

**2017-2018 BUDGET QUESTION**  
***Response to Request for Information***

---

**DEPARTMENT:** Labor Relations

**REQUEST NO.:** 53

**REQUESTED BY:** Alter

**DATE REQUESTED:** 6/23/17

**DATE POSTED:** 6/23/17

**DATE REVISED:** 7/10/17

**REQUEST:** Please provide the cost drivers for the current labor contracts for the three public safety departments related to base wage increases, step pay, and specialty pays.

---

**RESPONSE:** The following pages detail the requested cost drivers in the current labor contracts for Austin Police, Austin Fire, and the Emergency Medical Services Departments.

**Police Labor Contract Cost Drivers**

<b>Police</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Base Wage Percentage Increase</b>	1.5%	1.0%	1.0%	2.0%
<b>Base Wage Increase Contract Article &amp; Appendix</b>	Article 7 Sec 1 (a) Appendix A-1	Article 7 Sec 1 (b) Appendix A-2	Article 7 Sec 1 (c) Appendix A-3	Article 7 Sec 1 (d) Appendix A-4
<b>Base Wage Increase Incremental Cost</b>	\$2,777,000	\$1,980,000	\$2,039,000	\$3,930,000
<b>Step Pay Increase Contract Article &amp; Appendix</b>	Article 7 Sec 1 (a) Appendix A-1	Article 7 Sec 1 (b) Appendix A-2	Article 7 Sec 1 (c) Appendix A-3	Article 7 Sec 1 (d) Appendix A-4
<b>Step Pay Increase Incremental Cost</b>	\$1,764,000	\$1,427,000	\$1,304,000	\$1,527,000
<b>Total Base Wage and Step Pay</b>	<b>\$4,541,000</b>	<b>\$3,407,000</b>	<b>\$3,343,000</b>	<b>\$5,457,000</b>

*Note: All costs above are incremental increases in each budget year.*

*Note: The compound cumulative 4-year cost for base wages and step pay is \$40.5 million. [(\$4,541,000 x 4 years) + (\$3,407,000 x 3 years) + (\$3,343,000 x 2 years) + (\$5,457,000 x 1 year) = \$40,528,000]*

**Step pay contract increases for Police Officer**

<b>Police Officer Years at Department</b>	<b>After 1 Year</b>	<b>After 2 Years</b>	<b>After 6 Years</b>	<b>After 10 Years</b>	<b>After 14 Years</b>	<b>After 16 Years</b>
<b>Percent Increase</b>	12%	10%	7%	7%	7%	7%
<b>Annual Salary</b>	\$65,850	\$72,681	\$77,766	\$83,211	\$89,035	\$95,270

## Police Specialty Pay Labor Contract Summary

Types of Pay	Labor Contract Section	Annual Amount	# of Employees (April 2017)	Current Cost Projection
Longevity: \$107 per year of service; max of 25 years@	Article 7 Sec. 2	\$107 - 2,675	1,770	\$3,074,000
Field Training Officer (FTO)	Article 7 Sec. 3	\$2,100	142	\$321,000
Mental Health Certification	Article 7 Sec. 4	\$2,100	154	\$348,000
Bilingual	Article 7 Sec. 5	\$2,100	319	\$720,000
Clothing Allowance	Article 7 Sec. 8	\$500	463	\$248,000
Education Incentive (Associate's, Bachelor's, Master's)	Article 7 Sec. 9 (b)	\$1,200-3,600	1,518*	\$3,742,000
TCLEOSE Certificate (Intermediate, Advanced, Master)	Article 7 Sec. 9 (a)	\$600-1,800		
Shift Differential: evening or night shift; 28-day cycle	Article 7 Sec. 10	\$3,600	801	\$3,091,000
Overtime paid as productive^	Article 8 Sec. 1			\$500,000
Court time paid at overtime rate+	Article 8 Sec. 3			\$1,222,000
Call Back paid at overtime rate	Article 8 Sec. 4			\$656,000
Terminal Pay#	Article 9 Sec. 3			\$4,400,000

@ Longevity Pay – State law Chapter 141 requires each member of police department receive longevity pay of \$4 a month (\$48 annual) for each year of service in the department, not to exceed 25 years.

