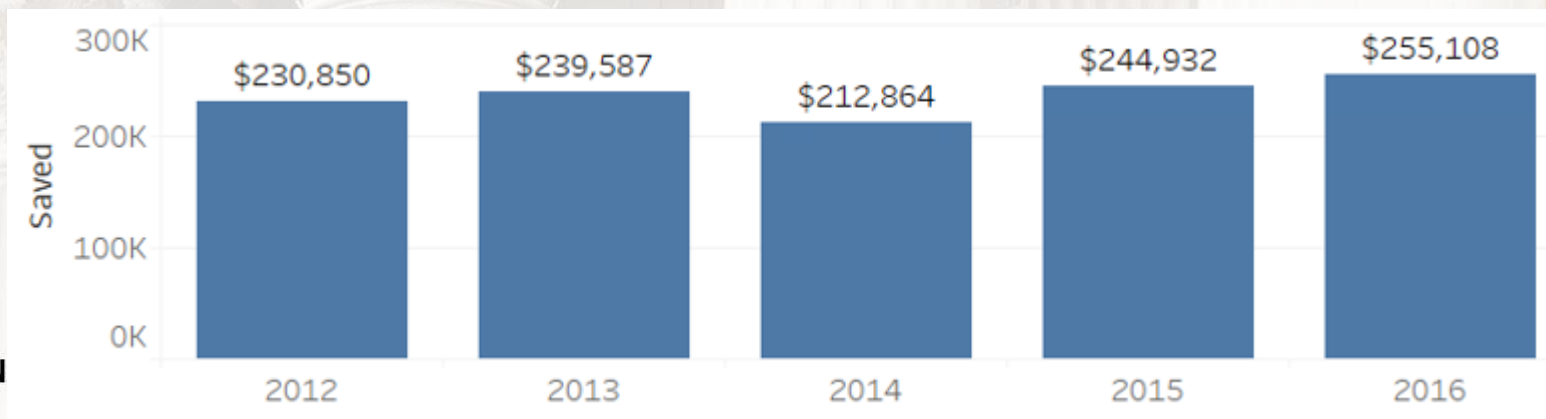
- 1. What is the likely impact of removing vacation from “hours worked” from the overtime calculation for FD personnel?**
 - **An average annual reduction in pay to FD personnel in the aggregate of about \$237,000 over the last 5 years.**
- 2. What is the likely impact of switching FLSA cycles from 27 days to 18 days? What about to 9 days?**
 - **The impact is minimal and future behavior cannot be perfectly predicted, but historical data indicates that reducing the length of the FLSA cycle will slightly reduce the amount of OT paid out to FD employees.**

Financial Impact of Removing Vacation from “Hours Worked”

- Below is an example of how the financial impact of removing vacation was found. The table displays one employee during 2016.
 - If OT Hours $\leq$ Vacation Hours then OT Estimated Gross amount was saved. (Orange text)
 - If OT Hours $>$ Vacation Hours then $\frac{1}{2}$ of Vacation Estimated Gross was saved. (Blue text)

27 Day Cycle	Overtime Quantity	Overtime Est Gross	Vacation Quantity	Vacation Est Gross	Saved
FLSA04	72	\$926.53	48	\$1,235.38	\$617.69
FLSA06	73	\$932.97	24	\$617.69	\$308.84
FLSA07	60	\$772.11	24	\$617.69	\$308.84
FLSA08	49	\$624.12	72	\$1,853.07	\$624.12
Grand Total	253	\$3,255.74	168	\$4,323.82	\$1,859.50

- Below displays Total Saved for all employees over the 5-year period.

