

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-5019/1	Introduction Number SB-729
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Description
 Ratification of the agreement negotiated between the state of Wisconsin and the State Engineering Association for the 2005-07 biennium, covering employees in the professional engineering collective bargaining unit, and authorizing an expenditure of funds

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
1. <input type="checkbox"/> Increase Costs	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
		<input type="checkbox"/> Counties <input type="checkbox"/> Others
		<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS SEGS 20.865(1)	

Agency/Prepared By OSER/ John Wiesman (608) 266-1418	Authorized Signature Susan Crawford (608) 266-9820	Date 5/15/2006
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Fiscal Estimate Narratives

OSER 5/16/2006

LRB Number 05-5019/1	Introduction Number SB-729	Estimate Type Original
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Assumptions Used in Arriving at Fiscal Estimate

Long-Range Fiscal Implications

2007-09 per year fiscal impact:
\$8,572,652 State Operations - Salaries and Fringes
\$3,600,514 GPR State Cost

WAGE INCREASES IN 2005-2007 CONTRACT AGREEMENT

State Engineering Association (14)

<u>SUMMARY TOTALS</u>		ALL FUNDS WITHOUT FRINGE	ALL FUNDS WITH FRINGE	GPR WITH FRINGE	OTHER FUNDS WITH FRINGE
FISCAL YEAR					
Total FTE:	1,104.49				
Base Payroll:	\$61,004,316				
2005-2006					
1st Year Cost		\$986,377	\$1,202,394	\$505,005	\$697,389
1st Year Cost in 2nd Year		\$1,221,229	\$1,488,679	\$625,245	\$863,434
2nd Year Cost		\$3,362,479	\$4,098,864	\$1,721,523	\$2,377,341
Biennial Total		<u>\$5,570,085</u>	<u>\$6,789,937</u>	<u>\$2,851,774</u>	<u>\$3,938,163</u>

WAGE INCREASES IN 2005-2007 CONTRACT AGREEMENT

State Engineering Association (14)

FISCAL YEAR INCREASES:

A) General Wage Adjustments

FY06 - base pay increase of 2% to each eligible employee with a lump sum for hours in pay status back to September 4, 2005.

FY07 - base pay increase of 2% to each eligible employee in pay status on June 25, 2006

FY07 - base pay increase of 2.25% to each eligible employee in pay status on April 1, 2007

<u>FISCAL YEAR</u>	<u>ALL FUNDS WITHOUT FRINGE</u>	<u>ALL FUNDS WITH FRINGE</u>	<u>GPR WITH FRINGE</u>	<u>OTHER FUNDS WITH FRINGE</u>
2005-2006	1st Year Cost \$986,377 1st Year Cost \$1,221,229 in 2nd Year	\$1,202,394 \$1,488,679	\$505,005 \$625,245	\$697,389 \$863,434
2006-2007	2nd Year Cost \$1,591,363	\$1,939,872	\$814,746	\$1,125,126
Biennial Total	\$3,798,969	\$4,630,945	\$1,944,997	\$2,685,948

B) FY07 Market/Equity Stratification for Senior and Advanced level Professional Engineers and Architects

Effective June 25, 2006, base pay increases ranging from \$1.00/hr to \$2.50/hr for all Senior and Advanced level Engineers and Architects.

Note. Only the first \$1.00/hr per FTE is funded from the compensation reserve, and shown as cost here. The remainder is agency funded.

<u>FISCAL YEAR</u>	<u>ALL FUNDS WITHOUT FRINGE</u>	<u>ALL FUNDS WITH FRINGE</u>	<u>GPR WITH FRINGE</u>	<u>OTHER FUNDS WITH FRINGE</u>
2005-2006	1st Year Cost \$0 1st Year Cost \$0 in 2nd Year	\$0 \$0	\$0 \$0	\$0 \$0
2006-2007	2nd Year Cost \$1,483,524	\$1,808,416	\$759,535	\$1,048,881
Biennial Total	\$1,483,524	\$1,808,416	\$759,535	\$1,048,881

WAGE INCREASES IN 2005-2007 CONTRACT AGREEMENT

State Engineering Association (14)

C) **FY07 Market Adjustment effective June 25, 2006**, base pay increases of one-half within-range pay step to Senior and Advanced level Electrical, Electronic, Nuclear, and Mechanical Engineers, and Architects.