\* Combined total as a sworn employee cannot receive both an Education Incentive and Texas Commission on Law Enforcement Officers Standards and Education Certificate

^ Overtime paid as productive – Controller's Office recently initiated a process for payroll cost analysis from FY 2016, if all approved paid leave time was non-productive the estimated savings in FY 2016 would have been \$500,000.

+ Court time paid at overtime rate – 10% of \$1.2 million is for a State grant match.

# Terminal Pay - annual amount of \$4.4 million based on a 3-year average pay out with approximately \$2.9 million for sick leave on separation and the remaining from accrued vacation leave. State law Chapter 143 requires 90 days (900 hours based on 10 hour days) of sick leave payout while the Meet and Confer agreement with Austin Police Association allows up to 1,400 hours pay out and up to an additional 300 hours to 1,700 hours if certain requirements are met as stated in Article 9 Section 3 of the agreement.

### Fire Labor Contract Cost Drivers

Fire	FY 2014	FY 2015	FY 2015 (June)	FY 2016	FY 2017
Base Wage Percentage Increase	Impasse	Impasse	1.0%	2.5%	2.0%
Base Wage Increase Contract Article & Appendix			Article 9 Sec 1 (A) Appendix A-1	Article 9 Sec 1 (B) Appendix A-1	Article 9 Sec 1 (C) Appendix A-1
Base Wage Increase Incremental Cost	\$0	\$0	\$332,000*	\$2,719,000	\$2,161,000
Step Pay Increase Contract Article & Appendix			Article 9 Sec 1 (A) Appendix A-1	Article 9 Sec 1 (B) Appendix A-1	Article 9 Sec 1 (C) Appendix A-1
Step Pay Increase Incremental Cost	\$625,000	\$811,000	\$0	\$400,000	\$93,000
<b>Total Base Wage and Step Pay</b>	<b>\$625,000</b>	<b>\$811,000</b>	<b>\$332,000</b>	<b>\$3,119,000</b>	<b>\$2,254,000</b>

\* City Council approved a 1.0% increase for Fire Sworn in June 2015 for the remaining 3-months of the fiscal year in the amount of \$332,000. The base wage increase of 1.0% full-year annualized cost is \$1,096,000.

Note: All costs above are incremental increases in each budget year.

Note: The compound cumulative 4-year cost for base wages and step pay is \$15.9 million.  $[(\$625,000 \times 4 \text{ years}) + ((\$811,000 \times 3 \text{ years}) + \$332,000) + (\$1,096,000 \times 2 \text{ years}) + (\$3,119,000 \times 2 \text{ years}) + (\$2,254,000 \times 1 \text{ year}) = \$15,949,000]$

### Step pay contract increases for a firefighter

Firefighter Years at Department	After 1 Year	After 2 Years	After 3 Years	After 6 Years	After 9 Years	After 12 Years	After 15 Years	After 18 Years	After 21 Years
Percent Increase	9%	9%	9.15%	5%	5%	5%	5%	5%	5%
Annual Salary	\$56,447	\$61,249	\$66,854	\$70,194	\$73,705	\$77,385	\$81,260	\$85,318	\$89,584

## Fire Specialty Pay Labor Contract Summary

Types of Pay	Labor Contract Section	Annual Amount	# of Employees (April 2017)	Current Cost Projection
Longevity: \$100 per year of service; max of 25 years	Article 9 Sec. 2 B	\$100 - 2,500	979	\$1,860,000
Airport Fire and Rescue	Article 9 Sec. 2 A	\$1,800	51	\$93,000
Staff Schedule	Article 9 Sec. 2 A	\$5,400	73	\$400,000
Special Operations Teams	Article 9 Sec. 2 A	\$1,800	117	\$214,000
Bilingual	Article 9 Sec. 2 A	\$2,100	177	\$377,000
Education Incentive (Associate's and Bachelor's)	Ordinance # 20140306-010	\$600 - 1,200	838 *	\$977,000
Certification (Intermediate, Advanced, Master)	Ordinance # 20140306-010	\$600-1,800		
Overtime paid as productive^	Article 15 Sec. 1 A			\$1,100,000
Terminal Pay #	Article 12 Sec. 3			\$1,625,000

@ Longevity Pay – State law Chapter 141 requires each member of fire department receive longevity pay of \$4 a month (\$48 annual) for each year of service in the department, not to exceed 25 years.

