



House of Representatives

General Assembly

File No. 618

February Session, 2006

House Resolution No. 33

House of Representatives, April 24, 2006

The House Committee on Appropriations reported through REP. MERRILL of the 54th 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 STATE OF CONNECTICUT AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES.

Resolved by this House:

- 1 That the collective bargaining agreement between the State of
- 2 Connecticut and the American Federation of State, County and
- 3 Municipal Employees (AFSCME), Administrative Clerical (NP-3)
- 4 Bargaining Unit, effective July 1, 2006, to June 30, 2009, inclusive,
- 5 submitted to this assembly April 3, 2006, for approval, as provided in
- 6 subsection (b) of section 5-278 of the 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:

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$	FY 09 \$
Various State Agencies	All Funds - Cost	9,097,206	20,150,925	31,217,367
Various State Agencies	GF - Cost	6,076,024	13,458,803	20,850,079
Various State Agencies	TF - Cost	1,018,887	2,256,904	3,496,345
Various State Agencies	Other Appropriated Funds - Cost	227,430	503,773	780,434

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact: None

Explanation

This collective bargaining agreement for the Administrative Clerical (NP-3) bargaining unit is submitted for approval for the three-year period July 1, 2006 through June 30, 2009. Costs shown above are for the 4,632 all funds full-time employees covered by this contract. Of these employees, approximately 3,094 are funded by the General Fund, 519 by the Transportation Fund, and 116 by other appropriated funds. The estimated annualized FY 09 cost of this agreement is \$33,039,968 for all funds, of which \$22,067,394 is for the General Fund, \$3,700,476 is for the Transportation Fund, and \$825,999 is for other appropriated funds. Cost details are attached.

This agreement provides wage increases that are generally in line with increases for other collective bargaining agreements and arbitration awards for the same time period. The Appropriations Committee budget, sHIB 5007 includes funding in the Reserve for Salary Adjustments account to cover the FY 07 cost of this agreement.

Cost Estimate of Agreement

All Funds

Administrative Clerical (NP-3) Bargaining Unit

Agencies Affected: Various

Term of Contract: Three years, July 1, 2006 through June 30, 2009

Number of Full-Time Employees Affected by Contract:

3,094 General Fund
 519 Transportation Fund
 116 Other Appropriated Funds
903 Other Funds
4,632 Total

Average Full-Time Salary Data:

Percent Increase (Cash Basis)

	Salary	Total	General Wage Increase	Annual Increments	Other
Prior to Contract	\$ 44,942				
1st Year of Contract (FY 07)	46,643	3.78%	2.85%	0.68%	0.25%
2nd Year of Contract (FY 08)	48,291	3.53%	2.84%	0.58%	0.11%
3rd Year of Contract (FY 09)	49,961	3.46%	2.84%	0.50%	0.12%

Percent Increase (Annualized Basis)

	Salary	Total	General Wage Increase	Annual Increments	Other
Prior to Contract	\$ 44,942				
1st Year of Contract (FY 07)	47,038	4.66%	2.96%	1.45%	0.25%
2nd Year of Contract (FY 08)	49,068	4.31%	2.95%	1.25%	0.11%
3rd Year of Contract (FY 09)	51,098	4.14%	2.95%	1.07%	0.12%

Cost Summary Data (Estimated):

	Prior to Contract	At End of Contract Annualized	Percent Increase (3 years)
Salaries[1]	\$ 208,171,727	\$ 236,707,455	13.7%
Fringe Benefits[2]			
Value of Current Items	\$ 85,639,571	\$ 90,553,424	
Negotiated Improvements	-	-	
Total Fringe Benefits	\$ 85,639,571	\$ 90,553,424	5.7%
Total	\$ 293,811,299	\$ 327,260,879	11.4%

3.65% average per year (compounded)

[1] Salaries include base salary, longevity payments, shift and weekend differentials, and unpleasant duty pay.

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

Detail of Cost Estimates

All Funds

Contract Items	FY 07 [1]	FY 08 [1]	FY 09 [1]	FY 09 Annualized [1]
First Year (FY 07)				
3% General Wage Increase Effective 6/23/06 (25 pay periods)	\$ 5,924,225	\$ 6,161,194	\$ 6,161,194	\$ 6,161,194
Annual Increments	1,409,100	3,024,000	3,024,000	3,024,000
Lump Sum Payments for Employees at Maximum Increased from \$500 to \$750 [2]	524,500	524,500	524,500	524,500
Establish On-Call/Standby Pay at \$1 per hour (\$100 per Employee per week Maximum) [3]		See Explanation Below		
Total First Year	\$ 7,857,825	\$ 9,709,694	\$ 9,709,694	\$ 9,709,694
Second Year (FY 08)				
3% General Wage Increase Effective 6/22/07 (25 pay periods)		\$ 6,189,183	\$ 6,436,750	\$ 6,436,750
Annual Increments		1,270,600	2,725,600	2,725,600
\$750 Lump Sum Payments for Employees at Maximum (Additional Employees)		215,000	215,000	215,000
Increase Unpleasant Duty Pay from \$0.55/hour to \$0.60/hour Effective 6/22/07 (25 pay periods)		21,250	22,100	22,100
Total Second Year		\$ 7,696,033	\$ 9,399,450	\$ 9,399,450
Third Year (FY 09)				
3% General Wage Increase Effective 6/20/08 (25 pay periods)			\$ 6,454,119	\$ 6,712,283
Annual Increments			1,133,900	2,438,300
\$750 Lump Sum Payments for Employees at Maximum (Additional Employees)			208,000	208,000
Increase Unpleasant Duty Pay from \$0.60/hour to \$0.65/hour Effective 6/20/08 (25 pay periods)			21,250	22,100

Contract Items	FY 07 [1]	FY 08 [1]	FY 09 [1]	FY 09 Annualized [1]
Make DMV Employees Working Saturdays Eligible for the \$0.40/hour Weekend Differential Effective 6/20/08 (25 pay periods)			44,135	45,900
Total Third Year			\$ 7,861,403	\$ 9,426,583
Total Contract Items	\$ 7,857,825	\$ 17,405,727	\$ 26,970,547	\$ 28,535,728
Impact on Part-time and Overtime	592,900	1,313,200	2,028,400	2,156,300
Social Security Costs	646,480	1,431,998	2,218,419	2,347,940
Total Cost of Contract	\$ 9,097,206	\$ 20,150,925	\$ 31,217,367	\$ 33,039,968
Estimated General Fund Cost	\$ 6,076,024	\$ 13,458,803	\$ 20,850,079	\$ 22,067,394
Estimated Transportation Fund Costs	\$ 1,018,887	\$ 2,256,904	\$ 3,496,345	\$ 3,700,476
Estimated - Other Appropriated Funds	\$ 227,430	\$ 503,773	\$ 780,434	\$ 825,999

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls.

[2] This represents the increased cost for lump sum payments over the prior year. However, no money to cover any of the cost of these lump sum payments was built into the agency budgets, so a total of \$1,573,500 will need to be provided for lump sum payments in FY 07.

[3] These assignments will be by managerial direction and since this is a new program, the cost cannot be determined at this time.

Note: Union Business Leave has been increased by 200 hours per year. The straight time value of these hours is \$4,300.

OFA Bill Analysis

HR 33

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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

House Favorable

Yea 35 Nay 0 (04/19/2006)