

Please bring the April 22 packet to this Worksession.

MEMORANDUM

TO: Government Operations and Fiscal Policy Committee

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **Action:** Collective Bargaining Agreements

Background

Each of these agreements resulted from negotiations between the County Executive and the respective union. The Executive transmitted each of these agreements to the Council for review on April 1, 2013. The Executive recommended funding all of the economic provisions in the collective bargaining agreements in his FY14 Recommended Budget.¹ The Council has the final authority to approve, reject, or modify each economic provision in the collective bargaining agreements. Each of these agreements is described in the April 22 packet.

Each of the collective bargaining agreements submitted by the Executive to the Council on April 1 is a multi-year agreement containing provisions that require an appropriation of funds in FY14 and another appropriation of funds in FY15. For example, the IAFF Agreement contains a general wage adjustment (GWA) of 2.75% in FY14 and a second GWA of 2.75% in FY15. Since the Council adopts an annual operating budget, only the FY14 GWA is before the Council for review this year. The Council's appropriation of funds to implement the FY14 GWA in the Agreement is not an approval or an appropriation of funds to implement the GWA for FY15. The Executive must submit any provision that requires an appropriation of funds in the second year of this multi-year Agreement, such as the FY15 GWA, to the Council for approval next year, and the Council will make its decision on that appropriation next year.

The Committee is tentatively scheduled to make recommendations for FY14 on each of these Agreements at this worksession.

¹ The Executive's FY14 Recommended Operating Budget would fund health, vision, dental, and life insurance at the current level approved by the Council in the FY12 and FY13 Approved Budget. The collective bargaining agreements were not amended to reflect the current funding levels for these benefits, but it appears that each union has acquiesced in this recommendation without a formal amendment to the agreement.

Collective Bargaining Agreements

A chart showing the provisions in each Agreement that requires Council approval for FY14 is at ©1-3. These provisions are described below.

(1) General Wage Adjustment (GWA)

- A. MCGEO – 3.25% on September 1, 2013. The FY14 fiscal impact is \$9,566,809.
- B. FOP – 2.1% on July 1, 2013. The FY14 fiscal impact is \$2,511,181.
- C. IAFF – 2.75% on July 1, 2013. The FY14 fiscal impact is \$3,038,307.
- D. MCGEO seasonal employees – wages would increase by \$.50/hour. The FY14 fiscal impact would be \$340,425.

The fiscal impact of these wage adjustments over time and how they compare to wage increases provided to other government workers in the area are described in Council Staff Director Farber's packet on Compensation and Benefits (all agencies), GO Committee #1.

(2) Service Increments: Each of the agreements provides a 3.5% service increment in FY14 for any employee who is below the top of his or her grade. This would be the first service increment approved for County employees in 3 years.²

- A. MCGEO – The fiscal impact in FY14 is \$3,808,768.
- B. FOP – The fiscal impact in FY14 is \$1,369,345.
- C. IAFF – The fiscal impact in FY14 is \$948,438.
- D. MCGEO lump sum. An employee who is at the top of his or her grade, but not eligible for a longevity increment, would receive a .5% lump sum increase that is not added to an employee's base salary. The FY14 fiscal impact would be \$488,858.

(3) Service Increments for prior years.

- A. FOP - an employee who was eligible for a service increment in FY11 or FY12 would receive an additional 1.75% service increment payable in February 2014.³ The FY14 fiscal impact would be \$446,000.

² Employees who were eligible for a longevity step during the last 3 years were provided a longevity step increase in FY13.

³ The FOP Agreement also provides for a second 1.75% service increment for these employees payable in February 2015. Since this has no fiscal impact in FY14, it is not currently before the Council for approval.

- B. IAFF – an employee who was eligible for a service increment in FY11 would receive a second 3.5% service increment in April 2014.⁴ The FY14 fiscal impact would be \$518,369.

If an employee reaches top of grade due to the FY14 service increment, they would not be eligible for the missed FY11 service increment that would be payable later in FY14 under the Agreement.⁵

(4) Longevity Increments.

- A. MCGEO – an employee eligible for a longevity increment in FY14 would receive 3% increment. The FY14 fiscal impact would be \$121,072.
- B. FOP – an employee eligible for a longevity increment in FY14 would receive a 3.5% increment. The FY14 fiscal impact would be \$207,098.
- C. IAFF – an employee eligible for a longevity increment at 20 years or 28 years would receive a 3.5% longevity increment. The FY14 fiscal impact would be \$154,057.

The general wage adjustments described in item 1, if approved by the Council, would be the first across the board pay increase added to base for County employees since FY09. County employees have not received service increments since FY10. In addition, the Council approved reductions in employee group insurance and retirement benefits beginning in FY12 to help balance the budget during the recent economic downturn. With the exception of the service increments for prior years in the FOP and IAFF Agreements, these Agreements would be a return to normal pay adjustments for all County employees. The Committee will be asked to make recommendations on these pay increases during the discussion of Mr. Farber's packet on Compensation and Benefits for All Agencies.

(5) Tuition Assistance.

- A. MCGEO – 50% of all funds appropriated for tuition assistance that is not designated for another bargaining unit must be allocated for employees represented by MCGEO. We understand that the Executive's recommended FY14 budget would allocate \$300,000 for tuition assistance not designated for a different bargaining unit.
- B. FOP - \$135,000 is designated in FY14 for employees represented by the FOP.
- C. IAFF – the maximum annual tuition assistance for each employee is increased from \$1730 to \$1830. The Agreement does not designate a portion of tuition assistance for IAFF employees. IAFF employees would

⁴ The IAFF Agreement also requires the County to pay another 3.5% service increment to employees who were eligible for a service increment in FY12 in June 2015. Since this has no fiscal impact in FY14, it is not currently before the Council for approval.

⁵ IAFF President John Sparks clarified this point at the April 22 worksession.

share the \$150,000 not otherwise designated for MCGEO or FOP employees with unrepresented employees on a first come, first served basis.

Council staff recommendation: approve the tuition assistance as agreed upon.

(6) **Shift differentials.**

- A. MCGEO – increase shift differential by \$.15/hour for the evening shift and \$.16/hour for the night shift. The FY14 fiscal impact would be \$223,267.
- B. FOP – all shift differentials would increase by 7%. The FY14 fiscal impact would be \$143,803.

Council staff recommendation: approve the shift differentials as agreed upon.

(7) **Clothing allowance.**

- A. FOP – the clothing allowance for FOP employees would increase by 7%. The FY14 fiscal impact would be \$21,178.
- B. MCGEO – the clothing allowance for deputy sheriffs would increase by \$163. The FY14 fiscal impact would be \$2,934.

