



Senate

General Assembly

File No. 759

January Session, 2015

Senate Resolution No. 32

Senate, April 30, 2015

The Senate Committee on Appropriations reported through SEN. BYE of the 5th 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 OF CONNECTICUT AND THE CONNECTICUT STATE POLICE UNION (NP-1 BARGAINING UNIT).

Resolved by the Senate:

- 1 That the collective bargaining agreement between the State of
- 2 Connecticut and the Connecticut State Police Union (NP-1 Bargaining
- 3 Unit), submitted to this assembly for approval April 2, 2015, as
- 4 provided in subsection (b) of section 5-278 of the general statutes, is
- 5 approved.

APP *Senate Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$	FY 18 \$
Department of Emergency Services and Public Protection	GF - Cost	4,270,323	8,653,301	13,606,630
Comptroller Misc. Accounts (Fringe Benefits) ¹	GF - Cost	333,085	674,958	1,061,317

Note: GF=General Fund

Municipal Impact: None

Explanation

The resolution proposes approval of an agreement between the State of Connecticut and the Connecticut State Police Union, NP-1 Bargaining Unit. This agreement covers three years for the period July 1, 2015 through June 30, 2018.

Total General Fund (GF) estimated costs associated with this agreement are \$4,603,408 in FY 16; \$9,328,259 in FY 17; \$14,667,947 in FY 18; and \$15,848,502 annually thereafter. A summary of the estimated GF contract costs is provided below:

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 38.65% of payroll in FY 16 and FY 17.

General Fund (GF) Cost Estimate of Agreement

	FY 16 \$	FY 17 \$	FY 18 \$	Annualized FY 18 Costs \$
FY 16 - 3% General Wage Increase (GWI) (on time)	3,112,025	3,236,506	3,236,506	3,236,506
FY 16 - 2.3% Average Annual Increment (AI) (on time)	1,025,048	1,411,749	1,411,749	1,411,749
FY 17 - 2% GWI (on time)	-	2,164,073	2,250,636	2,250,636
FY 17 - 1% GWI (effective 1/1/17)	-	533,691	1,156,330	1,156,330
FY 17 - 2.51% Average AI (on time)	-	1,174,033	1,622,290	1,622,290
FY 18 - 2% GWI (on time)	-	-	2,253,578	2,343,721
FY 18 - 1% GWI (effective 1/1/18)	-	-	555,060	1,202,630
FY 18 - 1.63% Average AI (on time)	-	-	987,231	1,344,652
Shoe Stipend	133,250	133,250	133,250	133,250
Social Security, Medicare, and Unemployment	333,085	674,958	1,061,317	1,146,738
Sub-Total	4,603,408	9,328,259	14,667,947	15,848,502
State Employee Retirement System (SERS) ²	515,855	1,045,319	1,643,681	1,775,973
TOTAL	5,119,263	10,373,578	16,311,627	17,624,475

²The increased costs to the pension plan will not be recognized until FY 18.

Source: CoreCT Roster Run as of April 16, 2015.

Wage Increases - The current contract expires on June 30, 2015. This agreement establishes wage increases for the duration of the agreement. Under the agreement, there are:

- (1) a deletion of Step 8 at the beginning of FY 16;
- (2) a 3% General Wage Increase (GWI), on time, in FY 16;
- (3) an Annual Increment (AI) increase, on time, in FY 16;
- (4) a 2% GWI, on time in FY 17;
- (5) a 1% GWI, delayed six months, in FY 17;
- (6) an AI increase, on time, in FY 17;
- (7) a 2% GWI, on time, in FY 18;
- (8) a 1% GWI, delayed six months, in FY 18; and
- (9) an AI increase, on time, in FY 18.

Shoe Stipend - The agreement funds a \$125 stipend, for each employee, for protective shoes at a cost of \$133,250 each fiscal year.

Fringe Benefits - Social security and unemployment related fringe benefit costs will be incurred based on the wage related provisions

negotiated in the contract. The current social security rate is 7.65% of salary. The current unemployment rate used is 0.15% of salary. The social security and unemployment costs are estimated to be \$333,085 in FY 16; \$674,958 in FY 17; \$1,061,317 in FY 18; and \$1,146,738 annually thereafter.

State Employee Retirement System - The pension impact of the wage related provisions is based on the FY 16 average normal cost rate for Tier II and Tier IIA Hazardous duty employees, and assumes all other actuarial assumptions remain the same. The estimated normal cost for SERS is \$515,855 in FY 16; \$1,045,319 in FY 17; \$1,643,681 in FY 18; and \$1,775,973 annually thereafter. However, increased costs to the pension plan attributable to the identified wage provisions will not be recognized in the state's actuarially determined employer contribution (ADEC) until FY 18, as the FY 16, FY 17 and FY 18 ADEC are set based on the June 30, 2014 actuarial valuation.

Funding Availability - sHB 6824, the FY 16 and FY 17 budget bill, as favorably reported by the Appropriations Committee, provides funding of \$14.9 million in FY 16 and \$100.5 million in FY 17 in the Reserve for Salary Adjustments (RSA)³ General Fund account for collective bargaining costs associated with unsettled contracts and other related costs. There is sufficient funding in the RSA General Fund account to cover the contract costs of \$4,603,408 in FY 16 and \$9,328,259 in FY 17. Please note this does not include SERS costs, as this contract does not modify the FY 16 and FY 17 SERS ADEC. Lastly, the provisions of this agreement remain in effect until a subsequent agreement is negotiated by the parties.

Member Overview - There are 1,066 bargaining unit members filling five job classifications as of April 16, 2015. There are 57 Trooper Trainees, 591 Trooper First Class, 234 Troopers, 169 Sergeants and 15 Master Sergeants. One member is a temporary employee; all others are full-time, hazardous duty employees and paid out of the GF.

³The RSA account is used to finance collective bargaining and related costs that are not included in individual agency budgets.

The Out Years

The agreement will expire, effective June 30, 2018. The wage provision of this resolution will remain in effect in future years subject to the outcome of the collective bargaining process

Sources: Core-CT Financial Accounting System

OFA Bill Analysis**SR 32*****RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND THE CONNECTICUT STATE POLICE UNION (NP-1 BARGAINING UNIT).*****SUMMARY:**

This resolution proposes approval of an agreement between the State of Connecticut and the Connecticut State Police Union (NP-1). This agreement includes wage increases, a \$125 protective shoe stipend for each State Police officer and the deletion of Step 8 within the NP-1 Pay Plan.

EFFECTIVE DATE: July 1, 2015

COMMITTEE ACTION

Appropriations Committee

Senate Favorable

Yea 7 Nay 2 (04/21/2015)