



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

October 3, 2017

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: David H. Van Dyke *DHVD*
County Auditor

FROM: Inez N. Claggett *INC*
Senior Legislative Auditor

RE: Fiscal Impact Statement
CB-112-2017 – Collective Bargaining Agreement – International Association of Fire
Fighters, AFL-CIO, Local 1619, (Civilian)

CR-078-2017 – Compensation and Benefits – International Association of Fire Fighters,
Local 1619, AFL-CIO (Civilian), Salary Schedule H

Pursuant to your request, we have reviewed CB-112-2017 and CR-078-2017 to estimate their fiscal impact on Prince George's County, Maryland.

CB-112-2017 approves a three-year labor agreement for civilian employees belonging to the International Association of Fire Fighters, AFL-CIO, Local 1619. CR-078-2017 amends the salary plan for civilian employees in the Fire/EMS Department paid wages on Salary Schedule H, to reflect wage and benefit modifications effective July 1, 2015 through June 30, 2018.

Details of all modifications to Salary Schedule H are presented in the Settlement Summary attached to the County Executive's cover letter to the Council Chair, and have been enclosed hereto, for your convenience. Provided below is a summary of the modifications affecting covered employees, and having a significant fiscal impact upon the County during fiscal year 2018 and beyond.

- There are will be no COLA or merit step increases during FY 2016 and FY 2017.
- Eligible employees covered by Salary Schedule H will receive a two percent (2.0%) COLA effective the first full pay period beginning on or after October 1, 2017.

- Employees who were eligible to receive a merit step increase during FY 2017 and FY 2018 will receive two merit step increases on their employee anniversary date during FY 2018.
- Effective the first full pay period beginning on or after enactment and adoption of the proposed legislation, the shift differential for covered employees working between the hours of 6pm and 6am shift shall increase by one dollar and thirty cents (\$1.30) per hour, from \$0.70 per hour to \$2.00 per hour.
- Effective July 1, 2017, the death benefit to be paid to a covered employee whose death results from an accidental personal injury arising out of and in the course of his/her employment will increase \$20,000, from \$10,000 to \$30,000.
- Effective July 1, 2017, the clothing allowance will increase two hundred fifty dollars (\$250), from five hundred dollars (\$500) to seven hundred fifty dollars (\$750). Training Academy Instructors and employees assigned to the Apparatus Maintenance Division will also receive the clothing allowance.
- Effective July 1, 2017, employees who are assigned, or detailed for a period of greater than fourteen (14) consecutive days to the Office of the Fire Marshal, and are certified as Fire Investigators, Fire Inspectors, Law Enforcement Officers and/or Canine Handlers, shall receive premium pay of one and one half percent (1.5%) above their regular rate of pay for each specialty. Each employee must maintain annual certification requirements for each specialty. This compensation is not considered part of the employee's base pay.
- Effective the first full pay period in July 2017, employees covered by this agreement who are Maryland Emergency Medical Services providers shall receive annual training certification pay. Covered employees certified as Emergency Medical Responders (EMRs) shall receive four hundred (\$400.00) dollars per year, Emergency Medical Technician Basics (EMT-Bs) shall receive five hundred (\$500.00) dollars per year, and Emergency Medical Technician Paramedics (EMT-Ps) shall receive seven hundred fifty (\$750.00) dollars per year.
- In *Calendar Year 2018*, the percentage rate at which covered employees contribute toward the cost of health insurance benefits will increase by three percent (3%) for each of the health insurance plans, the deductible prescription drug plan, and the vision care programs, offered by the County.

Enactment of CB-112-2017 and the adoption of CR-078-2017 will have an estimated negative fiscal impact to the County of approximately \$163,100 during fiscal year 2018 related to the COLA and merit step increases. Attachment A provides a breakdown of the cost components. Assuming all civilian Fire/EMS covered employees receive the clothing allowance, the allowance will have a negative fiscal impact on the County of approximately \$14,000 (\$250 increase x 56 civilian employees).

If you require additional information, or have questions about this fiscal impact statement, please call me.

