



Oregon

John A. Kitzhaber, MD, Governor

Department of Administrative Services

Chief Operating Office
155 Cottage Street NE, U20
Salem, OR 97301
PHONE: 503-378-3106
FAX: 503-373-7643

February 7, 2014

The Honorable Richard Devlin, Co-Chair
The Honorable Peter Buckley, Co-Chair
Joint Committee on Ways and Means
H-178 State Capitol
Salem, Oregon 97301-4048

Dear Co-Chair Devlin, Co-Chair Buckley and members of the Committee:

Nature of Request

The Department of Administrative Services (DAS) respectfully submits the following report prior to implementation of compensation plan changes and position allocations, as required by ORS 291.371. This report covers changes negotiated with the Criminal Investigators Association.

Agency Action

Section A: Implements the agreement with the Criminal Investigators Association (CIA) for compensation plan changes and insurance, pending ratification.

The table below aggregates the costs (by fund type) for all units that have been reported to date, including those covered in this letter. These totals also include costs associated with granting step increases.

Statewide¹ (to date)	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2013-2015 Cost:	73,210,613	92,548,620	2,726,978	41,640,381	210,127,552
Roll-up Cost:	57,408,671	67,389,168	2,083,039	26,234,023	153,115,185
2015-2017 Cost:	130,619,284	159,937,788	4,810,016	67,874,404	363,242,738

¹ Outstanding units include: AFSCME Security (Corrections) and AFSCME Juvenile Parole and Probation Officers (OYA).

While actual costs associated with the changes resulting from collective bargaining for the 2013-2015 biennium won't be known until the final two negotiations settle, the following table summarizes the *anticipated* statewide cost. These costs include step increases, across the board increases (COLA's), insurance, as well as other bargained increases from all settled agreements and projected costs associated with step increases, COLA's, and insurance for the two remaining bargaining units.

Statewide (projection)	General Fund	Total Funds
2013-2015 Cost:	91,988,156	228,854,636
Roll-up Cost:	89,900,089	219,019,345
2015-2017 Cost:	181,888,245	447,873,981

A spreadsheet with a more detailed overview of the anticipated statewide costs referenced in the table above is attached with this letter.

Action Requested

The Department of Administrative Services respectfully requests acknowledgement of this report as required by ORS 291.371.

Legislation Affected

None.

Thank you for your consideration.

Sincerely,



Michael Jordan, Director
Department of Administrative Services

Attachment

SECTION A: Criminal Investigators Association

This section implements the agreement with the Criminal Investigators Association for compensation plan changes and insurance, pending ratification.

- 1) Effective July 1, 2013, employees will be granted an annual performance pay increase (i.e. step increases) on their eligibility date if the employee is not at the top of the salary range of their classification.
- 2) Effective December 1, 2013, generally increase salary rates by one and one-half percent (1.5 %).
- 3) Effective December 1, 2014, generally increase salary rates by two percent (2%).
- 4) For the remainder of plan year 2013 through plan year 2015, the Employer will continue to make a 95% monthly contribution towards PEBB health, vision, dental and basic life insurance benefits for employees. For plan year 2015, when 95% of employees have at least two plan options from which to choose the Employer will make a 97% monthly contribution towards PEBB health, vision, dental and basic life insurance for full-time employees who enroll in the least expensive available plan.
- 5) Effective January 1, 2015, a new top step shall be established. The new top step shall be 5.00% above the current top step.

SECTION A	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2013-2015 Cost:	8,430	59,233	-	8,331	75,994
Roll-up Cost:	20,356	143,031	-	20,117	183,505
2015-2017 Cost:	28,786	202,265	-	28,448	259,499

State of Oregon
2013-15 Successor Bargaining
Estimated Roll-up Costs

Statewide***		13-15 Costs		15-17 Costs	
	GF	AF	GF	AF	AF
13-15 Costs					
Insurance	1,726,299	6,104,516	4,208,586	12,513,318	18,417,884
Step Increases (PPDB as of 7/1/13)	51,320,717	127,497,886	47,302,253	115,404,892	98,622,970
COLA - 1.5% Effective 12/1/13	24,156,234	59,197,907	6,356,904	15,578,397	30,513,138
COLA - 2.0% Effective 12/1/14	12,044,214	29,517,373	29,250,234	71,685,049	74,776,304
Step Slide	1,884,084	4,004,289	-	-	101,202,422
OSP Trooper Comparability Change	224,578	308,200	1,572,011	2,157,407	1,384,084
Differentials/Selective Salary Increases	1,432,035	2,224,465	1,210,301	1,880,283	2,465,607
Estimated Total 13-15 Impact	91,988,156	228,854,656	89,900,089	219,019,345	447,873,981
Major Component Groups*:					
SEIU					
13-15 Costs					
Insurance	1,022,279	4,565,511	2,031,284	6,904,868	3,053,563
Step Increases (PPDB as of 7/1/13)	20,932,976	65,022,412	60,499,948	19,912,726	81,432,924
COLA - 1.5% Effective 12/1/13	7,865,200	26,795,171	2,069,790	7,035,834	9,894,990
COLA - 2.0% Effective 12/1/14	3,879,065	11,445,757	10,137,196	34,337,271	13,516,261
Step Slide	949,079	3,225,967	-	-	949,079
Differentials/Selective Salary Increases	764,140	1,811,957	177,596	378,966	1,796,584
Estimated Total 13-15 Impact	34,912,739	112,807,775	74,915,814	68,569,665	109,828,553
AFSCME					
13-15 Costs					
Insurance	446,852	1,465,352	883,584	2,941,578	1,350,436
Step Increases (PPDB as of 7/1/13)	3,977,166	11,907,427	3,449,848	10,166,769	7,427,014
COLA - 1.5% Effective 12/1/13	1,220,394	4,072,205	321,156	1,074,633	1,541,550
COLA - 2.0% Effective 12/1/14	768,511	2,564,699	1,866,628	6,228,555	2,635,239
Step Slide	127,475	425,342	-	-	127,475
Differentials/Selective Salary Increases	-	-	-	-	425,342
Estimated Total 13-15 Impact	6,540,498	19,835,025	6,521,216	20,408,535	13,061,714
Management					
13-15 Costs					
Insurance	269,912	763,409	554,265	1,609,303	818,177
Step Increases (PPDB as of 7/1/13)	9,750,622	24,636,190	8,427,117	20,746,007	18,157,759
COLA - 1.5% Effective 12/1/13	4,223,215	12,031,043	1,111,372	3,165,064	5,334,587
COLA - 2.0% Effective 12/1/14	1,797,269	5,118,854	5,391,807	15,355,561	7,189,076
Step Slide	-	-	-	-	-
Differentials/Selective Salary Increases	-	-	-	-	-
Estimated Total 13-15 Impact	16,015,018	42,549,496	15,484,561	40,871,935	31,499,579
15-17 Costs					
Insurance					
Step Increases (PPDB as of 7/1/13)					
COLA - 1.5% Effective 12/1/13					
COLA - 2.0% Effective 12/1/14					
Step Slide					
Differentials/Selective Salary Increases					
Estimated Total 15-17 Impact					

* Other Units Include: Corrections, Oregon State Police, Engineers, and Others.
** Denotes the MAXIMUM cost, includes double fills and assumes no turnover
*** Executive Branch ONLY, Excludes OUS, Judicial, & Legislative Branches