



## Senate

General Assembly

**File No. 636**

*February Session, 2004*

Senate Resolution No. 22

*Senate, April 21, 2004*

The Senate Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the resolution ought to be adopted.

**RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE BOARD OF EDUCATION AND THE STATE VOCATIONAL FEDERATION OF TEACHERS.**

Resolved by the Senate:

- 1 That the collective bargaining agreement between the State Board of
- 2 Education and the State Vocational Federation of Teachers, Local
- 3 4200A, American Federation of Teachers, AFL-CIO, Vocational-
- 4 Technical Instructors Unit, effective September 1, 2003, to August 31,
- 5 2007, inclusive, submitted to this assembly April 1, 2004, for approval,
- 6 as provided in subsection (b) of section 5-278 of the general statutes, is
- 7 approved.

**APP**      *Senate 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:

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### **OFA Fiscal Note**

#### **State Impact:**

| <b>Fund-Type</b> | <b>Agency Affected</b>  | <b>FY 04 \$</b> | <b>FY 05 \$</b> | <b>FY 06 \$</b> |
|------------------|-------------------------|-----------------|-----------------|-----------------|
| Various - Cost   | Department of Education | 25,000          | 4,077,353       | 9,385,873       |
| GF - Cost        | Department of Education | 25,000          | 3,948,478       | 9,087,673       |

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

This collective bargaining agreement for the Vocational-Technical School Teachers bargaining unit is submitted for approval for the four-year period September 1, 2003 through August 31, 2007. There are 1,201 All Funds full-time employees covered by this contract, including 1,155 General Fund full-time employees. The estimated FY 07 cost of this agreement is \$15,211,659 for All Funds, of which \$14,727,479 is for the General Fund. The estimated FY 07 annualized cost of this agreement is \$16,025,947 for All Funds, of which \$15,515,547 is for the General Fund. Details of the costs are attached.

Funding has not been specifically included in the current budget or in the Appropriations Committee budget (sHB 5033) to cover the costs of this agreement. The extent to which the Department of Education or the Reserve for Salary Adjustments Account will be able to absorb these costs is not known at this time.

### **Cost Estimate of Agreement**

#### **All Funds**

Vocational-Technical School Teachers Bargaining Unit  
 Agency Affected: Department of Education  
 Term of Contract: Four years, September 1, 2003 through August 31,  
 2007  
 Number of Full-Time Employees Affected by Contract:

1,155 General Fund  
46 Other Funds  
**1,201 Total**

**Average Full-Time Salary Data:**

**Percent Increase (Cash Basis)**

|                              | Salary    | Total | General<br>Wage<br>Increase | Annual<br>Increments |
|------------------------------|-----------|-------|-----------------------------|----------------------|
| Prior to Contract            | \$ 57,515 |       |                             |                      |
| 1st Year of Contract (FY 04) | 57,515    | 0.00% | 0.00%                       | 0.00%                |
| 2nd Year of Contract (FY 05) | 59,790    | 3.96% | 2.41%                       | 1.55%                |
| 3rd Year of Contract (FY 06) | 61,964    | 3.64% | 2.41%                       | 1.23%                |
| 4th Year of Contract (FY 07) | 64,547    | 4.17% | 2.29%                       | 1.88%                |

**Percent Increase (Annualized Basis)**

|                              | Salary    | Total | General<br>Wage<br>Increase | Annual<br>Increments |
|------------------------------|-----------|-------|-----------------------------|----------------------|
| Prior to Contract            | \$ 57,515 |       |                             |                      |
| 1st Year of Contract (FY 04) | 57,515    | 0.00% | 0.00%                       | 0.00%                |
| 2nd Year of Contract (FY 05) | 61,159    | 6.34% | 2.98%                       | 3.36%                |
| 3rd Year of Contract (FY 06) | 64,609    | 5.64% | 2.98%                       | 2.66%                |
| 4th Year of Contract (FY 07) | 68,119    | 5.43% | 2.98%                       | 2.45%                |

**Cost Summary Data (Estimated):**

|  | Prior to | At End<br>of Contract | Percent<br>Increase |
|--|----------|-----------------------|---------------------|
|--|----------|-----------------------|---------------------|

|                         | Contract             | (Annualized)          | (4 years) |               |
|-------------------------|----------------------|-----------------------|-----------|---------------|
| <b>Full-Time</b>        |                      |                       |           |               |
| Salaries [1]            | \$ 69,075,486        | \$ 81,810,347         |           | 18.44%        |
| Fringe Benefits [2]     |                      |                       |           |               |
| Current Items           | 22,538,512           | 24,669,055            |           |               |
| Negotiated Improvements | _____ -              | _____ 175,000         |           |               |
| Total Fringe Benefits   | \$ 22,538,512        | \$ 24,844,055         |           | 10.23%        |
| <b>Total Full-Time</b>  | <b>\$ 91,613,998</b> | <b>\$ 106,654,402</b> |           | <b>16.42%</b> |
| <br>                    |                      |                       |           |               |
| <b>Part-Time</b>        |                      |                       |           |               |
| Salaries [1]            | 5,586,942            | \$ 7,373,228          |           | 31.97%        |
| Fringe Benefits [2]     |                      |                       |           |               |
| Current Items           | 934,695              | 1,233,541             |           |               |
| Negotiated Improvements | _____ -              | _____ -               |           |               |
| Total Fringe Benefits   | \$ 934,695           | \$ 1,233,541          |           | 31.97%        |
| <b>Total Part-Time</b>  | <b>\$ 6,521,637</b>  | <b>\$ 8,606,769</b>   |           | <b>31.97%</b> |