Council staff recommendation: approve the clothing allowance as agreed upon.

- (8) **MCGEO EVT Certification.** A Central Maintenance of MCFRS employee would be eligible for a EVT Certification incentive of up to \$2000. The FY14 fiscal impact would be \$26,000.

Council staff recommendation: approve the EVT certification as agreed upon.

- (9) **MCGEO Classification Studies.** Add an additional 50 classification studies for positions occupied by employees represented by MCGEO. The FY14 fiscal impact would be \$200,000.

Council staff recommendation: approve the classification studies as agreed upon.

(10) **Prescription Drug Plan.**

- A. MCGEO - End the 90-day formulary grace period. The FY14 fiscal impact would be a savings of \$7,770.
- B. FOP - End the 90-day formulary grace period. The FY14 fiscal impact would be a savings of \$1,305.
- C. IAFF - End the 90-day formulary grace period. The FY14 fiscal impact

would be a savings of \$1,781.

Council staff recommendation: approve the agreed upon elimination of the 90-day formulary grace period.

- (11) **Group Insurance Benefits.** The Executive's FY14 Recommended Budget includes no change from the FY13 appropriation for employee group medical, life, vision, prescription drug, dental, and long-term disability insurance, except for the change described in paragraph 10 above. The cost sharing and some of the substantive benefits were changed by the Council in the annual budget resolution for FY12 and again in FY13. However, none of the collective bargaining agreements were amended to reflect this change by the Council. Council staff believes that the unions have acquiesced in the Executive's recommendations for these benefits in FY14. Paragraph 29 of Resolution No. 17-443 approving the FY13 Operating Budget included the following conditions for these benefits:

This resolution appropriates funds for employee group insurance benefits for the fiscal year that begins on July 1, 2012. This appropriation is subject to the following conditions:

The following cost-sharing provisions must apply to each eligible County employee and each eligible employee of a participating agency whose active employees are paid through the County's payroll system. These provisions do not apply to any eligible employee of a participating agency that does not use the County's payroll system for active employees. These provisions do not apply to any eligible retired employee.

Group Insurance Premiums

(medical, prescription drug, dental, vision, life insurance, long-term disability insurance)

The County must pay 80% of the cost of the premiums, and each employee must pay 20% of the cost of the premiums, for a Health Maintenance Organization (HMO) medical plan, including any prescription drug plan that is bundled with an HMO medical plan.

The County must pay 75% of the cost of the premiums, and each employee must pay 25% of the cost of the premiums, for each benefit plan listed below:

- *Point-of-Service (POS) medical plan;*
- *Stand-alone prescription drug plan (Standard Option plan);*
- *Dental;*
- *Vision;*
- *Basic Life insurance;*
- *Dependent Life insurance \$2,000/\$1,000/\$100 tier; and*
- *Long-term disability insurance.*

Each employee enrolled in the High Option prescription drug plan must also pay the difference between:

- *the County contribution toward the cost of the premium for the Standard Option prescription drug plan; and*
- *the cost of the premium for the High Option prescription drug plan.*

Optional Life insurance and Optional Dependent life insurance (\$4,000/\$2,000/\$100 tier and \$10,000/\$5,000/\$100 tier) remain at 100% paid by each employee.

Prescription Drug Benefits

Each employee enrolled in a stand-alone prescription drug plan must receive generic prescription drugs, if available. If an employee chooses to receive a brand name drug that has a generic equivalent, the employee must pay the generic drug co-payment plus the difference between the cost of the brand-name drug and the generic drug. This generic drug requirement may be waived only if the employee's doctor certifies in a separate document that it is medically necessary to use a brand-name drug instead of its generic equivalent. The letter of medical necessity must contain details of the medical reason and must be attached to the prescription. If the waiver is approved by the Pharmacy Benefit Manager (PBM), the employee must be charged the brand-name drug co-payment.

The County's stand-alone prescription drug plans must allow each employee to buy up to a 90-day supply of a maintenance medication at any retail pharmacy agreed on by the County and the PBM in addition to using the PBM's mail service pharmacy. An employee must pay a penalty fee if a maintenance prescription is filled at a retail pharmacy other than a pharmacy agreed on by the County and the PBM. This penalty fee is the difference between the mail order cost and the retail prescription cost. This fee is in addition to the corresponding co-payment.

The County's prescription drug plan must limit coverage for each participant to a maximum of 6 doses each month for any drug specifically approved by the Food and Drug Administration for the treatment of erectile dysfunction. Medications currently approved for this purpose include sildenafil (Viagra), vardenafil (Levitra), and tadalafil (Cialis).

These changes to the prescription drug benefit must apply to each participant in the County's prescription drug plan, including each eligible retired employee, survivor, dependent, and employee of a participating agency.

Basic Life Insurance Benefit

For each full or part time employee eligible for life insurance coverage, the County must provide term life insurance coverage equal to the employee's earnings (as defined in the Group Insurance Certificate) rounded up to the

nearest thousand dollars. The County will offer each eligible employee the opportunity to buy additional Optional Life Insurance at full cost during Open Enrollment.

For each full or part time employee eligible for life insurance coverage, the County must provide an accidental death and dismemberment (AD&D) benefit. The AD&D benefit includes:

- *AD&D insurance of 8 times earnings, up to \$600,000, for a loss of life that is a direct result of an accidental injury sustained in the performance of County employment. A lower amount may be payable for certain dismemberments resulting from accidental bodily injury.*
- *AD&D insurance of 4 times earnings, up to \$300,000, for a loss of life that is not a direct result of an accidental injury sustained in the performance of County employment. A lower amount may be payable for certain dismemberments resulting from accidental bodily injury.*

Modifications – Council approval

Any material change in any part of this paragraph or its application to any employee or group of employees, including any premium holiday or other waiver of premiums for County-provided health or life insurance, is subject to Council approval.

Council staff recommendation: approve the same group insurance benefits for FY14 that were approved by the Council for FY12 and FY13. OHR states that there was “a separate agreement by which the parties acknowledge that they were unable to reach an agreement regarding these benefits, that the County Executive’s recommended operating budget would not recommend full funding of those benefits as described in the agreement, and that the Council might not fully fund those benefits as described in the agreement” (answer to question 4 on ©81 of the April 22 packet, answer to question 11 on ©83 of the April 22 packet & answer to question 7 on ©84 of the April 22 packet). None of the union presidents refuted this description at the April 22 worksession.⁶

- (12) **IAFF DROP Plan.** The Agreement would make 2 changes to the IAFF Deferred Retirement Option Plan. The current plan guarantees a member interest at 8.25%. The Agreement would decrease this interest to 7.5% for employees entering the DROP after July 1, 2013. The current plan requires an employee to take a distribution of the DROP account when the employee leaves County service. The Agreement would permit a member to keep the funds in a DROP Plan Payoff Account after leaving County service until mandatory distributions are required by the Internal Revenue Code and receive interest at 4%. This change would require the enactment of legislation by the Council. The Executive has not yet sent over proposed legislation to implement these changes, though OHR has

⁶ Draft Resolutions indicating the Council’s intent to approve the FY13 group insurance provisions for FY14 are at ©5-10.

indicated that legislation will be sent shortly (answer to question 10 on ©82-83 of the April 22 packet).

