



House of Representatives

General Assembly

File No. 3

January Session, 2001

House Resolution No. 9

House of Representatives, February 13, 2001

The House Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the resolution ought to be adopted.

RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE UNIVERSITY OF CONNECTICUT BOARD OF TRUSTEES AND THE UNIVERSITY OF CONNECTICUT PROFESSIONAL EMPLOYEES ASSOCIATION.

Resolved by this House:

- 1 That the collective bargaining agreement between The University of
- 2 Connecticut Board of Trustees and The University of Connecticut
- 3 Professional Employees Association, Local 3695, CFEPE, AFT, AFL-
- 4 CIO, effective July 1, 2001, to June 30, 2005, inclusive, signed by the
- 5 parties January 2, 2001, and submitted to this assembly January 24,
- 6 2001, for approval, as provided in subsection (b) of section 5-278 of the
- 7 general statutes, is approved.

APP *House Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Cost

Affected Agencies: University of Connecticut

Municipal Impact: None

Explanation

State Impact:

	FY 02	FY 03	FY 04
All Funds	\$2,958,323	\$6,266,408	\$9,739,271
General Fund	\$1,662,505	\$3,509,149	\$5,447,776

This agreement for the University of Connecticut Professional Employees' Association bargaining unit is submitted for approval for the four-year period July 1, 2001 through June 30, 2005. Costs shown above are estimates for the 1,213 employees covered by this contract, including 677 General Fund employees. FY 05 costs are \$13,407,271 for All Funds, and \$7,495,332 for the General Fund. FY 05 annualized costs are \$13,681,097 for All Funds and \$7,648,187 for the General Fund. Details of the costs are attached.

Increases associated with this contract are generally in line with increases in negotiated agreements and arbitrated awards for other bargaining units. The governor's recommended 2001-2003 biennial budget anticipates that there are sufficient funds in the agency's budgeted resources and reserves to cover the costs associated with this contract.

Cost Estimate of Agreement

University of Connecticut Professional Employees' Association
 Agency Affected: University of Connecticut
 Term of Contract: Four years, July 1, 2001 through June 30, 2005
 Full-Time Employees Affected by Contract: 677 General Fund
 536 Other Funds
1,213 Total

Cash Basis Percent Increase

	Salary	Total	General Wage Increase	Flat Dollar Increase	Merit Increase
Prior to Contract	\$48,940				
1 st Year of Contract (FY 02)	51,182	4.57%	2.97%	0.46%	1.14%
2 nd Year of Contract (FY 03)	53,525	4.58%	2.98%	0.46%	1.14%
3 rd Year of Contract (FY 04)	55,978	4.58%	2.98%	0.23%	1.37%
4 th Year of Contract (FY 05)	58,536	4.57%	2.97%	0.23%	1.37%

Annualized Basis Percent Increase

	Salary	Total	General Wage Increase	Flat Dollar Increase	Merit Increase
Prior to Contract	\$48,940				
1 st Year of Contract (FY 02)	51,368	4.96%	3.22%	0.50%	1.24%
2 nd Year of Contract (FY 03)	53,916	4.96%	3.22%	0.50%	1.24%
3 rd Year of Contract (FY 04)	56,598	4.97%	3.23%	0.25%	1.49%
4 th Year of Contract (FY 05)	59,406	4.96%	3.22%	0.25%	1.49%

	Prior to Contract	At End of Contract Annualized	Percent Increase
Salaries[1]	\$ 59,341,719	\$ 72,027,235	21.4%
Fringe Benefits[2]			
Current Items	\$ 19,711,977	\$ 21,745,465	
Negotiated Improvements		25,139	
Total Fringe Benefits	\$ 19,711,977	\$ 21,770,604	10.4%
Total	\$ 79,053,696	\$ 93,797,839	18.7%

4.65% average per year (compounded)

[1] Salaries include base salary and longevity payments.

