



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 
County Auditor

FROM: Inez N. Claggett 
Senior Legislative Auditor

RE: Fiscal Impact Statement
CB-111-2017 – Collective Bargaining Agreement – Prince George's Correctional Officers' Association, Inc. (Correctional Officers)

CR-077-2017 – Compensation and Benefits – Prince George's Correctional Officers' Association, Inc. (Correctional Officers), Salary Schedule D

Pursuant to your request, we have reviewed CB-111-2017 and CR-077-2017 to estimate their fiscal impact on Prince George's County, Maryland.

CB-111-2017 approves a two-year labor agreement for sworn employees belonging to the Prince George's Correctional Officers' Association, Inc. (PGCOA). CR-077-2017 amends the salary plan for sworn union employees in the Department of Corrections paid wages on Salary Schedule D, to reflect wage and benefit modifications effective July 1, 2016 through June 30, 2018.

Details of all modifications to Salary Schedule D 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.

- Eligible employees covered by Salary Schedule D will receive a three percent (3.0%) 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.

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There will be no retroactive merit payment prior to July 2017, and no other merit steps will be paid for the duration of this agreement.

- Effective FY 2018, the shift differential for covered employees working the first and third shift shall increase by twenty cents (\$0.20) per hour, from \$2.20 per hour to \$2.40 per hour.
- Effective the first full pay period in FY 2018, TEC pay is increased from five hundred dollars (\$500) to six hundred dollars (\$600) annually for officers permanently assigned to duties as Canine Officers, Honor Guard, Fire Arms Instructors, Regional Processing Officers, CISM Team Members and Transport Officers.
- Officers permanently assigned to the Emergency Response Team (ERT) will receive TEC pay of one thousand dollars (\$1,000) annually.
- 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-111-2017 and the adoption of CR-077-2017 will have an estimated negative fiscal impact to the County of approximately \$1,622,500 during fiscal year 2018 related to the COLA and merit step increases. Attachment A provides a breakdown of the cost components.

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

**Fiscal Impact of Amendment to Salary Plan for Prince George's County Correctional Officers' Association, Inc. (PGCOA),
(Correctional Officers), Salary Schedule D
Effective July 1, 2016 to June 30, 2018**

Current Payroll	\$	26,987,156
Number of Employees		396
Average Salary	\$	68,100

Category	Effective Date	FY 2018 Direct Cost	FY 2018 Fringe Cost	FY 2018 Total Cost
COLA	October 1, 2017	\$ 591,600	\$ 45,300	\$ 636,900
FY 17 Merit Increase	Employee Anniversary Date	\$ 453,800	\$ 34,700	\$ 488,500
FY 18 Merit Increase	Employee Anniversary Date	\$ 461,800	\$ 35,300	\$ 497,100
Totals		\$ 1,507,200	\$ 115,300	\$ 1,622,500

**SETTLEMENT SUMMARY
PRINCE GEORGE'S COUNTY, MARYLAND
AND
PRINCE GEORGE'S CORRECTIONAL OFFICERS' ASSOCIATION (Sworn)
FISCAL YEARS 2017 and 2018**

The following is a complete summary of modifications agreed to by the Sworn Unit of the Prince George's County Correctional Officers' Association (PGCOA) and Prince George's County, Maryland (the County) that are included in the parties' new collective bargaining agreement for Fiscal Years 2017 and 2018. For convenient reference, the relevant Article where each modification appears is identified.

ARTICLE 16 – ADMINISTRATIVE HEARING BOARDS

The Department shall have no right to challenge the selection of the Sergeant/Lieutenant or Officer of equal rank, unless the officer selected meets the following criteria:

The Officer is a member of the PGCOA Executive Board; Union Shop Steward who has been involved in the representation of the accused Officer; family member - as defined by Article 38 (Bereavement) of the PGCOA contract; domestic partner-Domestic partnership is an interpersonal relationship between two individuals who live together and share a common domestic life but are not married.

ARTICLE 22 – WAGES

Employees will receive a three percent (3%) increase to their base wages effective the first full pay period in October 2017.

Employees covered by this Agreement who are otherwise eligible to receive a three and one-half percent (3 1/2%) merit increase during Fiscal Year 2017, shall be paid this merit during Fiscal Year 2018 on their anniversary date

Employees covered by this Agreement who are otherwise eligible to receive a three and one-half percent (3 1/2%) merit increase during Fiscal Year 2018, shall be paid this merit during Fiscal Year 2018 on their anniversary date

Effective July 1, 2017, the maximum rates will be increased by three and one half percent (3 1/2%).

ARTICLE 23 – HEALTH AND LIFE INSURANCE COVERAGE

During Calendar Year 2017, the County shall contribute seventy-three percent (73%) to the cost of the County's preferred provider option 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%) to the cost of the County's preferred provider health insurance plan. Participating employees shall contribute the remaining thirty percent (30%) of the premium.

During Calendar Years 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 percent (22%). Effective January 2018, the County shall contribute seventy five percent (75%) to the cost of a prepaid group health plan or Health Maintenance Organization (HMO). Participating employees shall contribute the remaining twenty-five percent (25%) of the premium.