Council staff recommendation: approve the IAFF DROP changes. *We expect to receive an actuary report estimating the fiscal impact of these changes to the IAFF DROP along with the legislation. Linda Herman, BIT Executive Director, indicated that these changes are expected to save money.*

- (13) **MCGEO MOU, Appendix XXII – Wellness Program.** Although this provision is part of the MCGEO Agreement, the Wellness Program was a recommendation from the Council Task Force on Wellness and Consolidation of Agency Group Insurance Programs. The RFP for a consultant described in the OHR Answers to Council Staff Questions is intended to support a program for all 5 agencies. The Executive’s FY14 Recommended Budget does not include funding for this RFP. Therefore, this does not appear to be a provision of the MCGEO Agreement that requires Council approval for FY14. A Memorandum from OHR Benefits Manager, Belinda Fulco, describing this RFP is at ©4. The Executive may seek a supplemental appropriation to fund this RFP at a future date outside of the collective bargaining process.

<u>This packet contains:</u>	<u>Circle #</u>
Council Decision Chart	1
Belinda Fulco Memo on Wellness Program	4
Draft FOP Resolution	5
Draft IAFF Resolution	7
Draft MCGEO Resolution	9

FY14 COUNCIL DECISION CHART FOR COLLECTIVE BARGAINING AGREEMENTS

General Wage Adjustments

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
1A	MCGEO GWA	3.25% on 9-1-13	3.25% on 9-1-13		\$9,566,809
1B	FOP GWA	2.1% on 7-1-13	2.1% on 7-1-13		\$2,511,181
1C	IAFF GWA	2.75% on 7-1-13	2.75% on 7-1-13		\$3,038,307
1D	MCGEO Seasonal Workers	Increase \$.50/hour	Increase \$.50/hour		\$340,425
1E	MCGEO Lump Sum	.5% if at max	.5% if at max		\$488,858

Service Increments

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
2A	MCGEO FY14 Service Increments	3.5%	3.5%		\$3,808,768
2B	FOP FY14 Service Increments	3.5%	3.5%		\$1,369,345
2C	IAFF FY14 Service Increments	3.5%	3.5%		\$948,438
2D	MCGEO Lump Sum	.5% if at max	.5% if at max		\$488,858
3A	FOP Service Increments for FY11 (paid 2-14) and FY12 (paid 2-15 in FY15)	1.75% in FY14 & 1.75% in FY15 ¹	1.75% in FY14 & 1.75% in FY15		\$446,000
3B	IAFF Service Increments for FY11 (paid 4-14) and FY12 (paid 6-15)	3.5%	3.5%		\$518,369

Longevity Increments

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
4A	MCGEO Longevity Increments	3%	3%		\$121,072
4B	FOP Longevity Increments	3.5%	3.5%		\$207,098
4C	IAFF Longevity Increments	3.5%	3.5%		\$154,057

Tuition Assistance

	Provision	Agreement	Executive's Budget	Committee Decision	FY13 Fiscal Impact
5A	MCGEO Tuition Assistance	50% of funds appropriated for employees other than FOP	\$150,000		\$150,000
5B	FOP Tuition Assistance	\$135,000 cap	\$135,000 cap		\$135,000
5C	IAFF Tuition Assistance	\$1830 per person for FY13	\$300,000 for all employees except FOP		?

¹ Second 1.75% paid in February 2014 during FY15 and has no fiscal impact in FY14. This increment would be subject to Council approval in FY15 Operating Budget.

Shift Differentials

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
6A	MCGEO Shift Differential	Increase by \$.15/hour or \$.16/hour	Increase by \$.15/hour or \$.16/hour		\$223,267
6B	FOP Shift differential	7% increase	7% increase		\$143,803

Clothing Allowance

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
7A	FOP clothing allowance	7% increase	7% increase		\$21,178
7B	MCGEO – Sheriff clothing allowance	Increase by \$163	Increase by \$163		\$2,934

MCGEO EVT Certification

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
8	MCGEO EVT Certification	Incentive up to \$2000/year	Incentive up to \$2000/year		\$26,000

MCGEO Classification Studies

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
9	MCGEO Classification Studies	Add 50 classification studies	Add 50 classification studies		\$200,000

Prescription Drug Plan

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
10A	MCGEO Prescription Drug	End 90-day formulary grace period	End 90-day formulary grace period		-\$7,770
10B	FOP Prescription Drug	End 90-day formulary grace period	End 90-day formulary grace period		-\$1,305
10C	IAFF Prescription Drug	End 90-day formulary grace period	End 90-day formulary grace period		-\$1781

Group Insurance Benefits

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
11A	MCGEO Group Insurance	80% County share	75% County Share except HMO		
11B	FOP Group Insurance	80% County share	75% County Share except HMO		
11C	IAFF Group Insurance	80% County share	75% County Share except HMO		

IAFF DROP

	Provision	Agreement	Executive's Budget	Committee Decision	FY14 Fiscal Impact
12	IAFF DROP Amendments	7.5% interest & 4% interest after leaving County Service	7.5% interest & 4% interest after leaving County Service		

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OFFICE OF HUMAN RESOURCES

Isiah Leggett
County Executive

Joseph Adler
Director

April 22, 2013

TO: Robert H. Drummer
Senior Legislative Attorney

VIA: Joseph Adler, Director
Office of Human Resources

FROM: Belinda Fulco, Benefits Manager
Office of Human Resources

SUBJECT: MCGEO Memorandum Of Understanding, Appendix XXII – Wellness Program

Thank you for the opportunity to clarify questions regarding Appendix XXII in the Memorandum of Understanding between the County and MCGEO as it relates to the County's Wellness Program.

Item #2 of this Appendix memorializes a recommendation from the Council Task Force on Wellness and Consolidation of Agency Group Insurance Programs to the 5 agencies to explore, through the Request for Proposal (RFP) process, expanding disease management, continued claims data warehousing for reporting and tracking purposes as well as wellness program support.

