

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Anna Kanwit:JKU:ss	2. Telephone No. (503) 823-3524	3. Bureau/Office/Dept. OMF/Bureau of Human Resources
4a. To be filed (date): June 6, 2013	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/> </div>	4. Date Submitted to Commissioner's office and FPD Budget Analyst: May 30, 2013
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

1) Legislation Title:

*Ratify a Successor Collective Bargaining Agreement between the City of Portland and the City of Portland Professional Employees Association relating to the terms and conditions of employment of represented employees in the City of Portland Professional Employees Association bargaining unit for 2013-2017 (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose of this legislation is to ratify a successor collective bargaining agreement between the City and the City of Portland Professional Employees Association (COPPEA) for the period of July 1, 2013 to June 30, 2017 (the 2013-2017 CBA). The Tentative Agreement (Agreement) negotiated between the City and the COPPEA is attached hereto as Exhibit A and incorporated herein by this reference. If ratified, this Agreement will establish the terms and conditions of the 2013-2017 CBA. It is expected that this ordinance will be placed on City Council's regular agenda for June 12, 2013.

At all times during the negotiations of the Agreement, the parties committed themselves to transparent information sharing and substantive and respectful dialogue. As of the date this ordinance is submitted, the COPPEA has not yet ratified this Agreement. However, the COPPEA will complete its ratification process before City Council's review and consideration of the attached Agreement.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

In the first year of the contract (FY 2013-14), the COLA rate will be set at 50% of Portland-Salem CPI-W, and is estimated to cost about \$621,400 for the entire City, or about \$59,800 for the General Fund. Thereafter, the COLA rate will be based at 100% CPI-W, with an annual adjustment ceiling of 5% and a minimum of 1%. The fiscal impact of subsequent COLAs (July 2014 and thereafter) would depend on increases in the CPI-W, with current analysis based on inflation forecast provided by the City Economist. By applying these forecast inflation rates through FY 2016-17, the average annual increase in COLA is estimated at \$2.2 million for the entire city or \$213,000 for the General Fund.

The Wage and Compensation set aside for the General Fund includes the monies necessary to fund the CPI-W increase in wages and benefits. Certain costs associated with Health Care Benefits have also been set aside in the General Fund. The only other addition is funding for Professional Development Fund at \$125,000 in FY 2013-14, and \$150,000 per year thereafter.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ YES: Please proceed to Question #9.

☒ NO: Please, explain why below; and proceed to Question #10.

This action is largely internal to City government processes.

9) If “YES,” please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

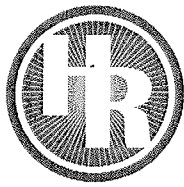
e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No. This action is largely internal to City government processes.

A handwritten signature in blue ink, appearing to be 'A', is written over a horizontal line that spans the width of the signature box.

Anna Kanwit, BUREAU DIRECTOR



City of Portland
Bureau of
Human Resources
Knowledgeable | Helpful | Responsive

186085

Anna Kanwit, Director
1120 SW 5th Ave., Rm. 404
Portland, Oregon 97204-1912
(503) 823-3572
Fax (503) 823-4156

Office of Management and Finance

Jack D. Graham, Chief Administrative Officer

May 28, 2013

FOR MAYOR'S OFFICE USE ONLY

TO: Mayor Charlie Hales

Reviewed by Bureau Liaison _____

FROM: Anna Kanwit, Human Resources Director *Anna Kanwit*

RE: ORDINANCE TITLE *Ratify a Successor Collective Bargaining Agreement between the City of Portland and the City of Portland Professional Employees Association relating to the terms and conditions of employment of represented employees in the City of Portland Professional Employees Association bargaining unit for 2013-2017 (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** May 30, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** June 12, 2013
3. **CONTACT NAME & NUMBER:** Jon Uto, ext. 3-3524
4. **PLACE ON:** ☐ CONSENT ☒ REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ Yes ☐ No ☐ N/A
6. **ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☒ Yes ☐ No ☐ N/A (On the backing sheet)

7. BACKGROUND/ANALYSIS

The purpose of this legislation is to ratify a successor collective bargaining agreement between the City and the City of Portland Professional Employees Association (COPPEA) for the period of July 1, 2013 to June 30, 2017 (the 2013-2017 CBA). The Tentative Agreement (Agreement) negotiated between the City and the COPPEA is attached hereto as Exhibit A and incorporated herein by this reference. If ratified, the Agreement will establish the terms and conditions of the 2013-2017 CBA. It is expected that this ordinance will be placed on City Council's regular agenda for June 12, 2013.

