

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): January 9, 2014	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		4. Date Submitted to Commissioner's office and FPD Budget Analyst: January 7, 2014
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 and Laborers Local 483 – Recreation for the terms and conditions of employment of represented employees in the Recreation bargaining unit (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose of this ordinance is to ratify a successor collective bargaining agreement between the City and Laborers Local 483 – Recreation for the period of July 1, 2013 to a date undetermined (the successor CBA). The Tentative Agreement (Agreement) is attached hereto as Exhibit A and incorporated herein by this reference. As of the date this ordinance is submitted, it is expected that Laborers Local 483 will ratify the Agreement on or before January 14, 2014.

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 FY 2013-14, the COLA rate set at 50% of Portland-Salem CPI-W is estimated to cost about \$37,500 for the General Fund. The first year fiscal impact is prorated for effective dates of August 29th, 2013 through June 30, 2014. Thereafter, the COLA rate will be based at 100% CPI-W in the successor years (July 2014 and thereafter). The cost of the COLA rate for July 2014 going forward would depend on increases in the Portland 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 \$130,000 for the General Fund. There is no fiscal impact associated with replacement of contract personnel performing recreation support services.

The Wage and Compensation set aside for the General Fund includes the monies necessary to fund the Portland 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 at \$15,000 per year beginning in FY 2014-15 and 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?

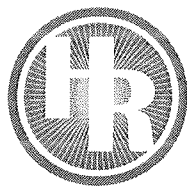
e) Primary contact for more information on this public involvement process (name, title, phone, email):

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.



Anna Kanwit, BUREAU DIRECTOR



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

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Office of Management and Finance

Fred Miller, Interim Chief Administrative Officer

186428

January 7, 2014

FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison _____

TO: Mayor Charlie Hales

FROM: Anna Kanwit, Human Resources Director

RE: ORDINANCE TITLE *Ratify a successor collective bargaining agreement between the City and Laborers Local 483 – Recreation for the terms and conditions of employment of represented employees in the Recreation bargaining unit (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** January 9, 2014
2. **REQUESTED COUNCIL AGENDA DATE:** January 15, 2014 at 9:45 a.m. (Time Certain)
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 Signature on backing sheet

7. BACKGROUND/ANALYSIS

The purpose of this ordinance is to ratify a successor collective bargaining agreement between the City and Laborers Local 483 – Recreation for the period of July 1, 2013 to a date undetermined (the successor CBA). The Tentative Agreement (Agreement) is attached hereto as Exhibit A and incorporated herein by this reference. As of the date this ordinance is submitted, it is expected that Laborers Local 483 will ratify the Agreement on or before January 14, 2014.

Highlights of the successor CBA include:

- **Wages:** The successor CBA 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 of the successor CBA, bargaining unit members will receive a salary increase of fifty percent (.9%) of the annual increase in the Portland CPI-W for the first year, retroactive to August 29, 2013. Salary rates FY Two through the final year of the successor CBA are to be increased by 100% of the annual increase in the Portland CPI-W, adjusted on July 1 each year. However, in no event shall the salary increase FY Two through the final year of the successor CBA be less than one percent or greater than five percent.

Charlie Hales, 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.



- **Benefits:** The successor CBA will continue the current health insurance premium share at 95 percent / 5 percent for the term of the Agreement.
- **Graveyard Shift Premium:** The graveyard shift previously was defined as a shift that begins between 7:00 p.m. and 5:59 a.m. Effective with the successor CBA, the graveyard shift will be defined to begin anytime between 7:00 p.m. and 4:59 a.m.
- **Professional Development Fund:** The successor CBA provides for a Professional Development Fund (PDF) for Recreation represented employees in the amount of \$15,000 in each fiscal year of the Agreement, with Portland Parks & Recreation administering the program. The new article establishing the PDF will sunset at the expiration of the successor CBA.
- **Market Survey:** The City will conduct a market survey and job description review to begin in or about August 2014. The City will provide the information to Laborers Local 483 so that the information can be used in preparation for negotiations prior to the expiration of the successor CBA.
- **Recreation Support Persons:** The successor CBA provides that the City may employ recreation support persons for up to 1,600 hours per person per calendar year. The City has agreed that it will gradually use less recreation support persons prior to the expiration of the successor CBA. The cost associated with this provision will not impact the current service level budget for Portland Parks & Recreation.
- **Article 6, Job Security and Outside Contracting:** The parties have agreed to adopt the language that will be in the successor agreement between the City and the District Council of Trade Unions (DCTU) for Article 6, Job Security and Outside Contracting. Until such time a DCTU successor agreement between the City and the DCTU is in place, the language in the 2010-2013 CBA will apply.
- **Duration of Successor CBA:** The parties have also agreed to adopt the same duration date that will be in the successor agreement between the DCTU and the City.

8. FINANCIAL IMPACT

In FY 2013-14, the COLA rate set at 50% of Portland-Salem CPI-W is estimated to cost about \$37,500 for the General Fund. The first year fiscal impact is prorated for effective dates of August 29th, 2013 through June 30, 2014. Thereafter, the COLA rate will be based at 100% CPI-W in the successor years (July 2014 and thereafter). The cost of the COLA rate for July 2014 going forward would depend on increases in the Portland 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 \$130,000 for the General Fund. There is no fiscal impact associated with replacement of contract personnel performing recreation support services.

The Wage and Compensation set aside for the General Fund includes the monies necessary to fund the Portland 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 at \$15,000 per year beginning in FY 2014-15 and thereafter.

9. RECOMMENDATION/ACTION REQUESTED

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