

Fiscal Estimate - 2003 Session

Original Updated Corrected Supplemental

LRB Number **03-1854/1** Introduction Number **SB-133**

Subject
 Collective bargaining agreement for state employees in patient treatment collective bargaining unit

Fiscal Effect

State:
 No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations Increase Existing Revenues Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations Decrease Existing Revenues Yes No
 Create New Appropriations Decrease Costs

Local:
 No Local Government Costs
 Indeterminate
 1. Increase Costs 3. Increase Revenue
 Permissive Mandatory Permissive Mandatory
 2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory Permissive Mandatory
 5. Types of Local Government Units Affected
 Towns Village Cities
 Counties Others 0
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS 20.865 (1)

| | | |
|---|--|-------------------------|
| Agency/Prepared By DER/ John Vincent (608) 266-1729 | Authorized Signature Elizabeth Reinwald (608) 266-0746 | Date 2/3/2003 |
|---|--|-------------------------|

Fiscal Estimate Narratives

DER 5/5/2003

| | | |
|---|----------------------------|------------------------|
| LRB Number 03-1854/1 | Introduction Number SB-133 | Estimate Type Original |
| Subject Collective bargaining agreement for state employees in patient treatment collective bargaining unit | | |

Assumptions Used in Arriving at Fiscal Estimate

The FISCAL ESTIMATE WORKSHEET reflects the cost of the adjustments from the respective effective date of the adjustments to the end of the 2001-2003 biennium. The annualized fiscal impact of these adjustments for 2003-2005 is provided below.

Paid Annual Leave of Absence: Provides accelerated vacation schedule for all employees. For this reason these employees are not eligible for the 1.0% GWA the first fiscal year. There is no out of pocket costs when the covered employees use the additional vacation but there is a "cost" in that salary will be paid for hours not worked. The average hourly wage of the covered employees is \$52.753 and the average number of additional leave hours for which they are eligible is 40.

In addition, the FLSA Exempt employees with at least 16 years of seniority, may at their option, elect to receive up to forty (40) hours in cash during the year earned. There are 21 FTE employees in the covered group with this seniority as of January 1, 2003. These employees are also eligible to put up to 40 hours of leave each year into a termination/sabbatical accumulation. Termination/sabbatical leave may be keep employees on payroll after actual retirement or be cashed out at retirement or other termination. "

Long-Range Fiscal Implications

2003-2005 per year fiscal impact:
\$766,369 State Operations - Salaries and Fringes
\$351,993 GPR State Cost

SUBJECT: WAGE INCREASES IN 2001-2003 CONTRACT AGREEMENT
Wisconsin Physician and Dentist Association (10)

2003 Legislative Session
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 Attachment 2

SUMMARY TOTALS

Total FTE: 72.64
 Base Payroll: \$8,814,402

| FISCAL YEAR | ALL FUNDS WITHOUT FRINGE | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|--|------------------------------|------------------------|--------------------------------|
| 2001-2002 | 1st Year Cost \$0 1st Year Cost in 2nd Year \$0 | \$0 | \$0 | \$0 |
| 2002-2003 | 2nd Year Cost \$357,731 | \$433,571 | \$199,139 | \$234,432 |
| Biennial Total | <u>\$357,731</u> | <u>\$433,571</u> | <u>\$199,139</u> | <u>\$234,432</u> |

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Note: Due to the delay in the implementation of the 2001-2003 Agreement, a lump sum is paid for all hours in pay status from the effective date(s) stated in the description of the pay adjustment, noted below, through the effective date of the Agreement.

1) FISCAL YEAR INCREASES:

A) FY03: General Wage Adjustment (GWA) effective June 30, 2002, and April 6, 2003. Effective June 30, 2002, eligible employees receive a 2.0% GWA, limited to the June 30, 2002 pay range maximum. The amount of the GWA not received due to the pay range maximum limitation is paid as an annualized wage payment, based on 2088 hours and prorated by budgeted FTE on June 30, 2002. FY03: Effective April 6, 2003, eligible employees receive a 2.5% GWA limited to the April 6, 2003 pay range maximum. The amount of the 2.5% GWA not received due to limitation by the pay range maximum is paid as an annualized wage payment, based on 480 hours, and prorated by budgeted FTE.

| FISCAL YEAR | ALL FUNDS WITHOUT FRINGE | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|---------------------------------|------------------------------|------------------------|--------------------------------|
| 2001-2002 | 1st Year Cost \$0 | \$0 | \$0 | \$0 |
| | 1st Year Cost in 2nd Year \$0 | \$0 | \$0 | \$0 |
| 2002-2003 | 2nd Year Cost \$239,963 | \$290,836 | \$133,581 | \$157,255 |
| Biennial Total | <u>\$239,963</u> | <u>\$290,836</u> | <u>\$133,581</u> | <u>\$157,255</u> |

B) FY03: Effective June 30, 2002, a pay range reassignment for Optometrist from 10-49 to 10-50.