3.87% full-time average per year (compounded)

[1] Salaries include base salary and longevity payments.

[2] Fringe Benefits include Social Security, normal cost of pension contributions, health and life insurance, and Professional Development Fund.

Note: Lump sum payments for employees at maximum are not included in the annualized increases above. The provision that provides these lump sum payments will expire on August 31, 2007.

**Detail of Cost Estimates**

**All Funds**

|                |       |       |           |           | FY 07          |
|----------------|-------|-------|-----------|-----------|----------------|
| Contract Items | FY 04 | FY 05 | FY 06 [1] | FY 07 [1] | Annualized [1] |

| Contract Items  | FY 07            |                     |                     |                     |                     |
|---|------------------|---------------------|---------------------|---------------------|---------------------|
|   | FY 04            | FY 05               | FY 06 [1]           | FY 07 [1]           | Annualized [1]      |
| <b>First Year (FY 04)</b>   |                  |                     |                     |                     |                     |
| No Salary Increases   | \$ -             | \$ -                | \$ -                | \$ -                | \$ -                |
| Increase Professional Development<br>from \$225,000 to \$250,000                            | 25,000           | 25,000              | 25,000              | 25,000              | 25,000              |
| <b>Total First Year</b>   | <b>\$ 25,000</b> | <b>\$ 25,000</b>    | <b>\$ 25,000</b>    | <b>\$ 25,000</b>    | <b>\$ 25,000</b>    |
| <b>Second Year (FY 05)</b>  |                  |                     |                     |                     |                     |
| General Wage Increase (3%),<br>Effective 8/20/04 (21 pay periods)                           |                  | \$ 1,662,588        | \$ 2,058,442        | \$ 2,058,442        | \$ 2,058,442        |
| Annual Increments, Effective<br>12/24/04 (12 pay periods)                                   |                  | 1,070,114           | 2,318,581           | 2,318,581           | 2,318,581           |
| Implement \$450 Lump Sum<br>Payment for those at Maximum                                    |                  | 108,000             | -                   | -                   | -                   |
| Change Salary for Regularly<br>Scheduled Part-Time Employees to<br>a Portion of VS01 Step 3 |                  | 422,820             | 422,820             | 422,820             | 422,820             |
| Increase Daily Substitute Rate from<br>\$85/Day to \$100/Day                                |                  | 267,000             | 267,000             | 267,000             | 267,000             |
| Increase Part-Time Hourly Rate (3%)   |                  | 122,781             | 122,781             | 122,781             | 122,781             |
| Increase Professional Development<br>from \$250,000 to \$300,000                            |                  | 50,000              | 50,000              | 50,000              | 50,000              |
| Increase in Coach and Advisor<br>Stipends (3%)  |                  | 44,828              | 44,828              | 44,828              | 44,828              |
| Increase PNEP Department Head<br>Pay for Full-Day Coverage from<br>\$75/Day to \$100/Day    |                  | 11,625              | 11,625              | 11,625              | 11,625              |
| Increase Commercial Driver's<br>License Bonus for Employees with<br>more than one Stipend   |                  | 8,176               | 8,176               | 8,176               | 8,176               |
| Increase Mileage Reimbursement to<br>GSA Rate   |                  | minimal             | minimal             | minimal             | minimal             |
| Increase Night Shift Differential for<br>Nurse Instructors from \$1/Hour to<br>\$1.50/Hour  |                  | minimal             | minimal             | minimal             | minimal             |
| Add Stipend for National Honor<br>Society Supervisor  |                  | minimal             | minimal             | minimal             | minimal             |
| <b>Total Second Year</b>  |                  | <b>\$ 3,767,932</b> | <b>\$ 5,304,252</b> | <b>\$ 5,304,252</b> | <b>\$ 5,304,252</b> |
| <b>Third Year (FY 06)</b>   |                  |                     |                     |                     |                     |
| General Wage Increase (3%),<br>Effective 8/19/05 (21 pay periods)                           |                  |                     | \$ 1,768,646        | \$ 2,189,753        | \$ 2,189,753        |
| Annual Increments, Effective<br>12/23/05 (12 pay periods)                                   |                  |                     | 901,365             | 1,952,958           | 1,952,958           |

