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## MEMO

TO: Finance Committee  
FROM: Chief Tanya Reynen  
DATE: May 11, 2026  
RE: Union MOU- Sick Leave & FLSA

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### Background

The attached Memorandum of Understanding (MOU) between the City of Watertown and IAFF Local 877 modifies the Fair Labor Standards Act (FLSA) work period and adjusts the method of sick leave accrual for Fire Department shift personnel.

This MOU is being initiated as part of the department's continued effort to streamline and automate City payroll and scheduling systems, particularly within Staffworks and payroll processing. Currently, sick leave accrual for Fire Department personnel requires manual calculation and entry due to the existing monthly accrual structure and the department's previous 27-day FLSA work period. This creates unnecessary administrative work, increases the opportunity for error, and creates inconsistency compared to how other City employees are managed.

The proposed change moves the Fire Department from a 27-day FLSA work period to a 28-day work period, consistent with Section 7(k) of the Fair Labor Standards Act. This aligns the FLSA cycle directly with the City's regular pay period structure, improving transparency for employees and simplifying overtime calculation, payroll review, and administrative oversight.

Additionally, sick leave accrual would change from twenty-four (24) hours per month to twelve (12) hours per pay period. This does increase the sick leave accrual by 24 hours for fire department personnel, however it adjusts the accrual method to match City-wide sick leave accrual practices and allows for automatic system calculation rather than manual entry.

This change affects all Fire Department shift personnel, including bargaining unit members and Battalion Chiefs, not solely union staff. Aligning these calculations across all shift personnel creates consistency in payroll practices, improves transparency, and supports more efficient workflows for Fire Department administrative staff as well as the Finance Department.

## Financial Impact

There is no direct financial increase associated with this MOU. The annual sick leave benefit remains unchanged, and no additional compensation is created through the FLSA work period adjustment.

The primary impact is improved administrative efficiency through reduced manual payroll processing, more accurate FLSA calculations, fewer payroll errors, and clearer transparency for employees and supervisors. This also improves workflow for Fire Department administrative staff and the Finance Department by reducing manual corrections and aligning payroll practices with the rest of the City workforce.

Long-term, this creates better consistency across City departments and strengthens payroll oversight and compliance.

## Recommendation

Recommend approval of the attached Memorandum of Understanding between the City of Watertown and IAFF Local 877 regarding the FLSA work period adjustment and sick leave accrual method.