The County shall contribute seventy-three percent (73%) to the cost of the County's preferred provider option health insurance plan for any retiree who elects to participate in the program. Participating retirees, defined as any officer who has retired or will retire on or before December 31, 2017 shall have their contribution rate capped at twenty-seven percent (27%). Officers who retire on or after January 1, 2018 will not benefit from this cap.

The County shall contribute seventy-eight percent (78%) to the cost of a prepaid group health plan or Health Maintenance Organization (HMO) for any retiree who elects to participate in the program. Participating retirees, defined as any officer who has retired or will retire on or before December 31, 2017) shall have their contribution capped at twenty-two percent (22%). Officers who retire on or after January 1, 2018 will not benefit from this cap.

During Calendar Year 2017, the County shall contribute eighty-eight percent (88%) to the County's deductible prescription drug and vision care programs for any employee and retiree (who retire on or after July 1, 1996) who elect to participate in either program. The participating employee/retiree shall contribute the remaining twelve percent (12%).

Effective January 2018, the County shall contribute eighty five percent (85%) of the County's deductible prescription drug and vision care programs. Participating employees shall contribute the remaining fifteen percent (15%) of the premium. Employees who choose not to enroll in the Prescription Drug Plan may choose to receive a credit instead.

Participating retirees, defined as any officer who has retired or will retire on or before December 31, 2017, shall have their contribution rate capped at twelve percent (12%). Officers who retire on or after January 1, 2018 will not benefit from this cap, and shall be governed by the fifteen percent (15%) listed above. Employees may contribute up to the maximum IRS allowed amount in a dependent flexible spending account and up to the maximum IRS allowed amount in a medical flexible spending account.

The County has agreed to extend certain provisions of this Article to current retirees with the express understanding and agreement of the parties that the County has not waived any rights it has with regard to whether matters affecting retirees constitute mandatory subjects of bargaining.

ARTICLE 26—SHIFT DIFFERENTIAL

Effective Fiscal Year 2018, shift differential increases twenty cents (\$.20) from two dollars forty cents (\$2.40) to two dollars and sixty cents (\$2.60) per hour for the first and third shifts.

ARTICLE 31 – TEC PAY

Effective the first full pay period in Fiscal Year 2018, TEC pay is increased from five hundred dollars (\$500) to six hundred dollars (\$600) annually for officers permanently assigned to duties as Canine Officers, Honor Guard, Fire Arms Instructors, Regional Processing Officers, CISM Team Members and Transport Officers. Officers permanently assigned to Emergency Response Team (ERT) will receive one thousand dollars (\$1,000) annually. Eligible employees may not receive a TEC supplement greater than six hundred dollars (\$600.00) pursuant to this provision except as noted below. For example, Fire Arms Instructors who are also assigned to Honor Guard will be limited to a TEC annual supplement of six hundred dollars (\$600.00). Beginning in Fiscal Year 2019, TEC pay for the aforementioned assignments and for officers permanently assigned to translation duties will be paid in twenty-six (26) bi-weekly installments.

ARTICLE 35 – ANNUAL LEAVE

Obsolete language was deleted.

ARTICLE 46 – COMPREHENSIVE RETIREMENT BENEFIT

Hold Harmless language was added for employees who retire during the term of this Agreement so that “Average Annual Compensation” will be calculated as if the employee had received the merit increase in FY 2017.

ARTICLE 46 – DURATION AND REOPENER

This Agreement shall become effective on July 1, 2016, unless otherwise stated in specific sections, and shall remain in full force and effect until June 30, 2018. The Agreement will 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 on an automatic renewal) that it desires to terminate, modify or amend this agreement.

ATTACHMENT A –MIN-MAX SYSTEM

The following process was added to Attachment A:

WRITTEN EXAMINATION APPEAL PROCESS

A written appeal of any question from a written promotional examination must be filed by the aggrieved officer with the Director of the County Office of Human Resources Management within five (5) working days of test review. This appeal shall result in the review of appealed

questions, said review to be performed by the Joint PGCOA/Department of Corrections Appeal Board ("Joint Appeal Board"). The findings of this review shall be rendered within ten (10) working days of the deadline for filing appeals, and these findings shall be provided, in writing, to the employee who filed the appeal. Copies of any granted appeal shall be made available to any employee who took the examination and may be affected by said granted appeal. The decisions rendered by the Joint Appeal Board shall be final and binding and not subject to further appeals to the Personnel Board or through the Grievance and Arbitration Procedure of this Agreement.

The Joint Appeal Board shall be composed of five (5) members, including three (3) members of the PGCOA holding the ranks of Sergeant and/or Lieutenant, and two (2) members of the command staff appointed by the Director of the Department of Corrections. PGCOA members serving on the Joint Appeal Board shall be selected by the PGCOA President from a pool of officers who did not participate in the current promotional cycle. One (1) of the three (3) members of the Joint Appeal Board appointed by the PGCOA may be the PGCOA President whether or not that officer holds the rank of Sergeant and/or Lieutenant. The command staff members serving on the Joint Appeal Board shall be selected by the Director of the Department of Corrections.