



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

Board Clerk Use Only

Meeting Date: 12/20/18
Agenda Item #: R.6
Est. Start Time: 10:05 a.m.
Date Submitted: 12/11/18

Agenda Title: Ratification of Collective Bargaining Agreement 2018-2021 between Multnomah County and Oregon Nurses Association (ONA)

Requested Meeting Date: December 20, 2018
Time Needed: 10 Minutes
Department: Dept. of County Management
Division: Central HR
Contact(s): James Opoka, Labor Relations Manager
Phone: (503) 988-7605 **Ext.** 87605 **Email:** james.j.opoka@multco.us
Presenters: Steve Herron and James Opoka (others: ONA Representative)

General Information

1. What action are you requesting from the Board?

Ratification of 2018-2021 collective bargaining agreement between Multnomah County and Oregon Nurses Association.

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 have reached a tentative agreement for a successor to their collective bargaining agreement that expired on June 30, 2018. The parties began bargaining in April 2018, and held 14 bargaining sessions, ultimately reaching tentative agreement on November 14, 2018.

The 2018-2021 agreement provides for continuation of wages, benefits, and other working conditions. The Union provided notice of ratification to HR on November 29, 2018; the tentative agreement is now subject to the ratification by the Board of County Commissioners.

Significant provisions include:

- **Wages Retroactively Effective to July 1, 2018:** Wage rates for members will be increased by 3.6% based on the increase in the CPI-W for Portland Urban Wage Earners and Clerical Workers index, (2nd Half, December 2016 to December 2017).
- **Market Adjustment for CHN Pay Range Effective January 1, 2019:** Market adjustment

for CHN pay range by adding one step at the top and dropping one step at the entry level.

- **Wages Effective July 1, 2019:** A cost of living increase for members equal to the Consumer Price Index for West – Size Class A Urban Wage and Clerical Workers (2nd Half, December 2017 to December 2018), with a minimum increase of one percent (1.0%) and a maximum increase of four percent (4.0%).
- **Wages Effective July 1, 2020:** A cost of living increase for members equal to the Consumer Price Index for West – Size Class A Urban Wage and Clerical Workers (2nd Half, December 2018 to December 2019), with a minimum increase of one percent (1.0%) and a maximum increase of four percent (4.0%), plus possible market adjustment based on 1/1/20 comparables.
- **Other Compensation:** Increased Corrections Health Premium; established Essential Employee (inclement weather) premium; established Corrections Health Agency Nurse Orientation Differential; expanded Preceptor Differential to include students; established a Corrections Health Provider Recruitment and Retention Bonus Pilot Program.
- **Benefits:** Modest benefit plan design changes, with a contract reopener to address excise tax impacts under the Affordable Care Act (ACA); Added Transportation Expenses Flexible Spending Account (FSA).
- **School Based Employees:** Added medical and dental benefits coverage for School-Based employees during the summer layoff.
- **Vacation:** Increased initial accrual 0-2 years.
- **Sick Leave:** Updated language in the sick leave article to comply with Oregon's Sick Time Law.
- **Work Schedules:** Clarified inclement weather work rules.
- **Professional Staff Development:** Increased paid education leave for LPNs and expanded reasons for tuition reimbursement.

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 2019 - FY 2021). As demographics change, the costing could shift over time.

These estimates reflect total costs associated with the contract, but in some cases, these costs have already been incorporated into the County's budget assumptions. As an example, the cost of the 3.6% COLA in FY 2019 is \$780,290, but the FY 2019 Adopted Budget had assumed a COLA of 3.5%, making the additional impact minor. **The total new costs above what has already been assumed are approximately \$247,898 in FY 2019 in all funds (\$210,486 in the General Fund).**

Cost Estimates per Year of ONA Contract by Proposal				
*All estimates are the new costs incurred in each year only and not cumulative ongoing costs plus new costs.				
Proposal	FY 2019	FY 2020	FY 2021	Total
COLA (FY 19, 3.6%, FY 20-21, 1- 4%) ¹	\$780,290	\$224,550-\$898,200	\$226,796-\$934,128 ¹	\$1,231,636-\$2,612,618
Other Compensation (Corrections Nursing Premium, Preceptor Differential, Inclement Weather Essential Assignment Compensation, Corrections Health Provider Bonus-Pilot ² , etc.)	\$199,807	\$270,555-\$281,504	\$5,338-\$21,790	\$475,700-\$503,101
CHN Market Adjustment	\$18,023	\$18,383-\$19,465	\$544-\$2,220	\$36,950-\$39,708
Benefits	\$0	(\$9,508)	(\$9,508)	(\$19,016)
Vacation Leave	\$21,813	\$22,249-\$23,558	\$659-\$2,687	\$44,721-\$48,058
LPN Education Leave	\$8,255	\$83-\$330	\$83-\$343	\$8,421-\$8,928
Total	\$1,028,188	\$526,312-\$1,213,549	\$223,912-\$951,660	\$1,778,412-\$3,193,397

¹The contract provides for a market adjustment effective 7/1/20 if the County rates fall below market average by 1.5%. Due to the uncertainty of the future market and wide range of possibilities, this amount is not included in the FY 2021 column above.