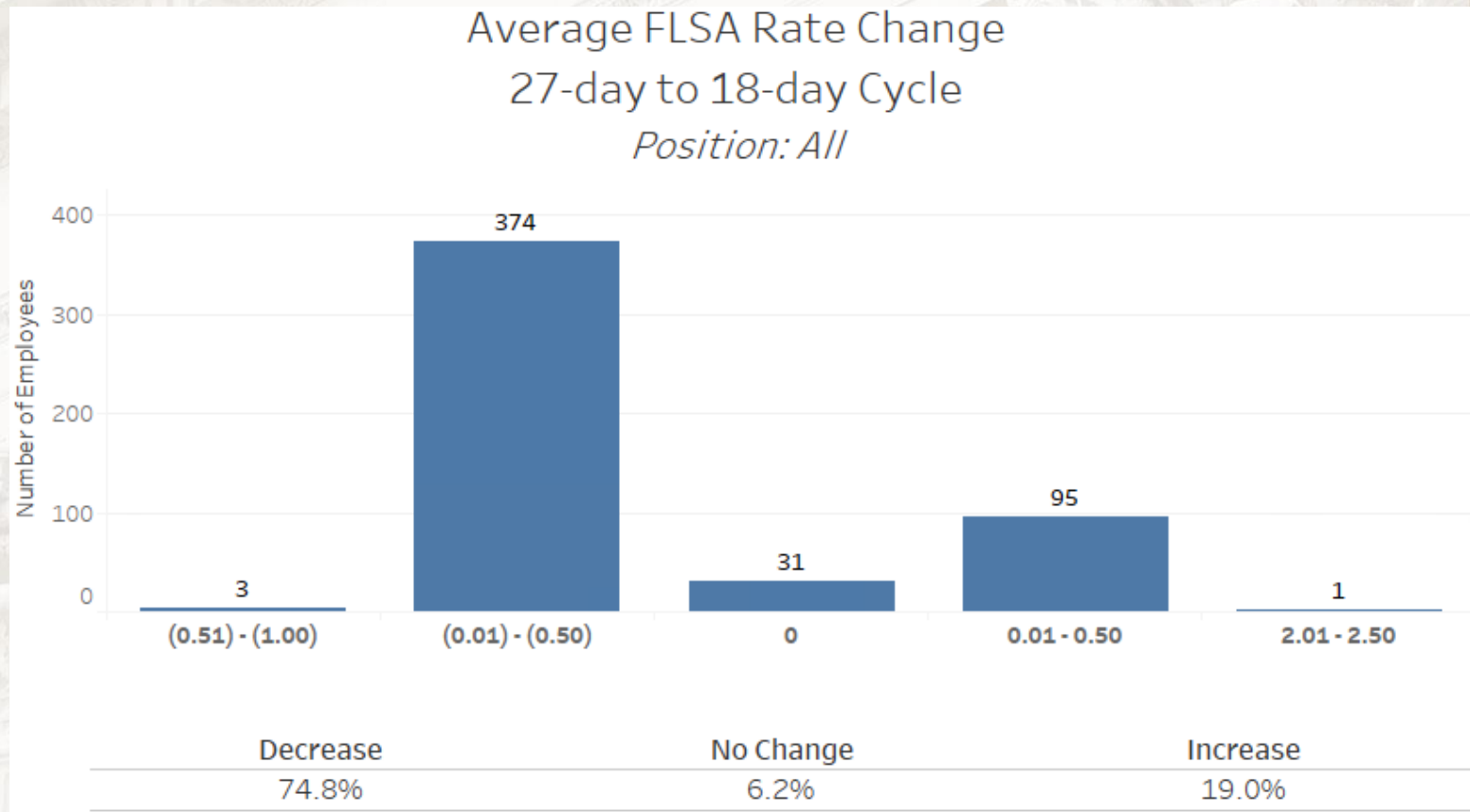


Impact of Switching Cycles: Fire Department Budget

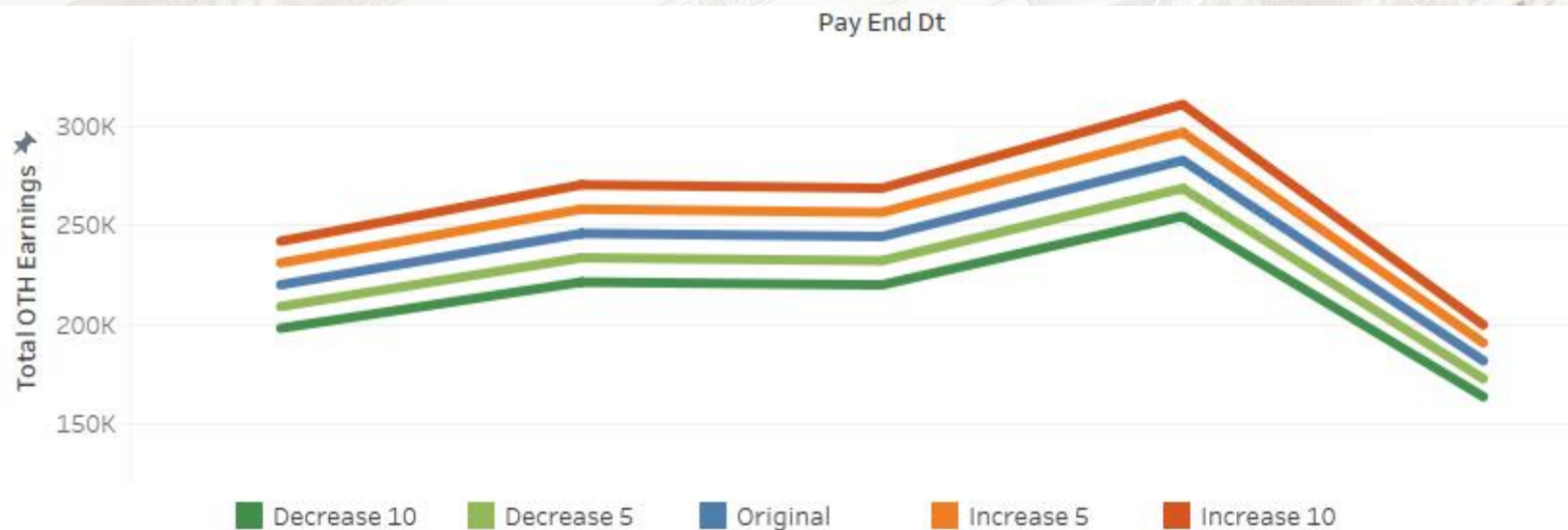
Based on past behavior, reducing the FLSA cycle from 27-days to 18-days or 9-days would have, **over five years**, slightly reduced the amount of FLSA paid out, thus slightly reducing total overtime pay by about \$27,000.

27-day	18-day	9-day
\$584,296	\$577,756	\$557,280

Impact of Switching Cycles: Employees FLSA Rate



Impact of Switching Cycles: Modeling the Future



Impact of Increasing/Decreasing FLSA Rate

	2012	2013	2014	2015	2016
Increase 10	\$22,019	\$24,615	\$24,460	\$28,315	\$18,169
Increase 5	\$11,010	\$12,308	\$12,230	\$14,157	\$9,084
Original	\$0	\$0	\$0	\$0	\$0
Decrease 5	(\$11,010)	(\$12,308)	(\$12,230)	(\$14,157)	(\$9,084)
Decrease 10	(\$22,019)	(\$24,615)	(\$24,460)	(\$28,315)	(\$18,169)

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QUESTIONS?

FOR MORE INFORMATION



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