|   | FY 04            | FY 05               | FY 06 [1]           | FY 07 [1]            | FY 07<br>Annualized [1] |
|---|------------------|---------------------|---------------------|----------------------|-------------------------|
| <b>Contract Items</b>   |                  |                     |                     |                      |                         |
| Increase Lump Sum Payment for those at Maximum from \$450 to \$525                      |                  |                     | 181,650             | -                    | -                       |
| Increase Daily Substitute Rate from \$100/Day to \$115/Day                              |                  |                     | 267,000             | 267,000              | 267,000                 |
| Increase Part-Time Hourly Rate (3%)   |                  |                     | 126,464             | 126,464              | 126,464                 |
| Increase in Part-Time Rates that are a Portion of VS01 Step 3 (3%)                      |                  |                     | 50,236              | 50,236               | 50,236                  |
| Increase Professional Development from \$300,000 to \$350,000                           |                  |                     | 50,000              | 50,000               | 50,000                  |
| Increase in Coach and Advisor Stipends (3%)   |                  |                     | 46,172              | 46,172               | 46,172                  |
| Increase PNEP Department Head Pay for Full-Day Coverage to from \$100/Day to \$115/Day  |                  |                     | 6,975               | 6,975                | 6,975                   |
| <b>Total Third Year</b>   |                  |                     | <b>\$ 3,398,509</b> | <b>\$ 4,689,558</b>  | <b>\$ 4,689,558</b>     |
| <b>Fourth Year (FY 07)</b>  |                  |                     |                     |                      |                         |
| General Wage Increase (3%), Effective 9/1/06 (20 pay periods)                           |                  |                     |                     | \$ 1,780,026         | \$ 2,314,034            |
| Annual Increments, Effective 9/1/06 (20 pay periods)                                    |                  |                     |                     | 1,462,380            | 1,901,094               |
| \$525 Lump Sum Payment for those at Maximum   |                  |                     |                     | 216,300              | -                       |
| Establish Fund of 0.25% of Base Salary for Implementing Additional Salary Schedules [2] |                  |                     |                     | 203,374              | 203,374                 |
| Increase Daily Substitute Rate from \$115/Day to \$125/Day                              |                  |                     |                     | 178,000              | 178,000                 |
| Increase Part-Time Hourly Rate (3%)   |                  |                     |                     | 130,258              | 130,258                 |
| Increase in Part-Time Rates that are a Portion of VS01 Step 3 (3%)                      |                  |                     |                     | 51,743               | 51,743                  |
| Increase Professional Development from \$350,000 to \$400,000                           |                  |                     |                     | 50,000               | 50,000                  |
| Increase in Coach and Advisor Stipends (3%)   |                  |                     |                     | 47,557               | 47,557                  |
| Increase PNEP Department Head Pay for Full-Day Coverage from \$115/Day to \$125/Day     |                  |                     |                     | 4,650                | 4,650                   |
| <b>Total Fourth Year</b>  |                  |                     |                     | <b>\$ 4,124,289</b>  | <b>\$ 4,880,711</b>     |
| <b>Total Contract Items</b>   | <b>\$ 25,000</b> | <b>\$ 3,792,932</b> | <b>\$ 8,727,762</b> | <b>\$ 14,143,100</b> | <b>\$ 14,899,521</b>    |
| Social Security Costs   | -                | 284,422             | 658,111             | 1,068,560            | 1,126,426               |
| <b>Total Cost of Contract</b>   | <b>25,000</b>    | <b>4,077,353</b>    | <b>9,385,873</b>    | <b>15,211,659</b>    | <b>16,025,947</b>       |

| Contract Items              | FY 04     | FY 05        | FY 06 [1]    | FY 07 [1]     | FY 07          |
|-----------------------------|-----------|--------------|--------------|---------------|----------------|
|                             |           |              |              |               | Annualized [1] |
| Estimated General Fund Cost | \$ 25,000 | \$ 3,948,478 | \$ 9,087,673 | \$ 14,727,479 | \$ 15,515,547  |

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls. PA 03-1 of the June 2003 Special Session authorizes the development of the 2005-2007 state budget on a GAAP (Generally Accepted Accounting Principles) basis. This change will basically add one-tenth of a payroll to annual costs beginning in FY 06.

[2] The board and union will negotiate the details of the additional salary schedules during the 2004-2005 year for full-time teachers who attain particular degrees, credits or the equivalent. If this matter requires arbitration, the parties have agreed that costs resulting from an award cannot exceed allocated funds.

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**OFA Bill Analysis**

SR 22

***RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE BOARD OF EDUCATION AND THE STATE VOCATIONAL FEDERATION OF TEACHERS.***

**SUMMARY:**

A separate analysis is not prepared since the fiscal note contains much of the same information that would go into a separate analysis.

EFFECTIVE DATE: Upon passage.

**COMMITTEE ACTION**

Appropriations Committee

Senate Favorable Report

Yea 7      Nay 0