



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

Board Clerk Use Only

Meeting Date: 4/30/15
Agenda Item #: R.11
Est. Start Time: 11:15 am
Date Submitted: 4/22/15

Agenda Title: **Ratification of Awarded Agreement between Multnomah County and the Federation of Oregon Parole and Probation Officers**

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: April 30, 2015 **Time Needed:** 5 minutes

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

Contact(s): Jeff Heinrich, Labor Relations Managers

Phone: 503-988-7609 **Ext.** 87609 **I/O Address:** 503/3/300

Presenter

Name(s) &

Title(s): Steve Herron, Labor Relations Director

General Information

1. What action are you requesting from the Board?

Ratification of 2014-2017 collective bargaining agreement between Multnomah County and Multnomah County Federation of Oregon Parole and Probation Officers (FOPPO). Based on the FY 2015 Adopted FTE, this ratification would impact 126.00 FTE.

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

The parties' previous labor agreement expired on June 30, 2014. The parties proceeded to interest arbitration pursuant to ORS 243.746; Arbitrator Runkle awarded the Union's last best offer on March 27, 2015. The compensation highlights of this awarded agreement are as follows:

July 1, 2014: 2.7% +1% (CPI)

July 1, 2015: 2.1% (CPI)

July 1, 2016: CPI-W, Portland; Minimum of 1%, Maximum of 4%

Longevity pay based on years of County service as follows:

10 years = 1.0%

15 years = 1.5%

20 years = 2.0%

The award also eliminates the training premium cap, and allows officers who are assigned multiple training roles to receive a training premium for each assignment area.

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

The Compensation article constitutes the vast majority of the fiscal impact of this agreement. The costing estimates are based on the best available data and show the impact for the duration of the contract (FY 2015-FY 2017). For a reference point, in FY 2015 42% of the FOPPO positions are budgeted in the County General Fund and 58% are budgeted in Other Funds.

Article 11: Compensation

FY 2015 – 2.7% Cost of Living Adjustment (COLA) - \$321,000

The 2.7% COLA increase will cost approximately \$221,000 in wages, and \$99,000 in salary related benefits and insurance costs for a total increase of \$321,000 in all funds. These increases were assumed in the FY 2015 Adopted Budget, so the agreement does not change the County's FY 2015 financial position.

FY 2015 – Elimination of Step 1 from the Pay Scale - \$109,000

Effective July 1st, 2014 the pay scale is revised to reflect the elimination of Step 1 from the pay scale. As a result of the elimination, employees currently at Step 1 will be moved to Step 2. At the time of the negotiations there were 28.00 FTE at Step 1, 18 of which were vacant positions. The financial impact would be an estimated \$75,000 in wages and \$34,000 in salary related benefits and insurance costs for a total increase of \$109,000. These costs **were not** anticipated in the FY 2015 Adopted Budget. The Department of Community Justice would need to make the necessary adjustments within the current Fiscal Year budget, as well as future budgets, in order to cover the estimated increases. Due to the timing of the settlement, these costs have not been built into the FY 2016 budget.

FY 2015 – 1.0% Wage Adjustment - \$122,000

In addition to the 2.7% COLA, a 1.0% wage adjustment was awarded which will increase the wage scale going forward. The 1.0% wage increase will cost approximately \$84,000 in wages, and \$38,000 in salary related benefits and insurance costs for a total increase of \$122,000 in all funds. These costs **were not** anticipated in the FY 2015 Adopted Budget. The Department of Community Justice would need to make the necessary adjustments within the current Fiscal Year budget, as well as future budgets, in order to cover the estimated increases. Due to the timing of the settlement, these costs have not been built into the FY 2016 budget.

FY 2016 - 2.1% Cost of Living Adjustment (COLA) - \$258,000

The 2.1% COLA increase will cost approximately \$179,000 in wages, and \$79,000 in salary related benefits and insurance costs for a total increase of \$258,000 in all funds. The 2.1% increase is on top of the FY 2015 increases and has been built into the FY 2016 budget.

FY 2017 - 1% to 4% COLA Range \$126,000 to \$502,000

The COLA ranges from 1% to 4%, so the cost will range from \$126,000 to \$502,000 at the high end. The salary related benefits and insurance costs increases are estimated to be between \$39,000 to \$155,000 depending on the FOPPO employment levels, demographics, and medical inflation. These costs are on top of the FY 2015 and FY 2016 increases.

Longevity Pay - \$278,000

Longevity pay based on years of County service as follows:

10 years = 1.0%

15 years = 1.5%

20 years = 2.0%

The total estimated cost of the longevity proposal for the duration of the contract is roughly \$278,000 for wages and salary related benefits and insurance cost increases. It is estimated that Longevity Pay will benefit nearly 70.00 FTE for the life of the contract.

	Longevity
FY 2015	\$80,700
FY 2016	91,300
FY 2017*	105,400
Total Estimated Cost	\$277,400

Note: due to the COLA range of 1% to 4% for FY 2017, an average is used for the estimate.

These costs **were not** anticipated in the FY 2015 Adopted Budget. The Department of Community Justice would need to make the necessary adjustments within the current Fiscal Year budget, as well as future budgets, in order to cover the estimated increases. Due to the timing of the settlement, these costs have not been built into the FY 2016 budget.

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

This contract represents the Union's Last Best Offer, as awarded by the interest arbitrator on March 27, 2015. Interest arbitration awards are enforceable unless legal grounds exit to vacate the award. Labor Relations is not aware of any ground to vacate this arbitration award.

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

N/A

Required Signature

**Elected
Official or
Department**

Director: Marissa Madrigal /s/

Date: 4/22/15

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.