The RFP has been issued and responses to the solicitation are being compiled for review and analysis. The County's Joint Labor Management Wellness Committee will review the analysis to determine if a recommendation to each organization's leadership should be made to contract for some or all of these services.

There is no funding for this purpose currently included in the County Executive's FY14 recommended budget.

Resolution No: _____
Introduced: April 9, 2013
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Government Operations and Fiscal Policy Committee

Subject: Collective Bargaining Agreement with Fraternal Order of Police

Background

1. Section 510 of the County Charter requires the County Council to provide by law for collective bargaining with binding arbitration with an authorized representative of the County police officers.
2. Chapter 33, Article V of the County Code implements Section 510 of the Charter and provides for collective bargaining with representatives of certain police officers and for review of the resulting agreement by the County Council.
3. On April 1, 2013, the County Executive submitted to the Council an agreement between the County government and Fraternal Order of Police to amend the existing collective bargaining agreement between the parties effective July 1, 2012 through June 30, 2015. A copy of the Agreement is attached to this Resolution.
4. The County Executive outlined the terms and conditions of the collective bargaining agreement that require or may require an appropriation of funds or changes in any County law or regulation.
5. The Government Operations and Fiscal Policy Committee considered the Agreement at a worksession on April 22, 2013 and made recommendations on April 25.
6. The County Council has considered these terms and conditions and is required by law to indicate on or before May 1 its intention regarding the appropriation of funds or any legislation or regulations required to implement the agreement.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council intends to reject/approve full funding and disapprove/approve the following amendments:

1. 2.1% general wage adjustment for all bargaining unit members on the first pay period after July 1, 2013.
2. 3.5% service increments for all eligible members.
3. 1.75% service increment for FY11 for all eligible members on the first pay period after February 1, 2014.
4. 3.5% longevity increment for bargaining unit members with 20 years of service.
5. 7% increase in shift differentials for members.
6. 7% increase in clothing allowance for members.
7. End prescription drug 90-day formulary grace period.
8. Tuition assistance cap at \$135,000.

The Council intends to approve the group insurance provisions as they were approved in the FY13 operating budget. The Council intends to approve all other provisions of the Agreement subject to Council review.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

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Resolution No: _____
Introduced: April 9, 2013
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Government Operations and Fiscal Policy Committee

Subject: **Collective Bargaining Agreement with Career Fire Fighters Association**

Background

1. Section 510A of the County Charter authorizes the County Council to provide by law for collective bargaining with binding arbitration with authorized representatives of County career fire fighters.
2. Chapter 33, Article X of the County Code implements Section 510A of the Charter and provides for collective bargaining by the County Executive with the certified representatives of the County's fire fighters and for review of the resulting contract by the Council.
3. On April 1, 2013, the County Executive submitted to the Council a new collective bargaining agreement between the County government and the International Association of Fire Fighters, effective July 1, 2013 through June 30, 2016. The Agreement is attached to this Resolution.
4. The Executive has submitted to the Council the terms and conditions of the collective bargaining agreement that require or may require an appropriation of funds or changes in any County law or regulation in FY14.
5. The Government Operations and Fiscal Policy Committee considered the agreement at a worksession on April 22, 2013, and made recommendations on April 25.
6. The County Council has considered these terms and conditions and is required by law to indicate on or before May 1 its intention regarding the appropriation of funds or any legislation or regulations required to implement the agreement.

Action

The County Council for Montgomery County, Maryland, approves the following resolution:

The County Council intends to reject/approve full funding and disapprove/approve the following provisions:

1. 2.75% general wage adjustment for all bargaining unit members on the first pay period after July 1, 2013.
2. 3.5% longevity increment for all eligible bargaining unit members with 20 or 28 years of service.
3. 3.5% service increments for all eligible bargaining unit members.
4. 3.5% FY11 service increment for eligible members payable on the pay period beginning April 6, 2014.
5. Increase special duty differentials by \$200.
6. End prescription drug 90-day formulary grace period.
7. Tuition Assistance.
8. Amendments to DROP for Group G.

The Council intends to approve the group insurance provisions as they were approved in the FY13 operating budget. The Council intends to approve all other provisions of the Agreement subject to Council review.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Resolution No: _____

Introduced: April 9, 2013

Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Government Operations and Fiscal Policy Committee

**Subject: Collective Bargaining Agreement with Municipal & County Government
Employees Organization**

Background

1. Section 511 of the County Charter authorizes the County Council to provide by law for collective bargaining, with arbitration or other impasse resolution procedures, with authorized representatives of County Government employees.
2. Chapter 33, Article VII of the County Code implements Section 511 of the Charter and provides for collective bargaining by the County Executive with the certified representatives of County employees and for review of the resulting contract by the County Council.
3. On April 1, 2013, the County Executive submitted to the Council a collective bargaining agreement between the County government and Municipal and County Government Employees Organization effective July 1, 2013 through June 30, 2016. A copy of the Agreement is attached to this Resolution.
4. The Executive has submitted to the Council the terms and conditions of the Agreement that require or may require an appropriation of funds or changes in any County law or regulation.
5. The Government Operations and Fiscal Policy Committee considered the Agreement at a worksession on April 22, 2013 and made recommendations on April 25.
6. The County Council has considered these terms and conditions and is required by law to indicate on or before May 1 its intention regarding the appropriation of funds or any legislation or regulations required to implement the agreements.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council intends to reject/approve full funding and disapprove/approve the following provisions:

1. \$3.25% general wage adjustment payable on the first pay period after September 1, 2013.
2. 3.5% service increments for all eligible bargaining unit members.
3. 3% longevity increase for eligible bargaining unit members with 20 years of service.
4. .5% lump sum payment for each active bargaining unit member who is at the top of grade on July 1, 2013 and who is not eligible for a longevity increase in FY14.
5. Increase shift differential by \$.15 per hour for evening and \$.16 per hour for night shift.
6. Mandatory classification studies for certain bargaining unit positions.
7. EVT Certification incentive up to \$2000 per year.
8. Increase clothing allowance for deputy sheriffs by \$163.
9. Increase wages for seasonal workers by \$.50 per hour.
10. End prescription drug 90-day formulary grace period.
11. Tuition Assistance up to \$150,000.

The Council intends to approve the group insurance provisions as they were approved in the FY13 operating budget. The Council intends to approve all other provisions of the Agreement subject to Council review.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

MEMORANDUM

TO: Government Operations and Fiscal Policy Committee

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **Addendum:** Collective Bargaining Agreements

We received some additional information from the Office of Human Resources (OHR) concerning wage trends for public employees in the Baltimore Washington Metropolitan Area. This fact sheet comparing various salaries in Montgomery County against neighboring jurisdictions is at ©1-7. Similar wage comparison information for firefighters compiled by the IAFF is at ©8-11.



