

STAFF REPORT AND FISCAL IMPACT NOTE

Legislation No: R-37-18

First Reader Date: 7-9-18

Note Date: 7-6-18

Legislation Title: **Amended FY2019 Pay Plan**

Description: For the purpose of amending the FY 2019 pay plan effective July 1, 2018.

Analysis of Fiscal Impact: This legislation amends the FY2019 pay plan to incorporate the Cost of Living Adjustments (COLA) agreed to in the four collective bargaining agreements. It also amends step 11 on the A scale from a 2.5% increase to 5.361% increase as set forth in the two AFSCME agreements.

Nonrepresented employees will receive the same COLAs as the represented employees on their respective scales. Additionally, the change to step 11 on the A scale is applied to all nonrepresented employees except those in grade A20 (Non-public safety department directors and the Director of the Office of Environmental Policy).

The total cost of the negotiated agreements is shown in the fiscal impact notes for R-33-18, R-34-18, R-35-18, and R-36-18. The fiscal impact in fiscal year 2019 of just the COLAs and change to step 11 is follows:

- AFSCME 3162: \$ 66,650
- AFSCME 3406: \$ 201,375
- FIRE – Local 1926: \$ 284,025
- POLICE – Local 400: \$ 213,200

The fiscal impact of the COLAs and change to step 11 for nonrepresented employees is \$395,725.

The total costs of the COLA and step increases in fiscal year 2019 for all employees is \$1,160,975.

All cost estimates include FICA, pension, VEBA, and OPEB costs.

Sufficient appropriations were included in the FY2019 budget for the full cost of the first year of the negotiated agreements, including these pay increases. The full cost of the union agreements as shown in R-33-18, R-34-18, R-35-18, and R-36-18 and cost of the the COLA/step 11 change for nonrepresented employees in fiscal year 2019 is as follows:

- AFSCME 3162: \$ 66,650
- AFSCME 3406: 211,875
- FIRE – Local 1926: 316,775
- POLICE – Local 400: 182,880
- Nonrepresented: 395,725
- Total \$ 1,173,905

The appropriations available in the FY2019 budget to pay these costs are as follows:

- Reserve for Labor Negotiations: \$ 938,339
- VEBA Chop savings: 163,000
- Workers' Comp savings: 86,000
- Total \$ 1,187,339