| FISCAL YEAR | ALL FUNDS WITHOUT FRINGE | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|---------------------------------|------------------------------|------------------------|--------------------------------|
| 2001-2002 | 1st Year Cost \$0 | \$0 | \$0 | \$0 |
| | 1st Year Cost in 2nd Year \$0 | \$0 | \$0 | \$0 |
| 2002-2003 | 2nd Year Cost \$10,231 | \$12,400 | \$5,695 | \$6,705 |
| Biennial Total | <u>\$10,231</u> | <u>\$12,400</u> | <u>\$5,695</u> | <u>\$6,705</u> |

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C) FY03: Market Stratification Adjustment - Effective December 29, 2002, all employees in pay status on December 29, 2002, will receive an adjustment based on full years of state service seniority as of December 29, 2002. Optometrist, Dentist and Physician will receive the following amounts: Seniority of 2-3 yrs=\$0.25/hr; 4-5 yrs=\$0.50/hr; 6-7 yrs=\$0.75/hr; 8-9 yrs=\$1.00/hr; 10-11 yrs=\$1.25/hr; 12-13 yrs=\$1.50/hr; 14-15 yrs=\$1.75; 16-17 yrs=\$2.00/hr; 18-19 yrs=\$2.25/hr; 20 or more yrs=\$2.50/hr. Psychiatrists will receive the following amounts: Seniority of 2-3 yrs=\$.50/hr; 4-5 yrs=\$1.00/hr; 6-7 yrs=\$1.25/hr; 8-9 yrs=\$1.75/hr; 10-11 yrs=\$2.00/hr; 12-13 yrs=\$2.25/hr; 14-15 yrs=\$2.50/hr; 16-17 yrs=\$2.75/hr; 18-19 yrs=\$3.00/hr; 20 or more years=\$3.25/hr; limited by the June 30, 2002, pay range maximum.

| FISCAL YEAR | ALL FUNDS WITHOUT FRINGE | | ALL FUNDS WITH FRINGE | | OTHER FUNDS WITH FRINGE | |
|-----------------------|---------------------------|------------------|-----------------------|-----------------|-------------------------|-----------------|
| | | | | | | |
| 2001-2002 | 1st Year Cost | \$0 | \$0 | \$0 | \$0 | \$0 |
| | 1st Year Cost in 2nd Year | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2002-2003 | 2nd Year Cost | \$107,537 | \$130,335 | \$59,863 | \$70,472 | \$70,472 |
| Biennial Total | | \$107,537 | \$130,335 | \$59,863 | \$70,472 | \$70,472 |

D) Paid Annual Leave of Absence: Provides accelerated vacation schedule for all employees. For this reason these employees are not eligible for the 1.0% GWA the first fiscal year. There is no out of pocket costs when the covered employees use the additional vacation but there is a "cost" in that salary will be paid for hours not worked. The average hourly wage of the covered employees is \$52.753 and the average number of additional leave hours for which they are eligible is 40.

In addition, the FLSA Exempt employees with at least 16 years of seniority, may at their option, elect to receive up to forty (40) hours in cash during the year earned. There are 21 FTE employees in the covered group with this seniority as of January 1, 2003. These employees are also eligible to put up to 40 hours of leave each year into a termination/sabbatical accumulation. Termination/sabbatical leave may be kept employees on payroll after actual retirement or be cashed out at retirement or other termination.

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2) LENGTH OF SERVICE PAYMENT:

On June 30, 2002 and June 30, 2003, employees receive a length of service payment, prorated by budgeted FTE, based on the following seniority schedule: 5-9 years = \$50, 10-14 years = \$100, 15-19 years = \$150, 20-24 years = \$200, 25 or more years = \$250.

| FISCAL YEAR | ALL FUNDS WITHOUT FRINGE | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|---------------------------|-----------------------|-----------------|-------------------------|
| 2001-2002 | 1st Year Cost \$0 | \$0 | \$0 | \$0 |
| | 1st Year Cost in 2nd Year | \$0 | \$0 | \$0 |
| 2002-2003 | 2nd Year Cost | \$0 | \$0 | \$0 |
| Biennial Total | | \$0 | \$0 | \$0 |

The following are expenses to be funded from agency budgets:

| Length of Service Payments | Effective Date |
|----------------------------|----------------|
| | FY 2001-2002 |
| | FY 2002-2003 |

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

| | | | |
|--|---|--|-----------------|
| LRB Number 03-1854/1 | | Introduction Number SB-133 | |
| Subject | | | |
| Collective bargaining agreement for state employees in patient treatment collective bargaining unit | | | |
| 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 | \$433,571 | |
| | (FTE Position Changes) | | |
| | State Operations - Other Costs | | |
| | Local Assistance | | |
| | Aids to Individuals or Organizations | | |
| | TOTAL State Costs by Category | \$433,571 | \$ |
| B. State Costs by Source of Funds | | | |
| | GPR | 199,139 | |
| | FED | | |
| | PRO/PRS | 234,432 | |
| | 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 | | | |
| | | State | Local |
| | NET CHANGE IN COSTS | \$433,571 | \$ |
| | NET CHANGE IN REVENUE | \$ | \$ |
| | | | |
| Agency/Prepared By | | Authorized Signature | Date |
| DER/ John Vincent (608) 266-1729 | | Elizabeth Reinwald (608) 266-0746 | 2/3/2003 |