OFFICE OF HUMAN RESOURCES

Isiah Leggett
County Executive

Joseph Adler
Director

MEMORANDUM

April 24, 2013

TO: Nancy Navarro, President
Montgomery County Council

FROM: Joseph Adler, Director 
Office of Human Resources

SUBJECT: Wage Trends

As you are aware, representatives of the County Executive and the County's three employee unions have been meeting with members of the County Council to discuss the upcoming collective bargaining agreements (CBA). At the request of several members of the County Council, we have prepared a fact sheet summarizing the comparability of various salaries in Montgomery County versus neighboring jurisdictions. Also included are data comparing the County salary actions to regional private sector and the federal government.

Montgomery County enacted significant wage and benefit cost containment over the last several years. In addition to freezing wages in FY11, FY12, and FY13, the County has increased the employee premium cost sharing for medical benefits, modified employee pension contributions, and has implemented mandatory furloughs for all County employees. These cost containment measures resulted in lost expected wages and increased out of pocket costs for all employees.

Firefighters

The table on the following page provides a 5-year overview of the wage and step freezes enacted among the regional jurisdictions from FY2010 through FY2014 (where available). A summary of the regional actions is highlighted below:¹

- **7 of 11** jurisdictions provided a COLA in at least one year from FY2010 through FY2013. Montgomery County did not provide a COLA in any year, but did provide a one-time lump sum payment in FY2013 of \$2,000 not added to base.

¹ Unless indicated otherwise, the data presented in this memo was compiled by Public Financial Management Inc. a consultant to the Montgomery County Office of Human Resources. Also note that the jurisdictions included in this analysis are not the same as those used in mediation/arbitration.

- **5 of 11** jurisdictions provided 2 or more step/merit increments from FY2010 through FY2013.

Montgomery County provided a one-step increment during this time period, in FY2010.

	FY2010	FY2011	FY2012	FY2013
Montgomery County	0% + Step	0% + No Step	0% + No Step	0% + No Step \$2,000 lump sum
City of Alexandria	0% + No Step	0% + Step	0% + Step	0% + Step
Anne Arundel County	0% + Step	0% + No Step (Reductions equal to - 5%)	0% + No Step (Reductions equal to - 5%)	0% + No step
Arlington County	1% (1/1/2010) + No Step	0% + Step	0% + Step	0% + Step
Baltimore City	0% + Step	0% + Step	2% + Step	0% + Step
Baltimore County	2% + Step	0% + Step	0% + Step	0% + Step
Fairfax County	0% + No Step	0% + No Step	2% (9/2011) + No Step	2.18% + Step
Howard County	6% + Step	6% + Step	0% + Step	0% + Step
Loudoun County	0% + No Step	0% + No Step	3% + No Step	5% + No Step (Offset by 5% EE pension contribution)
Prince George's County	0% + No Step	0% + No Step	0% + No Step \$1,000 lump sum	0% + No Step \$1,250 lump sum
Prince William County	0% + No Step	0% + No Step	2% + No Step	0% + Step

The tables below compare wages among the regional jurisdictions at entry (Montgomery County's Firefighter/Rescuer I) and at maximum base plus longevity for a Montgomery County Firefighter progressing through the highest non-competitive, non-supervisory title (Firefighter/Rescuer III) in FY2013 and FY2014 as available. Also of note is the fact that 352 (35.6%) of IAFF bargaining unit members were at top of scale in 2012, and not eligible for additional step increases. (Montgomery County PMR, April 2013)

Entry-Level

Through the end of FY2013, the entry level pay for a firefighter in Montgomery County ranks 7th out of the 12 surveyed jurisdictions. Under the County's tentative agreement, the annual wage for an entry level Firefighter would rank 5th out of the 7 jurisdictions for which wages have been determined or proposed in FY2014.

Entry-Level	Title	FY2013 Entry-Level	Proposed FY2014 Entry-Level
Montgomery County	Firefighter/Rescuer I	\$41,613	\$42,757
Alexandria City	Firefighter I	\$45,253	\$45,253
Anne Arundel County	Firefighter II	\$36,073	--
Arlington County	Firefighter/EMT I	\$48,641	\$48,641
Baltimore City	EMT Fire Fighter	\$34,146	--
Baltimore County	Probationary Firefighter	\$34,102	\$34,102
District of Columbia	Private	\$44,301	--
Fairfax County	Firefighter	\$52,852	\$52,852
Howard County	Firefighter Trainee	\$45,078	--
Loudoun County	Fire Fighter/EMT	\$40,925	\$42,153
Prince George's County	Fire Fighter I	\$40,848	--
Prince William County	Fire & Rescue Tech I	\$44,969	\$45,868
Montgomery County Rank		7 of 12	5 of 7

Note: Includes scheduled overtime where applicable.

Highest Non-Competitive, Non-Supervisory Title

Among the highest non-competitive, non-supervisory titles, Montgomery County's maximum base plus longevity ranks 5th out of the 12 regional fire departments for FY2013. Under the County's proposal, the maximum base plus longevity would rank 5th out of 9 jurisdictions for which wages have been determined or proposed for FY2014.

Non-Competitive, Non-Supervisory	Title	FY2013 Max Base + Longevity	Proposed FY2014 Max Base + Longevity
Montgomery County	Firefighter III/Rescuer	\$79,472	\$81,657
Alexandria City	Firefighter II	\$82,288	\$82,288
Anne Arundel County	Firefighter III	\$78,504	--
Arlington County	Firefighter/EMT II	\$82,069	\$82,069
Baltimore City	EMT Fire Fighter	\$63,298	--
Baltimore County	Firefighter/EMT	\$81,504	\$81,504
District of Columbia	Private	\$78,682	--
Fairfax County	Firefighter	\$86,093	\$86,093
Howard County	Firefighter	\$76,777	--
Loudoun County	Firefighter/EMT	\$71,371	\$73,512
Prince George's County	Fire Fighter III	\$90,731	--
Prince William County	Fire & Rescue Tech II	\$85,896	\$87,614
Montgomery County Rank		7 of 12	5 of 7

Note: Includes scheduled overtime where applicable.

MCGEO Represented Employees

For employees represented by MCGEO, the combination of not progressing on their respective salary schedules, unpaid furloughs, permanent increased payments for health benefits and retirement resulted in not just forgoing expected income but actual out of pocket losses as well. For example, a Grade 5 OPT/SLT at midpoint (\$30,842) experienced a decrease in take home pay of \$2,553 between furloughs and increased payments for pension and health insurance for FY 11-13. For the same time period a Correctional Sgt. at step 8 (\$68,660) experienced a decrease of nearly \$5,000, and a Deputy Sheriff III at step 10 (\$73,660) experienced an out of pocket loss of \$4,200. These are ongoing reductions and do not include the loss of expected income through wage freezes, which would add to the above calculations. (Data provided by MCGEO).