\* Combined total as a sworn employee cannot receive both an Education Incentive and Certification Pay

^ Overtime paid as productive – Controller's Office recently initiated a process for payroll cost analysis from FY 2016, if all approved paid leave time was non-productive the estimated savings in FY 2016 would have been \$1,100,000.

#Terminal Pay - annual amount of \$1.6 million based on a 3-year average pay out, approximately \$1.3 million for sick leave on separation and the remaining from accrued vacation leave. State law Chapter 143 requires 90 days (1080 hours based on 12 hour days) of sick leave payout and is consistent with the Collective Bargaining agreement with Austin Fire Association allowing up to 1,080 hours pay out.

### EMS Labor Contract Cost Drivers

EMS	FY 2014	FY 2015	FY 2016	FY 2017
Base Wage Percentage Increase	<i>Note: The effect of increasing pay level and of creating a Step based system established by Article 6 Sec 1 (a) (e) (f) in FY 2014 was \$2.2 million cost increase over FY 2013 fiscal year.</i>	1.0%	1.0%	2.0%
Base Wage Increase Contract Article & Appendix		Article 6 Sec 1 (b) Appendix A-2	Article 6 Sec 1 (c) Appendix A-3	Article 6 Sec 1 (d) Appendix A-4
Base Wage Increase Incremental Cost		\$352,000	\$360,000	\$687,000
Step Pay Increase Contract Article & Appendix		Article 6 Sec 1 (e-g) Appendix A-2	Article 6 Sec 1 (e-g) Appendix A-3	Article 6 Sec 1 (e-g) Appendix A-4
Step Pay Increase Incremental Cost		\$600,000	\$302,000	\$239,000
<b>Base Wage and Step Pay Total</b>	\$2,200,000	\$952,000	\$662,000	\$926,000

Note: All costs above are incremental increases in each budget year.

Note: The compound cumulative 4-year cost base wages and step pay is \$13.9 million.  $[(\$2,200,000 \times 4 \text{ years}) + (\$952,000 \times 3 \text{ years}) + (\$662,000 \times 2 \text{ years}) + (\$926,000 \times 1 \text{ year}) = \$13,906,000]$

### EMS Step pay contract increases for a Field Medic I and II

Medic I and II Years at Department	After 1 Year	After 3 Years	After 5 Years	After 7 Years	After 8 Years	After 11 Years	After 14 Years	After 17 Years	After 20 Years
Percent Increase	5%	5%	7%	7%	7%	7%	7%	7%	7%
Medic I	\$41,850	\$43,950	\$47,029	\$50,315	\$53,851	\$57,616	\$61,651	\$65,957	\$70,574
Medic II	\$48,984	\$51,418	\$55,016	\$58,885	\$63,003	\$67,413	\$72,114	\$77,168	\$82,576

### EMS Specialty Pay Labor Contract Summary

Types of Pay	Labor Contract Section	Annual Amount	# of Employees (April 2017)	Current Cost Projection
Service Incentive Pay: Same method as non-sworn staff	Article 6 Sec. 6	5 years: \$500 7 years: \$1,000 15 years: \$1,500	290	\$360,000
Field Training Officer (FTO)	Article 6 Sec. 8	\$2,100	17	\$38,000
Special Operations Qualified	Article 6 Sec. 3	\$2,100	51	\$115,000
Aeromedical Communications Specialist (ACS)	Article 6 Sec. 4	\$1,800	8	\$16,000
Bilingual	Article 6 Sec. 5	\$1,800	52	\$101,000
Education Incentive (Associate's, Bachelor's, Master's)	Article 6 Sec. 2 (a)	\$1,800-2,400	95	\$190,000