At all times during the negotiations of the Agreement, the parties committed themselves to transparent information sharing and substantive and respectful dialogue. As of the date this ordinance is submitted, the COPPEA has not yet ratified this Agreement. However, the COPPEA will complete its ratification process before City Council's review and consideration of the attached Agreement.

Sam Adams, Mayor

We are an equal opportunity employer

Please notify the City of Portland of the need for ADA accommodations no less than five (5) days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.



Highlights of the Agreement include the following:

- **Wages:** The Agreement continues to apply the principles of total compensation as the basis for bargaining all monetary subjects and ties general compensation to the Consumer Price Index (CPI). General wage increases will continue to be tied to the Portland CPI-W. Upon ratification, COPPEA bargaining unit members will receive a wage increase of 0.9% retroactive to July 1, 2013. A similar wage increase, also based on the Portland CPI-W formula, provides for a minimum increase of 1% with a maximum increase of 5% adjusted on July 1 of each year of the Agreement.
- **Benefits:** The Agreement continues the current health insurance premium share at 95% / 5% for the term of the Agreement.
- **New Provisions:** Upon ratification of the Agreement, the City will implement new provisions on background checks, sick leave abuse/misuse, and compensatory time accrual.
- **Professional Development Fund:** Upon ratification of the Agreement, the City will, through its Bureaus, continue to fund a Professional Development Fund for the COPPEA represented employees each year of the Agreement.

8. FINANCIAL IMPACT

In the first year of the contract (FY 2013-14), the COLA rate will be set at 50% of Portland-Salem CPI-W, and is estimated to cost about \$621,400 for the entire City, or about \$59,800 for the General Fund. Thereafter, the COLA rate will be based at 100% CPI-W, with an annual adjustment ceiling of 5% and a minimum of 1%. The fiscal impact of subsequent COLAs (July 2014 and thereafter) would depend on increases in the CPI-W, with current analysis based on inflation forecast provided by the City Economist. By applying these forecast inflation rates through FY 2016-17, the average annual increase in COLA is estimated at \$2.2 million for the entire city or \$213,000 for the General Fund.

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9. RECOMMENDATION/ACTION REQUESTED

I recommend that the Mayor and City Council approve this ordinance.



City of Portland
Bureau of
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Knowledgeable | Helpful | Responsive

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Portland, Oregon 97204-1912
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Fax (503) 823-4156

Office of Management and Finance

Jack D. Graham, Chief Administrative Officer

Memorandum

186085

To: Mayor Charlie Hales
Commissioner Amanda Fritz
Commissioner Nick Fish
Commissioner Dan Saltzman
Commissioner Steve Novick
City Auditor LaVonne Griffin-Valade

From: Jonathan Uto, Labor Relations Coordinator

Jonathan Uto

Date: 6/11/2013

Re: Edit to Exhibit A of City Council Agenda Item 549 'Ratify a Successor Collective Bargaining Agreement between the City and the City of Portland Professional Employees Association'.

Please find attached an updated Exhibit A for the above mentioned agenda item. Several pages were inadvertently left out of the original ordinance document. The new portion of Exhibit A is pages 19 – 25.

A motion will need to be made to "Accept substitute Exhibit A and revise exhibit page references in ordinance findings paragraph 4."

An additional motion will be needed to the ordinance. "Move to correct a typographical error in Section 1, Item 7 of the ordinance by changing the start date of the 0.9% wage increase from July 1, 2012 to July 1, 2013."

Charlie Hales, Mayor

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