



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

October 2, 2017

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

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

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

RE: Fiscal Impact Statement
CB-107-2017 – Collective Bargaining Agreement – Prince George's Correctional
Officers' Association, Inc. (Civilian Unit)

CR-076-2017 – Compensation and Benefits - Prince George's Correctional Officers'
Association, Inc. (Civilian Unit), Salary Schedule Q

Pursuant to your request, we have reviewed CB-107-2017 and CR-076-2017 to estimate their fiscal impact on Prince George's County, Maryland.

CB-107-2017 approves a two-year labor agreement for civilian employees belonging to the Prince George's Correctional Officers' Association, Inc. (PGCOA). CR-076-2017 amends the salary plan for civilian union employees in the Department of Corrections paid wages on Salary Schedule Q, to reflect wage and benefit modifications effective July 1, 2016 through June 30, 2018.

Details of all modifications to Salary Schedule Q 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 Q 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. There will be no retroactive payment for these merit steps, and no other merit steps will be paid for the duration of this agreement.
- Effective the first full pay period beginning in May 2017, the shift differential for covered employees working non-overtime hours on the first and third shift shall increase by twenty-five cents (\$0.25), from \$2.25 to \$2.50. The shift differential rate shall include employees specifically assigned on a permanent or rotating basis.
- The clothing allowance will increase \$150, from \$250 to \$400, for all covered employees who are required to wear a uniform.
- 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-107-2017 and the adoption of CR-076-2017 will have an estimated negative fiscal impact to the County of approximately \$213,300 during fiscal year 2018 related to the COLA and merit step increases. Attachment A provides a breakdown of the cost components. The clothing allowance will have a negative fiscal impact beginning in FY 2019 of \$9,750 (\$150 x 65 estimated employees), assuming the allowance value and the number of civilian employees within the Department of Corrections remains constant.

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),
(Civilian Unit), Salary Schedule Q
Effective July 1, 2016 to June 30, 2018**

Current Payroll \$ 4,178,962
 Number of Employees 73
 Average Salary \$ 57,200

| Category | Effective Date | FY 2018 | | |
|----------------------|---------------------------------|-------------------|------------------|-------------------|
| | | Direct Cost | Fringe Cost | Total Cost |
| COLA | October 1, 2017 | \$ 61,100 | \$ 4,700 | \$ 65,800 |
| FY 17 Merit Increase | FY 18 Employee Anniversary Date | \$ 67,900 | \$ 5,200 | \$ 73,100 |
| FY 18 Merit Increase | FY 18 Employee Anniversary Date | \$ 69,100 | \$ 5,300 | \$ 74,400 |
| Totals | | <u>\$ 198,100</u> | <u>\$ 15,200</u> | <u>\$ 213,300</u> |

SETTLEMENT SUMMARY
PRINCE GEORGE'S COUNTY
CORRECTIONAL OFFICERS' ASSOCIATION (CIVILIAN)
AND
PRINCE GEORGE'S COUNTY, MARYLAND
FISCAL YEARS 2017 & 2018

The following is a complete summary of modifications agreed to by the Civilian Unit of the Prince George's County Correctional Officers' Association ("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 2017 and 2018, and covers several civilian employees within the Prince George's County Department of Corrections. For easy reference, the Article within the new Agreement where each modification appears is identified.

RECOGNITION

The County recognizes PGCOA as the sole and exclusive collective bargaining representative of the Prince George's County Department of Corrections' employees in the bargaining unit for which it was certified by the Prince George's County Public Employees Relations Board for the purpose of negotiating wages, hours and other terms and conditions of employment. (ARTICLE 1)

WAGES

A. Cost of Living Increases

Employees covered by this agreement will receive the following COLAs during the term of this Agreement.

- a. Employees will receive a two percent (2%) increase to their base wages effective the first full pay period beginning on or after October 1, 2017.

B. Merit Increases

Employees covered by this Agreement who are otherwise eligible to receive a merit increase in Fiscal Year 2017 will receive it in FY 2018, effective on their anniversary dates. There will be no retroactive payments for these merits, and no other merits will be paid for the duration of this agreement.

Employees covered by this Agreement who are otherwise eligible to receive a merit increase in Fiscal Year 2018, will receive it in FY 2018, effective on their anniversary dates. There will be no retroactive payments for these merits, and no other merits will be paid for the duration of this agreement.

C. Wage Scale

Effective with each cost of living under Section 24.A. all minimum and maximum rates shall be increased by the same amount as the cost of living increase. Effective July 1, 2017 the max step will be increased by three and one half percent (3.5%).
(ARTICLE 24)

CALL BACK, HOLIDAY, SHIFT, ACTING AND COURT PAY

Effective first full pay period in May 2017, a two dollar and fifty cent (\$2.50) per hour shift differential shall be paid for all non-overtime hours worked on the first (1st) shift and the third (3rd) shift. The shift differential rate shall include employees specifically assigned on a permanent or rotating basis. **(ARTICLE 25)**

CLOTHING ISSUE AND MAINTENANCE ALLOWANCE

Effective July 1, 2017, employees who are required to wear uniforms will receive a four hundred (\$400) dollar uniform maintenance allowance. All employees who receive the allowance must wear their uniform. The allowance will be paid in a single payment in July. **(ARTICLE 26)**

HEALTH INSURANCE PREMIUMS

For Calendar Year 2017, the County and employee contribution rates remain the same.

In Calendar Year 2018, the County shall contribute seventy percent (70%) to the cost of the County's preferred provider option health insurance plan for any employee who elects to participate in the program. Participating employees shall contribute the remaining thirty percent (30%).

In Calendar Year 2018, the County shall contribute seventy-five percent (75%) 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-five (25%). Employees who provide proof of other medical coverage may choose to receive a credit.

In Calendar Year 2018, the County shall contribute eighty-five (85%) to the County's deductible prescription drug and vision care programs for any employee who elects to

participate in either program. The participating employees shall contribute the remaining fifteen percent (15%). **(ARTICLE 38)**

DURATION

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. 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 42)**