Attachment

**Fiscal Impact of Amendment to Salary Plan for the International Association of Fire Fighters, Local 1619, AFL-CIO (Civilians), Salary Schedule H
Effective July 1, 2015 to June 30, 2018**

Current Payroll	\$	4,370,557
Number of Employees		56
Average Salary	\$	78,000

Category	Effective Date	FY 2018 Direct Cost	FY 2018 Fringe Cost	FY 2018 Total Cost
COLA	October 1, 2017	\$ 63,900	\$ 4,900	\$ 68,800
FY 2017 Merit Increase	Employee Anniversary Date	\$ 72,600	\$ 5,600	\$ 78,200
FY 2018 Merit Increase	Employee Anniversary Date	\$ 78,900	\$ 6,000	\$ 84,900
Totals		\$ 151,500	\$ 11,600	\$ 163,100

**SETTLEMENT SUMMARY
PRINCE GEORGE'S COUNTY
IAFF 1619 – CIVILIAN
AND
PRINCE GEORGE'S COUNTY, MARYLAND

FISCAL YEARS 2016, 2017 & 2018**

The following is a complete summary of modifications agreed to by Prince George's County IAFF 1619 – Civilian ("Union") and Prince George's County, Maryland ("County"), which are included in the parties' new collective bargaining agreement ("CBA"). The CBA is effective Fiscal Years 2016, 2017 and 2018 and covers several civilian employees within the Fire Department. For easy reference, the Article and/or Section within the new CBA where each modification appears is identified.

WAGES

There will be no Cost of Living (COLA) increase or merit increase during Fiscal Years 2016 and 2017.

Employees covered by the Agreement will receive the following cost of living adjustments (COLA) and merit increases:

- Two and percent (2.0%) COLA the first full pay period beginning on or after October 1, 2017
- Two (2); Three and one-half percent (3.5%) merit increase on their anniversary date during FY 2018

Effective July 1, 2017, the maximum rates of the wage scale was amended by three (3) and one-half percent (3.5%) for grades H03 – H27. **(ARTICLE 5 – WAGES)**

SHIFT DIFFERENTIAL

Effective the first full pay period beginning on or after County Council enactment of the agreement and resolution a shift differential of two dollars (\$2.00) per hour shall be paid to any employee who regularly assigned tour of duty requires them to work between the hours of 6 p.m. to 6 a.m. No shift differential will be considered to be a part of the employee's base rate, nor shall it be applied to pay for non-productive hours such as holiday pay, annual and sick leave pay, nor shall it be used for the purpose of computing retirement deductions or for retirement or insurance benefits. **(ARTICLE 5 – WAGES)**

SUPPLEMENTAL RETIREMENT BENEFIT

The hold harmless provision was amended to apply to persons who may retire after the effective date of the legislation through June 30, 2018. This provision would allow for benefit calculations to include missed merits from prior fiscal years, i.e. Fiscal Years 1996, 1997, 2010, 2011, 2012, 2013, 2014, 2015, 2017 and 2017. (**ARTICLE 5 - WAGES**)

GROUP HEALTH INSURANCE COVERAGE

A. During Calendar Years 2013, 2014, 2015, 2016, and 2017, the County shall contribute seventy-three percent (73%) to the cost of the County's preferred provider health insurance plan for any employee who elects to participate in the program. Participating employees shall contribute the remaining twenty-seven percent (27%). Effective January 2018, the County shall contribute seventy percent (70%) and participating employees shall contribute the remaining thirty percent (30%).

B. During Calendar Years 2013, 2014, 2015, 2016, and 2017, the County shall contribute seventy-eight percent (78%) to the cost of a prepaid group health plan or Health Maintenance Organization (HMO) for any employee who elects to participate in the program. Participating employees shall contribute the remaining twenty-two (22%). Effective January 2018, the County shall contribute seventy-five percent (75%) and participating employees shall contribute the remaining twenty-five percent (25%).

C. Employees who provide proof of medical coverage may choose to receive a credit instead of enrolling in a medical plan with the County.

D. During Calendar Years 2013, 2014, 2015, 2016, and 2017, the County shall contribute eighty-eight percent (88%) to the County's deductible prescription drug and vision care programs for any employee who elects to participate in either program. The participating employee shall contribute the remaining twelve percent (12%). Effective January 2018, the County shall contribute eighty-five percent (85%) and participating employees will contribute the remaining fifteen percent (15%). Employees who choose not to enroll in the Prescription Drug Plan may choose to receive a credit instead.

E. Two dental plans are available to employees, the cost of which is paid by the employee if the employee elects to enroll in the plan.

F. Employees may choose to enroll in a Long-Term Disability program offering fifty percent (50%) or sixty percent (60%) of annual salary up to normal social security retirement age. Employees will pay the full cost of whichever option is chosen.