[2] Fringe benefits include Social Security, normal cost of pension contributions, health insurance, life insurance, disability insurance, professional development, child care pool, and tuition reimbursement.

**Detail of Cost Estimates
All Funds**

Contract Items	FY 05				
	FY 02	FY 03	FY 04 [1]	FY 05[1]	Annualized[1]
First Year (FY 02)					
3.25% General Wage Increase effective 7/13/01	\$ 1,765,269	\$ 1,912,374	\$ 1,912,374	\$ 1,912,374	\$ 1,912,374
\$245 Flat Dollar Increase effective 7/13/01	274,223	297,075	297,075	297,075	297,075
1.25% Merit Increase effective 7/13/01	678,950	735,529	735,529	735,529	735,529
Longevity Adjustment	6,300	-	-	-	-
Increase Professional Development from \$131,484 to \$144,000	12,516	12,516	12,516	12,516	12,516
Increase Child Care Pool from \$28,000 to \$32,000	4,000	4,000	4,000	4,000	4,000
Increase Union Business Leave from 44 to 88 days	8,623	8,623	8,623	8,623	8,623
Total First Year	\$ 2,749,880	\$ 2,970,117	\$ 2,970,117	\$ 2,970,117	\$ 2,970,117
Second Year (FY 03)					
3.25% General Wage Increase effective 7/12/02		\$ 1,853,618	\$ 2,008,086	\$ 2,008,086	\$ 2,008,086
\$255 Flat Dollar Increase effective 7/12/02		285,416	309,200	309,200	309,200
1.25% Merit Increase effective 7/12/02		712,930	772,341	772,341	772,341
Longevity Adjustment		800	-	-	-
Total Second Year		\$ 2,852,764	\$ 3,089,627	\$ 3,089,627	\$ 3,089,627
Third Year (FY 04)					
3.25% General Wage Increase effective 7/11/03			\$ 1,946,307	\$ 2,108,499	\$ 2,108,499
\$135 Flat Dollar Increase effective 7/11/03			151,102	163,694	163,694

					FY 05
Contract Items	FY 02	FY 03	FY 04 [1]	FY 05[1]	Annualized[1]
1.5% Merit Increase effective 7/11/03			898,295	973,153	973,153
Longevity Adjustment			(6,500)	-	-
Total Third Year			\$ 2,989,205	\$ 3,245,347	\$ 3,245,347
Fourth Year (FY 05)					
3.25% General Wage Increase effective 7/9/04				\$ 2,043,667	\$ 2,213,973
\$140 Flat Dollar Increase effective 7/9/04				156,699	169,757
1.5% Merit Increase effective 7/9/04				943,231	1,021,834
Longevity Adjustment				7,600	-
Total Fourth Year				\$ 3,151,197	\$ 3,405,564
Total Contract Items	\$ 2,749,880	\$ 5,822,881	\$ 9,048,949	\$ 12,456,289	\$ 12,710,655
Social Security Costs[2]	208,443	443,527	690,321	950,983	970,442
Total Cost of Contract	\$ 2,958,323	\$ 6,266,408	\$ 9,739,271	\$ 13,407,271	\$ 13,681,097
Estimated General Fund Costs	\$ 1,662,505	\$ 3,509,149	\$ 5,447,776	\$ 7,495,332	\$ 7,648,187

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls. PA 99-1 of the June Special Session authorizes the development of the state budget on a GAAP (Generally Accepted Accounting Principles) basis beginning in FY 04. This change will basically add one-tenth of a payroll to annual costs beginning in that year.

[2] Wage increases directly impact Social Security contributions. Due to the actuarial valuation method used to cost pension plan contributions, the impact on pension costs is delayed until the next valuation.

Notes:

Cash costs are based on 24 pay periods.

The contract also includes an increase in the amount of Group Life Insurance (Sec. 5-257 CGS) for which bargaining unit members are eligible. Currently the coverage is maximized at \$38,000. This change will allow members to participate in coverage up to \$85,000, depending on their salaries.