<u>FISCAL YEAR</u>	<u>ALL FUNDS WITHOUT FRINGE</u>	<u>ALL FUNDS WITH FRINGE</u>	<u>GPR WITH FRINGE</u>	<u>OTHER FUNDS WITH FRINGE</u>
2005-2006	1st Year Cost \$0	\$0	\$0	\$0
	1st Year Cost in 2nd Year	\$0	\$0	\$0
2006-2007	2nd Year Cost	\$21,865	\$11,195	\$15,459
Biennial Total		<u>\$26,654</u>	<u>\$11,195</u>	<u>\$15,459</u>
				<u>\$15,459</u>

D) **FY07 Market/Equity Adjustment effective June 25, 2006**, base pay increases equal to one and one-quarter within-range pay step for all non-entry level Engineering Specialists, Surveyors, CADD Specialists, Construction Representatives, and Facility Designers.
Note. Only the first one-half within range pay step, plus about \$22,000, is funded from the compensation reserve, and shown as cost here. The remainder is agency funded.

<u>FISCAL YEAR</u>	<u>ALL FUNDS WITHOUT FRINGE</u>	<u>ALL FUNDS WITH FRINGE</u>	<u>GPR WITH FRINGE</u>	<u>OTHER FUNDS WITH FRINGE</u>
2005-2006	1st Year Cost \$0	\$0	\$0	\$0
	1st Year Cost in 2nd Year	\$0	\$0	\$0
2006-2007	2nd Year Cost	\$265,727	\$136,047	\$187,875
Biennial Total		<u>\$323,922</u>	<u>\$136,047</u>	<u>\$187,875</u>
				<u>\$187,875</u>

WAGE INCREASES IN 2005-2007 CONTRACT AGREEMENT

State Engineering Association (14)

The following adjustments to be funded from agency budgets:

- 1) FY06 and FY07 - Costs of continuing entry-level semi-automatic pay progression. (This system replaced reclassifications at entry and developmental levels.)

- 2) FY07 - Effective June 25, 2006, the cost of increasing the structure of the entry-level pay progression for professional engineers and architects

Effective Date	FY07 Agency Cost*
June 25, 2006	\$20,272
	*all funds, no fringe

- 3) FY07 - Effective June 25, 2006, the additional cost of the Market/Equity Stratification for Senior and Advanced level Professional Engineers and Architects shown in B), above, that is more than the \$1.00/hr per FTE funded through the compensation reserve:

Effective Date	FY07 Agency Cost*
June 25, 2006	\$927,738
	*all funds, no fringe

- 4) FY 07 - Effective June 25, 2006, the cost of a base pay increase of 1/2 within-range pay step for the following Dept. of Commerce classifications:

Effective Date	FY07 Agency Cost*
June 25, 2006	\$4,800
	*all funds, no fringe

Engineering Consultant-Electrical Systems-Sen. Engineering Consultant-Electrical Systems-Adv.
 Eng. Consultant-Fire Suppression Sys.-Sen. Engineering Consultant-Fire Suppression Sys.-Adv.
 Engineering Consultant-HVAC-Senior Engineering Consultant-HVAC-Advanced
 Engineering Consultant-Refrigeration Sys.-Sen. Engineering Consultant-Refrigeration Sys.-Adv.

- 5) FY07 - Effective 6/25/06, the additional cost of the Market/Equity Adjustment for Engineering Specialists, Surveyors, CADD specialists, Construction Reqs and Facility Designers, shown in D) above, that is more than the 1/2 within-range pay step per FTE plus \$22,000 funded through the compensation reserve:

Effective Date	FY07 Agency Cost*
June 25, 2006	\$343,555
	*all funds, no fringe

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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Description Ratification of the agreement negotiated between the state of Wisconsin and the State Engineering Association for the 2005-07 biennium, covering employees in the professional engineering collective bargaining unit, and authorizing an expenditure of funds			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$6,789,937	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$6,789,937	\$
B. State Costs by Source of Funds			
	GPR	2,851,774	
	FED		
	PRO/PRS	3,938,163	
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$6,789,937	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
OSER/ John Wiesman (608) 266-1418		Susan Crawford (608) 266-9820	5/15/2006