

IMPACT STATEMENT

Legislation title: *Ratify a successor collective bargaining agreement between the City on behalf of Portland Fire & Rescue and the Portland Fire Fighters Association relating to the terms and conditions of employment of represented employees in the Portland Fire Fighters Association bargaining unit for 2019-2022 (Ordinance)

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Presenter name: Cathy Bless

Purpose of proposed legislation and background information:

The purpose of this ordinance is to ratify a Tentative Agreement (Agreement), Exhibit A attached hereto, for a successor collective bargaining agreement between the City on behalf of Portland Fire & Rescue (PF&R) and Portland Fire Fighters' Association (PFFA) for the period of July 1, 2019 to June 30, 2022 (the 2019-2022 successor CBA).

The PFFA ratified the Agreement on April 15, 2020. If ratified by City Council, the Agreement will establish the terms and conditions of the 2019-2022 successor CBA for the PFFA.

Financial and budgetary impacts:

General Fund Fiscal Impact: The net fiscal impact in addition to the standard cost-of-living allowances (COLA) for Year 1 (FY 2019-20) will be minimal and can be absorbed in current Fire Bureau's budget, due to later implementation date. The net fiscal impact for Year 2 (FY 2020-21) is estimated to be a \$2,862,000 increase in annual expenditures, which will cover workweek reduction (\$729,000), increasing the paramedic cap (\$127,000), increasing premium pay for Technical Rescue Team members (\$181,000), increasing the vacation accrual rate (\$1,612,000), tuition reimbursement (\$6,000), health and wellness program(\$194,000), and paid release time for PFFA Executive Board members (\$13,000).

The net fiscal impact for Year 3 (FY 2021-22) is estimated to be a \$2,943,000 increase in the annual expenditures for the above-mentioned items.

Health Insurance Fund Fiscal Impact: Fiscal impact of NFPA (National Fire Protection Association) physical examination tests for PFFA members is estimated at \$413,000 in Year 2 (FY 2020-21) and \$465,000 in Year 3 (FY 2021-22). Due to later implementation date of the labor contract, the fiscal impact will be negligible in Year 1 (FY 2019-20).

FPDR Fiscal Impact: New PFFA contract provisions will result in additional FPDR costs of approximately \$400,000 in FY 2020-21 and \$500,000 in FY 2021-22, for total additional costs of \$900,000. These expenses are not included in FPDR's FY 2019-20 or FY 2020-21 budgets or five-year forecast. They include costs to backfill staff for the reduction in work week hours, to provide additional vacation leave, to increase the cap on paramedics and

associated premium pay, to increase the technical rescue premium from 6% to 9%, and to increase paid release time for union officials. Additional costs in FY 2019-20 will be negligible as the fiscal year is nearly complete.

In addition to these costs, a wage COLA of 3.9% retroactive to July 1, 2019 and future wage COLAs included in the contract will cost FPDR an additional \$3.7 million over the life of the contract (\$0.2 million in FY 2019-20, \$1.4 million in FY 2020-21 and \$2.1 million in FY 2021-22). However, these costs are already reflected in FPDR's budget and five-year forecast

Community impacts and community involvement:

There was no community involvement. This action is largely internal the City government processes.

100% Renewable Goal:

This action has no impact on the City's renewable energy goal.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

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