²The Corrections Health Provider Recruitment and Retention Bonus is a 3-year pilot program where the annual installments of the bonuses will be realized in years FY 2020, FY 2021, and FY 2022. The annual bonuses are shown as ongoing costs in the chart above in FY 2021, but the pilot program ends after three years.

Article 15, Wages:

FY 2019 – 3.6% COLA: \$780,290

The 3.6% COLA increase will cost approximately \$552,261 in wages and \$228,029 in salary-related benefits and insurance costs for a total ongoing cost of \$780,290 in all funds.

FY 2020 – 1-4% COLA: \$224,550-\$898,200

The 1-4% COLA increase will cost approximately \$158,928-\$635,714 in wages and \$65,622-\$262,486 in salary-related benefits and insurance costs for a total ongoing cost of \$224,550-\$898,200 in all funds.

FY 2021 – 1-4% COLA: \$226,796-\$934,128

The 1-4% COLA increase will cost approximately \$160,518-\$661,142 in wages and \$66,278-\$272,986 in salary-related benefits and insurance costs for a total ongoing cost of \$226,796-

\$934,128 in all funds. The contract provides for a market adjustment effective 7/1/20 if the County rates fall below market average by 1.5%. Due to the uncertainty of the future market and wide range of possibilities, this amount is not included in the FY 2021 column above.

Other Compensation: Corrections Health Premium; Preceptor Differential; Corrections Health Agency Nurse Orientation Differential; Corrections Health Provider Recruitment and Retention Bonus Pilot Program; and Inclement Weather Essential Assignment Compensation: \$199,807

This group includes the following:

- An increased Corrections Nursing Premium that is now 10% of base rate instead of a range of \$1.50 - \$3.00 per hour (\$159,468 new costs in FY 2019). Because the premium change will be effective 1/1/19, there will be an additional impact of approximately \$162,657 - \$172,225 in FY 2020 and small impacts in FY 2021 due to COLA adjustments on the increase in salary).
- Expanded Preceptor Differential pay to include precepting students (\$4,578 new costs in FY 2019). Because the premium change will be effective 1/1/19, there will be an additional impact of approximately \$4,670 - \$4,944 in FY 2020 and small impacts in FY 2021 due to COLA adjustments on the increase in salary).
- A new Corrections Health Agency Nurse Orientation Differential (\$1,131 new costs in FY 2019). Because the premium change will be effective 1/1/19, there will be an additional impact of approximately \$1,153 - \$1,221 in FY 2020 and small impacts in FY 2021 due to COLA adjustments on the increase in salary).
- A Corrections Health Provider Recruitment and Retention Bonus 3-Year Pilot Program (provided in a Memorandum of Agreement). This program will have approximately \$101,729 in new annual costs beginning in FY 2020, and the program will end after three years. Approximately four positions will be affected by this measure.
- Employees classified as essential will now receive two saved holidays per year (\$34,630 new costs in FY 2019). The small impacts in FY 2020 and FY 2021 are due to COLA adjustments).

Memorandum of Agreement, Community Health Nurse (CHN) Market Adjustment:

Market Adjustment for CHNs (effective 1/1/19): \$18,023

This measure provides for a market adjustment to the Community Health Nurse classification by adding one step at the top of the pay range and the deletion of one step at the entry level of the pay range. The impacts in FY 2020-2021 are due to the impact of having the adjustment effective for an entire fiscal year and COLA adjustments on the increase in salary.

Article 10, Health and Welfare:

Benefit plan design changes (effective 1/1/20): (\$9,508)

The modest benefit plan design changes resulted in an estimated \$9,508 decrease in plan value in FY 2020. The impact in FY 2021 is due to having the changes in effect for a full fiscal year.

Article 7, Vacation:

Increased Initial Accrual (effective 1/1/19): \$21,813

The vacation accrual rate for the first two years of employment was increased from 4.0 hours per pay period to 4.67 hours per pay period. The impacts in FY 2020-2021 are due to the impact of having the accrual effective for an entire fiscal year and COLA adjustments on the increase in salary.

Article 17, Professional Staff Development:

Licensed Community Practical Nurse (LPN) Education Leave (effective 1/1/19): \$8,255

This measure has increased the amount of paid education leave that each LPN is eligible to from 16 to 24 hours per year for full-time employees and from 8 to 12 hours per year for part-time employees. The impacts in FY 2020 - 2021 are due to the impact of having the accrual effective for an entire fiscal year and COLA adjustments on the increase in salary.

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

N/A.

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

N/A.

**Elected
Official or
Department
Director:**

/s/ Marissa Madrigal

Date: 12/11/18

Required Signature