The table on the following page provides a 5-year overview of the wage and step freezes enacted among the regional jurisdictions from FY2010 through FY2014 (where available). A summary of the regional actions is highlighted below:

- **8 of 15** jurisdictions provided a COLA in at least one year from FY2010 through FY2013. Montgomery County did not provide a COLA in any year, but did provide a one-time lump sum payment in FY2013 of \$2,000 that was not added to base.
- **8 of 15** jurisdictions provided 2 or more step/merit increments from FY2010 through FY2013.

Montgomery County provided a one increment during this time period, in FY2010.

	FY2010	FY2011	FY2012	FY2013
Montgomery County	0% + Step	0% + No Step	0% + No Step	0% + No Step \$2,000 lump sum
Alexandria City	0% + No Step	0% + Step	0% + Step	1% + Step Offset by 1% EE pension contribution
Anne Arundel County (AFSCME Local XXXX)	0% + Step	0% + No Step	0% + No Step	0% + Step
		-5% pay reduction	-5% pay reduction	
Arlington County	1% (1/1/2010) + No Step	0% + Step	0% + Step	0% + Step
Baltimore City	0% + Step	0% + Step	2% + Step	0% + Step
(CUB)				
Baltimore County (BCFPE)	0% + Step	0% + Step	0% + Step	0% + Step
Fairfax County	0% + No Step	0% + No Step	2% (9/2011) + No Step	2.18% + Step
Howard County	0% + Step	0% + Step	1% + Step	0% + Step
(AFSCME Local 3085)				(Pending ratification)
MCPS	0% + Step	0% + No Step	0% + No Step	0% + 2 Steps
(SEIU Local 500)				
M-NCPPC	0% + Step	0% + No Step	0% + No Step	0% + No Step
Montgomery College	0% + Step	0% + No Step	0% + No Step Lump sum equal to 2% of base	0% + No Step
Loudoun County	0% + No Step	0% + No Step	3% + No Step	5% + No Step Offset by 5% EE pension contribution
Prince George's County	0% + No Step	0% + No Step	0% + No Step \$1,000 lump sum	0% + No Step \$1,250 lump sum
Prince William County	0% + No Step	0% + No Step	2% + No Step	1% + Step Offset by 1% EE pension contribution
WSSC	0% + Step	0% + Step	2% + Step	2% + Step

Correctional Officers, Deputy Sheriffs and Equipment Operators

The following charts compare the current rankings of three MCGEO represented employee classes as well as the rankings with the proposed GWA effective September 2013.

Correctional Officer – Entry-Level

	Job Title	FY2013 Entry-Level	Proposed FY2014 Entry-Level
Montgomery County	Correctional Officer I	\$40,538	\$41,855
Anne Arundel County	Detention Officer	\$38,051	--
Baltimore County	Correctional Officer	\$39,667	\$39,667
District of Columbia	Correctional Officer	\$40,200	--
Howard County	Correctional Officer	\$37,835	--
Loudoun County	Correctional Officer I	\$45,391	\$46,753
Prince George's County	Correctional Officer	\$36,647	--
Prince William County	Jail Officer	\$44,969	\$45,868
Mont. County Rank		3 of 8	3 of 4

Deputy Sheriff – Entry-Level

	Job Title	FY2013 Entry-Level	Proposed FY2014 Entry-Level
Montgomery County	Deputy Sheriff I	\$43,642	\$45,060
Alexandria City	Deputy Sheriff I	\$44,054	\$44,054
Anne Arundel County	Deputy Sheriff I	\$39,140	--
Arlington County	Deputy Sheriff I	\$45,906	\$45,906
Baltimore City	Deputy Sheriff	\$37,006	--
Baltimore County	Deputy Sheriff	\$37,747	\$37,747
Fairfax County	Deputy Sheriff I	\$47,196	\$47,196
Howard County	Deputy Sheriff	\$38,730	--
Prince George's County	Deputy Sheriff Private	\$42,807	--
Prince William County	Deputy Sheriff	\$44,969	\$45,868
Mont. County Rank		5 of 10	4 of 6

Equipment Operator II

Job Title		FY2013	Proposed FY14 (as available)
		Minimum	Minimum
Montgomery County	Equipment Operator II	\$35,923	\$37,090
Alexandria City	Equipment Operator I	\$30,924	\$30,924
Anne Arundel County	Equipment Operator II	\$30,638	--
Arlington County	Motorized Vehicle Operator IV	\$39,062	\$39,062
Baltimore City	Heavy Equipment Operator II	\$34,044	--
Baltimore County	Equipment Operator	\$30,347	\$30,347
District of Columbia	Engineering Equipment Oper.	\$49,109	--
Fairfax County	Heavy Equipment Operator	\$38,375	\$38,375
Howard County	Motor Equipment Operator II	\$34,299	--
MCPS	Equipment Operator	\$35,381	--
M-NCPPC	Senior Equipment Operator	\$37,135	--
Loudoun County	Sr Heavy Equipment Operator	\$35,005	\$36,055
Prince George's County	Equipment Operator II	\$26,271	--
Prince William County	Motor Equipment Operator II	\$32,544	\$33,195
Mont. County Rank		5 of 14	3 of 7

Other Relevant Data

Federal employees

The General Salary (GS) Schedule for a majority of federal employees in the metropolitan Washington-Baltimore region, including locality pay, starts at \$21,115 (Grade 1 Step 1), and ends at \$155,500 (Grade 15, Step 10). A comparison with a Montgomery County Grade 21 employee with a federal GS 11, shows Montgomery County being 32% lower at entry and 4.4% lower at max. Likewise, a comparison of a federal GS12 with Montgomery County Grade 23 shows Montgomery County comparison 45.1% lower at entry and 13.9% lower at the top. Additionally, federal GS employees have continued to receive "step" increases worth about 3% of salary during the wage freeze, and have continued to be eligible for performance based bonuses which can be as high as \$25,000. (Data from federal OMB website) (<http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2012/general-schedule/dcb.pdf>).

