



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

APPROVED: MULTNOMAH COUNTY

BOARD OF COMMISSIONERS

AGENDA # R.5 DATE 7/20/17

MARINA BAKER, ASST BOARD CLERK

## Board Clerk Use Only

Meeting Date: 7/20/17

Agenda Item #: R.5

Est. Start Time: 11:05 am approx.

Date Submitted: 071317

**Agenda Title:** Approval of the 2016-2021 Collective Bargaining Agreement between Multnomah County and AFSCME Loc. 88-2 (Physicians)

### Requested

Meeting Date: July 20, 2017 Time Needed: 5 minutes

Department: Dept. of County Management Division: Central HR/Labor Relations

Contact(s): Steve Herron, Labor Relations Director

Phone: 503-988-4333 Ext. 84333 Email: steve.herron@multco.us

Presenters: Steve Herron, Labor Relations Director and Eben Pullman, AFSCME

## General Information

### 1. What action are you requesting from the Board?

Ratification of 2016-2020 Collective Bargaining Agreement between Multnomah County and AFSCME Local 88-2 - Physicians.

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer(s) this action affects and how it impacts the results.

The parties' previous labor agreement expired June 30, 2016. The parties bargained over the course of 12 months.

The highlights of this agreement are as follows:

- **Saturday Clinic:**

- County may establish 6-hour clinic, schedule physicians on rotating basis
- Saturday Clinic assignment is in addition to regular schedule
- Awarded 8 hours of personal leave for each Saturday Clinic worked

- **COLA& Salary Schedule Adjustment:**

- July 1, 2016: 1.0% COLA; schedule adjusted up by one step
- July 1, 2017: 2.2% COLA adjustment.
- July 1, 2018: Pdx-Salem CPI-W, 1%-4% COLA Adjustment, plus possible market adjustment based on 1/1/18 comparables
- July 1, 2019: Pdx-Salem CPI-W, 1%-4% COLA Adjustment; schedule adjusted with addition of one step

- **Health & Welfare:**
  - Maintaining current plans with current premium sharing contribution rates
  - Maintained reopener to address ACA impacts
- **Paid Leaves:**
  - Updated sick leave to reflect statutory changes as a result of the Oregon Sick Leave Law, including elimination of Sick Leave Incentive holiday
  - Established partial day absence deductions
  - Granted additional personal leave day

### 3. Explain the fiscal impact (current year and ongoing).

The costing estimates are based on the best available data and show the impact for the duration of the contract (FY 2017-FY 2020). The new contract will not be approved until FY 2018, meaning that increased labor costs from FY 2017 will be paid retroactively in FY 2018.

<b>Cost Estimates per Year of Physicians 88-2 Contract by Proposal*</b>					
*All estimates are the <b>new</b> costs incurred in each year only and not cumulative ongoing costs plus new costs					
Proposal	FY 2017	FY 2018	FY 2019	FY 2020	Total
COLA (FY 2017 1.0%, FY 2018 2.2%, FY 2019 1-4%, FY 2020 1-4%)	\$69,700	\$154,874	\$71,946 to \$287,783	\$72,665 to \$299,295	<b>\$369,185 to 811,652</b>
New Pay Schedule	17,224	0	109,725	107,421	<b>234,370</b>
Saturday Clinic Leave (per physician cost)	0	8,331	0	0	<b>8,331</b>
Forgone Revenue	0	16,931	0	0	<b>16,931</b>
Additional Personal Leave Day	0	38,231	0	0	<b>38,231</b>
Forgone Revenue	0	46,710	0	0	<b>46,710</b>
<b>Total</b>	<b>\$86,924</b>	<b>\$265,077</b>	<b>\$181,671 to \$397,508</b>	<b>\$180,086 to \$406,716</b>	<b>\$713,758 to \$1,156,225</b>

### Article 7, COMPENSATION

#### FY 2017 – 1.0% Cost of Living Adjustment (COLA) - \$69,700

The 1.0% COLA increase will cost approximately \$49,563 in wages and \$20,137 in salary related benefits and insurance costs for a total ongoing increase of \$69,700 in all funds. These costs were anticipated in the FY 2017 budget.

#### FY 2018 – 2.2% COLA - \$154,874

The 2.2% COLA increase will cost approximately \$102,836 in wages, and \$52,038 in salary related benefits and insurance costs for a total ongoing increase of \$154,874 in all funds. These costs are in addition to the FY 2017 increases and were anticipated in the FY 2018 budget.

#### FY 2019 – 1-4% COLA - \$71,946 - \$287,783

The 1-4% COLA increase will cost approximately \$47,772 - \$191,088 in wages, and \$24,174- \$96,695 in salary related benefits and insurance costs for a total ongoing increase of \$71,946 - \$287,783 in all funds.

#### FY 2020 – 1-4% COLA - \$72,665 - \$299,295

The 1-4% COLA increase will cost approximately \$48,250 - \$198,732 in wages, and \$24,415- \$100,563 in salary related benefits and insurance costs for a total ongoing increase of \$72,665 - \$299,295 in all funds.

#### New Pay Schedule

Retroactive to July 1, 2016, one step will be eliminated from the bottom of the pay scale and one new step will be added to the top. Physicians who would have been topped-out otherwise can receive the step increase to the newly created top step. On July 1, 2018, another step will be added to the top of the pay scale. The total cost of the new pay schedule in FY 2017, will be \$17,224 (\$11,437 in wages and \$5,787 in salary related benefits and insurance costs). Based on the current step configuration, there will be no new impact in FY 2018. In FY 2019, the total new cost will be \$109,725 (\$72,857 in wages and \$36,868 in salary related benefits and insurance costs). In FY 2020, the total new cost will be \$107,421 (\$71,328 in wages and \$36,093 in salary related benefits and insurance costs)

#### Saturday Clinic Leave

Physicians at Saturday Clinics will work six hours (excluding the meal period), and will receive eight hours of personal leave to be used at a later date. The two hour gap between hours worked on Saturday and the personal leave represent a new cost for the Health Department. The exact staffing levels for Saturday clinics have not been determined. The per-Physician cost of the two hours not worked are \$8,331 per year (assuming clinic is open 43 Saturdays per year). There will also be forgone revenue associated with the two hour reduction in hours worked. The annual amount of foregone revenue per physician is \$16,931. The total new costs associated with Saturday clinics will depend on the final staffing level, and will be a multiple of the estimated costs and forgone revenues.

### **Article 9, PAID LEAVES**

#### Additional Personal Leave Day

On July 1, 2017, physicians will be granted one additional personal leave day per year. The total cost associated with the additional leave day are \$38,231. Additionally, if the physician is not backfilled on their personal leave day, the forgone revenue will be \$46,710. If the physician is backfilled, the cost of backfilling will be \$34,632.

The FY 2017 costs (excluding COLA) were not included in the FY 2017 Adopted Budget. In addition, due to the timing of the settlement, these costs (excluding COLA) have not been built into the FY 2018 budget. The ability of Health to cover retroactive payments will not be known until FY 2017 is closed out. Depending on the end-of-year financial status, Health may need to request additional funds from the Board in FY 2018 to cover increased labor costs for FY 2017 and FY 2018.

4. Explain any legal and/or policy issues involved.

None.

5. Explain any citizen and/or other government participation that has or will take place.

N/A

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Required Signature

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Elected  
Official or  
Department  
Director:

/s/ Travis Graves

Date: 071817