



County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 10, 2018

Mr. Blaine Meek, Chair
Coalition of County Unions
2 Cupania Circle
Monterey Park, CA 91755

Dear Mr. Meek:

RETROACTIVE PAYMENTS TO EMPLOYEES FOR REVISED CALCULATION OF OVERTIME PAY BASED ON *FLORES V. CITY OF SAN GABRIEL*

This letter serves as a notice to the Coalition of County Unions (CCU) that the County will provide retroactive payments for the revised calculation to the regular rate of pay for overtime hours that employees worked, in compliance with the Ninth Circuit Court of Appeals' decision in *Flores v. City of San Gabriel (Flores)*.

As indicated in our letter to the CCU on July 13, 2018, the County intended to comply with *Flores* and planned to include any taxable cash that employees receive under their cafeteria plan to the employees' FLSA regular rate of pay for purposes of calculating FLSA overtime. In the same letter, we indicated that employees will receive retroactive payment for overtime hours worked from January 1, 2018 through July 31, 2018. The retroactive payment factors in the taxable cash the employees received during the period employees worked overtime.

Similarly, based on *Flores*, the County determined that retroactive payments for the overtime hours employees worked from August 1, 2015 through December 31, 2017 are appropriate. Thus, the County anticipates providing retroactive payments for the recalculated regular rate of pay based on the following schedule:

- August 30th, 2018 paycheck provides retroactive payments for overtime hours worked from January 1, 2017 through December 31, 2017;
- September 15th, 2018 paycheck provides retroactive payment for overtime hours worked from January 1, 2016 through December 31, 2016; and
- September 30th, 2018 paycheck provides retroactive payment for overtime hours worked from August 1, 2015 through December 31, 2015.

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The County will communicate to employees with explanations on the retroactive payments.

Thank you for your attention to this important notice. If you have any questions or would like to meet to discuss this matter, please contact me at (213) 974-0470, or via e-mail at mkeehn@ceo.lacounty.gov.

Sincerely,

A handwritten signature in blue ink that reads "Maryanne Keehn". The signature is fluid and cursive, with the first name "Maryanne" written in a larger, more prominent script than the last name "Keehn".

MARYANNE KEEHN, Senior Manager
Benefits, Classification, Compensation and Employee Relations

SAH:JJ:MM:MTK
SM:TTP:mst