Regional private sector data

Nonpublic employers in the region have granted small cost of living increases in 2011 and 2012. Surveys of employees conducted by the World of Work organization in the Washington DC region indicated that in 2011 employers gave an average COLA of 2.76% and were projecting a 3.10% for 2012. A survey of 281 Washington/Baltimore employers by the Human Resources Association of the National Capital Area found that employers gave an average COLA of 2.80% in 2012 and were projecting an increase of 2.80% in 2013. For the years 2010-2013, the Cost of Living in this region rose by 8.87%. (Data from Montgomery County PMR, April 2012 and 2013).

**Comparison of Fire Fighter Annual Salaries from 1 to 25 Years of Service
Major Fire Departments in the Washington Metropolitan Area, With Step Freezes, FY2013.**

Years of Service	Alexandria Jul-12	Arlington Jul-12	DC Oct-06	Fairfax Jul-12	Prince George's Oct-08	Median	Montgomery Jul-12	Montgomery County Variance from Median		Rank of Six
								Dollars	Percent	
1	\$43,618	\$46,883	\$44,301	\$50,492	\$42,848	\$44,301	\$41,613	(\$2,688)	-6.1%	6
2	45,802	48,672	45,631	53,488	42,848	45,802	43,694	(2,108)	-4.6%	5
3	48,092	50,669	47,844	53,488	42,848	48,092	43,694	(4,398)	-9.1%	5
4	48,092	52,686	50,060	53,488	44,348	50,060	45,879	(4,181)	-8.4%	5
5	50,497	54,870	50,060	56,163	45,901	50,497	47,485	(3,012)	-6.0%	5
6	53,022	56,638	53,162	58,970	47,507	53,162	49,147	(4,015)	-7.6%	5
7	55,673	58,531	53,162	61,920	49,170	55,673	50,868	(4,805)	-8.6%	5
8	57,621	60,445	56,264	65,015	50,891	57,621	52,649	(4,972)	-8.6%	5
9	59,638	62,442	56,264	68,266	52,672	59,638	54,492	(5,146)	-8.6%	5
10	61,725	64,522	56,264	71,681	54,515	61,725	56,400	(5,325)	-8.6%	4
11	63,886	65,978	59,364	71,681	56,424	63,886	58,374	(5,512)	-8.6%	5
12	66,123	67,496	59,364	75,266	58,398	66,123	60,418	(5,705)	-8.6%	4
13	67,642	69,035	59,364	75,266	60,442	67,642	62,533	(5,109)	-7.6%	4
14	69,198	70,595	62,463	75,266	62,558	69,198	64,722	(4,476)	-6.5%	4
15	70,790	72,238	62,463	75,266	64,747	70,790	66,988	(3,802)	-5.4%	4
16	72,418	73,923	65,586	75,266	67,013	72,418	69,333	(3,085)	-4.3%	4
17	74,084	75,587	68,846	75,266	69,359	74,084	71,760	(2,324)	-3.1%	4
18	75,787	77,334	68,846	79,029	71,787	75,787	74,272	(1,515)	-2.0%	4
19	77,531	79,102	68,846	79,029	74,299	77,531	74,272	(3,259)	-4.2%	5
20	79,314	79,102	68,846	79,029	76,899	79,029	74,272	(4,757)	-6.0%	5
21	79,314	79,102	72,124	79,029	79,591	79,102	76,872	(2,230)	-2.8%	5
22	79,314	79,102	72,124	79,029	82,377	79,102	76,872	(2,230)	-2.8%	5
23	79,314	79,102	72,124	82,981	85,260	79,314	76,872	(2,442)	-3.1%	5
24	79,314	79,102	72,124	82,981	88,244	79,314	76,872	(2,442)	-3.1%	5
25	79,314	79,102	72,124	82,981	90,731	79,314	76,872	(2,442)	-3.1%	5
<i>Average</i>	\$65,485	\$67,290	\$60,705	\$70,413	\$62,467	\$65,568	\$61,889	(\$3,679)	-5.6%	5

Sources: IAFF Research, collective bargaining agreements, personnel departments and individual unions.

Comparison of Minimum and Maximum Salaries, Firefighters, FY 13.

	Minimum	Maximum with Longevity	Years to Max
Core Washington Area Jurisdictions			
Alexandria	\$43,618	\$79,314	18
Arlington	46,883	79,102	18
Fairfax	50,492	82,981	20
Prince George's	42,848	90,731	22
Washington, DC	44,301	78,682	30
Median	\$44,301	\$79,314	
Other Washington Area Jurisdictions			
Prince William	44,969	81,806	
Howard County	46,002	76,777	20
Montgomery County	\$41,613	\$79,471	28

Source: Individual collective bargaining agreements, unions, and police departments, and LGPA Salary and Benefits Survey.