G. Employees may contribute up to the maximum amount permitted by the IRS in a dependent flexible spending account and up to the maximum amount permitted by the IRS in a medical flexible spending account.

H. Life Insurance. The County shall pay one hundred percent (100%) of the monthly premium for County life insurance for each employee in the amount of two (2) times the employee's annual salary up to a maximum of one hundred fifty thousand dollars (\$150,000.00). Employees may choose to increase their life insurance from one (1) to four (4) times their annual salary up to a total of seven hundred fifty thousand dollars (\$750,000.00) including the base amount provided by the County. Employees will pay for the increased coverage at rates based on their age and amount of coverage. Employees may choose to reduce their life insurance at one (1) times their annual salary and receive a credit.

I. Effective July 1, 2017, the County shall pay a death benefit thirty thousand dollars (\$30,000) upon the death of any employee covered by this Agreement whose death results from an accidental personal injury arising out of and in the course of his/her employment.

(ARTICLE 5 - WAGES)

CLOTHING ALLOWANCE

Effective July 1, 2017, Fire Inspectors, ~~and~~ Fire Investigators, Training Academy Instructors, and employees assigned to the Apparatus Maintenance Division covered by this Agreement shall receive a clothing allowance of seven hundred and fifty dollars (\$750.00) per year. This clothing allowance is not considered part of the employee's base pay, and will be paid in one (1) installment in July of each fiscal year. The County will provide fire inspectors with uniforms, safety equipment (including safety shoes and goggles) and overalls. Fire inspectors will have the option of wearing the above issued uniform or the appropriate civilian attire. The County will also provide heavy equipment mechanics and master equipment mechanics uniforms, safety shoes and mechanic tools. The Fire/EMS Department will also maintain the mechanic tools.

(ARTICLE 5 - WAGES)

PREMIUM PAY

A. Effective July 1, 2012, heavy equipment mechanics and master equipment mechanics shall receive a premium of ten cents (\$0.10) per hour for each Automotive Service Excellence (ASE) certification in either the test series for Automobile (A1 through A8) and Self Contained Breathing Apparatus (SCBA), Medium/Heavy Truck (T1 through T8), or the advanced level series L1 and L2. The premium shall be added to the base hourly wage at the time. Failure to maintain a certificate will result in forfeiture of the premium pay.

B. Effective July 1, 2017, employees who are assigned, or detailed for a period greater than fourteen (14) consecutive days, to the Office of the Fire Marshal and are certified as Fire Investigators, Fire Inspectors, Law Enforcement Officers and/or Canine Handlers shall receive one and one half percent (1 ½ %) above their regular rate of pay for each specialty. Each employee must maintain annual certification requirements for each specialty. This compensation is not considered part of the employee's base pay.

C. Effective July 1, 2012, employees who are assigned to the Fire/EMS Training Academy and certified as instructors through the Maryland Instructor Certification Review Board (MICRB) shall receive one and one half percent (1 ½ %) above their regular rate of pay and each employee must

maintain their certification in accordance with the guidelines set forth by the State of Maryland. This compensation is not considered part of the employee's base pay.

(ARTICLE 5 – WAGES)

TRAINING CERTIFICATION PAY

A. Effective the first full pay period in July 2017, employees covered by this agreement who are Maryland Emergency Medical Services providers shall receive an annual Training Certification payment as follows:

1. Emergency Medical Responder (EMR): four hundred (\$400.00) dollars per year.
2. Emergency Medical Technician Basic (EMT-B): five hundred (\$500.00) dollars per year.
3. Emergency Medical Technician Paramedic (EMT-P) seven hundred fifty (\$750.00) dollars per year.

B. The Department will provide at least one (1) initial First Responder Course and at least one (1) refresher for the First Responder Course each fiscal year so long as there are five (5) employees registered and in attendance for each course.

C. For the purpose of this Article, any employee who has an emergency medical certification recognized by the state of Maryland that is higher than First Responder may also receive this pay.

(ARTICLE 13 – TRAINING AND EDUCATION)

DURATION

This Agreement shall become effective on July 1, 2015, unless otherwise stated in specific sections, and shall remain in full force and effect until June 30, 2018. This Agreement shall be automatically renewed from year to year after June 30, 2018, unless either party shall notify the other in writing no later than October 1, 2017, (or October 1st of any subsequent year thereafter in the case of an automatic renewal) that it desires to terminate, modify or amend this Agreement.

(ARTICLE 15 - DURATION)