**Analysis of Cost of Past Pay and Benefits Changes,
Montgomery County Firefighters, FY 2010 to FY2013.**

Year of Service	Original Contract	Reduced Pay	Original Contract	Reduced Pay and Freeze	Furlough	Freeze	Pension Change	Insurance Change	Freeze	\$2000 Bonus	Pension Change	Insurance Change	Value of Reduction				
	[1] FY2010	[2] FY2010	[3] FY2011	[4] FY2011	[5] FY2011	[6] FY2012	[7] FY2012	[8] FY2012	[9] FY2013	[10] FY2013	[11] FY2013	[12] FY2013	FY2010	FY2011	FY2012	FY2013	Total [13]
0-1	\$43,278	\$41,613	\$46,361	\$41,613	(\$499)	\$41,613	(\$416)	(\$839)	\$41,613	\$2,000	(\$832)	(\$839)	(\$1,665)	(\$5,247)	(\$6,003)	(\$4,419)	
1-2	47,033	45,224	50,384	43,694	(524)	43,694	(437)	(839)	43,694	2,000	(874)	(839)	(1,809)	(7,214)	(7,965)	(6,402)	
2-3	48,680	46,807	52,148	45,224	(543)	43,694	(437)	(839)	43,694	2,000	(874)	(839)	(1,873)	(7,467)	(9,729)	(8,166)	
3-4	52,905	50,868	56,672	46,807	(562)	47,485	(475)	(839)	45,879	2,000	(918)	(839)	(2,037)	(10,427)	(10,500)	(10,549)	(29,158)
4-5	54,757	52,649	58,656	50,868	(966)	49,147	(491)	(839)	47,485	2,000	(950)	(839)	(2,108)	(8,754)	(10,839)	(10,959)	(30,736)
5-6	56,674	54,492	60,709	52,649	(1,000)	50,868	(509)	(839)	49,147	2,000	(983)	(839)	(2,182)	(9,060)	(11,188)	(11,383)	(34,522)
6-7	58,658	56,400	62,834	54,492	(1,035)	52,649	(526)	(839)	50,868	2,000	(1,017)	(839)	(2,258)	(9,377)	(11,550)	(11,821)	(33,800)
7-8	60,712	58,374	65,034	56,400	(1,072)	54,492	(545)	(839)	52,649	2,000	(1,053)	(839)	(2,338)	(9,706)	(11,925)	(12,276)	(34,993)
8-9	62,837	60,418	67,311	58,374	(1,109)	56,400	(564)	(839)	54,492	2,000	(1,090)	(839)	(2,419)	(10,046)	(12,314)	(12,747)	(36,230)
9-10	65,037	62,533	69,667	60,418	(1,148)	58,374	(584)	(839)	56,400	2,000	(1,128)	(839)	(2,504)	(10,397)	(12,715)	(13,234)	(37,511)
10-11	67,314	64,722	72,106	62,533	(1,188)	60,418	(604)	(839)	58,374	2,000	(1,167)	(839)	(2,592)	(10,761)	(13,131)	(13,738)	(38,837)
11-12	69,670	66,988	74,630	64,722	(1,230)	62,533	(625)	(839)	60,418	2,000	(1,208)	(839)	(2,682)	(11,138)	(13,561)	(14,259)	(40,205)
12-13	72,109	69,333	77,243	66,988	(1,273)	64,722	(647)	(839)	62,533	2,000	(1,251)	(839)	(2,776)	(11,528)	(14,007)	(14,799)	(41,625)
13-14	74,633	71,760	79,947	69,333	(1,317)	66,988	(670)	(839)	64,722	2,000	(1,294)	(839)	(2,873)	(11,931)	(14,467)	(15,358)	(43,094)
14-15	77,246	74,272	82,746	71,760	(1,363)	69,333	(693)	(839)	66,988	2,000	(1,340)	(839)	(2,974)	(12,349)	(14,945)	(15,936)	(44,613)
15-16	77,246	74,272	82,746	74,272	(1,411)	71,760	(718)	(839)	69,333	2,000	(1,387)	(839)	(2,974)	(9,885)	(12,542)	(13,638)	(43,290)
16-17	77,246	74,272	82,746	74,272	(1,411)	74,272	(743)	(839)	71,760	2,000	(1,435)	(839)	(2,974)	(9,885)	(10,055)	(11,260)	(39,024)
17-18	77,246	74,272	82,746	74,272	(1,411)	74,272	(743)	(839)	74,272	2,000	(1,485)	(839)	(2,974)	(9,885)	(10,055)	(8,798)	(31,712)
18-19	77,246	74,272	82,746	74,272	(1,411)	74,272	(743)	(839)	74,272	2,000	(1,485)	(839)	(2,974)	(9,885)	(10,055)	(8,798)	(31,712)
19-20	77,247	74,272	82,746	74,272	(1,411)	74,272	(743)	(839)	74,272	2,000	(1,485)	(839)	(2,975)	(9,885)	(10,055)	(8,798)	(31,712)
20-21	79,950	76,872	85,643	76,872	(1,461)	74,272	(743)	(839)	76,872	2,000	(1,537)	(839)	(3,078)	(10,232)	(12,952)	(9,147)	(32,061)
21-22	79,950	76,872	85,643	76,872	(1,461)	76,872	(769)	(839)	76,872	2,000	(1,537)	(839)	(3,078)	(10,232)	(10,378)	(9,147)	(34,958)
22-23	79,950	76,872	85,643	76,872	(1,461)	76,872	(769)	(839)	76,872	2,000	(1,537)	(839)	(3,078)	(10,232)	(10,378)	(9,147)	(32,732)
23-24	79,950	76,872	85,643	76,872	(1,461)	76,872	(769)	(839)	76,872	2,000	(1,537)	(839)	(3,078)	(10,232)	(10,378)	(9,147)	(32,835)
24-25	79,950	76,872	85,643	76,872	(1,461)	76,872	(769)	(839)	76,872	2,000	(1,537)	(839)	(3,078)	(10,232)	(10,378)	(9,147)	(32,835)
25 Year Avg.	\$67,901	\$65,287	\$72,736	\$64,064	(\$1,168)	\$62,921	(\$629)	(\$839)	\$61,889	\$2,000	(\$1,238)	(\$839)	(\$2,614)	(\$9,839)	(\$11,283)	(\$10,923)	(\$35,827)

[1] Includes negotiated 4% increase for FY2010.

[2] Reflects postponement of negotiated wage increase. Pay is at January 2009 level.

[3] Includes negotiated 3.5% increase and realigned steps for FY2011.

[4] Reflects postponement of negotiated wage increase. Pay is at January 2009 level.

[5] Furlough at 1.2% of pay for those under \$50,000 and 1.9% of pay for those above \$50,000.

[6] Further step freeze.

[7] County's imposed increase in employee pension contribution of one percentage point in FY12.

[8] Impact of County's proposed premium share changes for a firefighter selecting the family standard option medical, standard prescription, and dental PPO insurance. FY2011 rates.

[9] County's proposed step freeze.

[10] County proposal of 1% bonus.

[11] County's imposed increase in employee pension contribution of an additional one percentage point in FY13.

[12] Continuing effect of insurance change at FY2011 rates.

[13] Includes loss at actual year of service each year, e.g. year 1 in FY2010 and year 2 in FY2011 and year 3 in 2012 and year 4 in 2013.

Sources: Collective bargaining agreements.

**IAFF LOCAL 1664 COLLECTIVE BARGAINING AGREEMENT
FISCAL YEARS 2014 AND 2015**

—WAGE IMPROVEMENT COSTS—

FY 2014

COLA (2.75%):	\$3.0 million
FY '14 Service Increments (anniv. date):	\$0.9 million [<u>713 out of 1256 MCFRS employees</u>]
FY '11 Service Increments (eff. 4/6/14):	\$0.5 million [<u>631 out of 1256 MCFRS employees</u>]
Longevity Payments (anniversary date):	<u>\$0.2 million</u>
TOTAL:	\$4.6 million

*Cost of 1% pay raise in FY '14 (per OMB): \$1.1 million; therefore, \$4.6 million is the equivalent of a 4.2% pay raise.

FY 2015

COLA (2.75%):	\$3.0 million
FY '15 Service Increments (anniv. date):	\$0.9 million [<u>713 out of 1256 MCFRS employees</u>]
FY '12 Service Increments (eff. 6/14/15):	\$0.1 million [<u>584 out of 1256 MCFRS employees</u>]
Longevity Payments (anniversary date):	<u>\$0.2 million</u>
TOTAL:	\$4.2 million

*Cost of 1% pay raise in FY '15 (per OMB): \$1.1 million; therefore, \$4.2 million is the equivalent of a 3.8% pay raise.