

Fiscal Estimate Narratives

DER 4/1/2003

LRB Number 03-2189/1	Introduction Number AB-214	Estimate Type Original
Subject 2001-03 collective bargaining agreement covering employees in the professional patient care 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 adjustment to the end of the 2001-2003 biennium. The annualized fiscal impact of these adjustments for 2003-2005 biennium is provided below.

Long-Range Fiscal Implications

2003-2005 per year fiscal impact:
\$4,502,638 State Operations - Salaries and Fringes
\$2,068,062 GPR State Cost

SUBJECT: WAGE INCREASES IN 2001-2003 CONTRACT AGREEMENT

United Professionals for Quality Health Care (11)

<u>SUMMARY TOTALS</u>					
<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>
Total FTE:	847.62				
Base Payroll:	\$40,400,707				
2001-2002					
1st Year Cost		\$327,021	\$396,351	\$182,044	\$214,307
1st Year Cost in 2nd Year		\$631,942	\$765,915	\$351,785	\$414,130
2002-2003					
2nd Year Cost		\$2,199,135	\$2,665,355	\$1,224,198	\$1,441,157
Biennial Total		<u>\$3,158,098</u>	<u>\$3,827,621</u>	<u>\$1,758,026</u>	<u>\$2,069,395</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) FY02: Equity Adjustment Effective date of the contract. Employees in the specified classes, listed below, that were hired after June 30, 1999, and prior to July 1, 2000, receive a pay adjustment to the next greater grid point. These employees missed one anniversary adjustment due to a previous contract provision. Employees are eligible for a lump sum due to the delay in implementation equal to the amount received as an equity adjustment for all hours in pay status from July 1, 2001, through the effective date of the contract. The adjustment is limited to the pay range maximum effective July 1, 2001. Classes affected are: Physician Assistant, Nursing Specialist, Nursing Instructor 1, Nursing Instructor 2, Nurse Clinician 2, Nurse Clinician 3, Nurse Clinician 4, Nurse Clinician 3 Weekend, Nurse Clinician 4.

FISCAL YEAR	ALL FUNDS WITHOUT FRINGE	ALL FUNDS WITH FRINGE	GPR WITH FRINGE	OTHER FUNDS WITH FRINGE
2001-2003:				
1st Year Cost	\$22,100	\$26,786	\$12,303	\$14,483
1st Year Cost in 2nd Year	\$22,100	\$26,786	\$12,303	\$14,483
2nd Year Cost		\$0	\$0	\$0
Biennial Total	\$44,200	\$53,572	\$24,606	\$28,966

B) FY02: Anniversary adjustments limited to the 01-02 pay range maximum.

Eligible employees whose base pay rate is below the grid endpoint receive an anniversary adjustment based on their adjusted continuous service date, equal to one grid move, on their anniversary effective date. Those employees whose base pay is over the grid endpoint receive a GWA equal to 1.5% of their base pay rate, effective on their anniversary effective date, limited to the 2001-2002 range maximum. Any GWA that would cause a base pay rate to exceed the 2001-2002 maximum is paid as an FTE-annualized lump sum for all remaining hours in the fiscal year. A lump sum payment due to the delay in implementation of the Agreement is paid for employees whose pay was at or over the grid endpoint as of July 1, 2002. The lump sum is equal to the amount granted as a GWA multiplied by the hours in pay status from July 1, 2001, through the effective date of the employees anniversary adjustment.

FISCAL YEAR	ALL FUNDS WITHOUT FRINGE	ALL FUNDS WITH FRINGE	GPR WITH FRINGE	OTHER FUNDS WITH FRINGE
2001-2002				
1st Year Cost	\$304,921	\$369,565	\$169,741	\$199,824
1st Year Cost in 2nd Year	\$609,842	\$739,129	\$339,482	\$399,647
2nd Year Cost	\$0	\$0	\$0	\$0
Biennial Total	\$914,763	\$1,108,694	\$509,223	\$599,471

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C) FY03 Nurse Clinician New Minimum Rate effective June 30, 2002

Employees in any Nurse Clinician classification whose base pay rate is less than grid level D, move to Grid level D.

<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>
2001-2002	1st Year Cost \$0	\$0	\$0	\$0
	1st Year Cost in 2nd Year \$0	\$0	\$0	\$0
2002-2003	2nd Year Cost \$119,823	\$145,226	\$66,702	\$78,524
Biennial Total	\$119,823	\$145,226	\$66,702	\$78,524

D) FY03 Effective 6/30/02 \$1.00 per hour Add-On Pay for certain Employing Unit Nurse Clinician classifications

Employees in any Nurse Clinician classifications within one of the employing units listed below, are eligible for an add-on pay amount of \$1,000 for each hour worked. Veterans Home-King, Racine Correctional Institute, Racine Youthful Offenders Correctional Facility, Mendota Mental Health Institute, Wisconsin Resource Center, Central Wisconsin Center. This provision sunsets at the end of the 2001-03 contract period.

<u>FISCAL YEAR</u>	<u>WITHOUT FRINGE</u>	<u>FRINGE</u>	<u>GPR WITH FRINGE</u>	<u>FRINGE</u>
2001-2002	1st Year Cost \$0	\$0	\$0	\$0
	1st Year Cost in 2nd Year \$0	\$0	\$0	\$0
2002-2003	2nd Year Cost \$594,913	\$721,035	\$331,171	\$389,864
Biennial Total	\$594,913	\$721,035	\$331,171	\$389,864

E) FY03 Anniversary adjustments limited to the 01-02 pay range maximum.

Eligible employees whose base pay rate is below the grid endpoint receive an anniversary adjustment based on their adjusted continuous service date, equal to one grid move, effective on their anniversary adjustment effective date. Those employees whose base pay rate is over the grid endpoint receive a GWA equal to 1.5% of their base pay rate, effective on their anniversary effective date, limited to the 2002-2003 range maximum. Any GWA that would cause a base pay rate to exceed the 2002-2003 range maximum is paid as an FTE-annualized lump sum. The lump sum payment equals the hourly amount granted as a GWA, multiplied by the budgeted FTE hours remaining in the fiscal year.

<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>
2001-2002	1st Year Cost \$0	\$0	\$0	\$0
	1st Year Cost in 2nd Year \$0	\$0	\$0	\$0
2002-2003	2nd Year Cost \$309,065	\$374,587	\$172,048	\$202,539

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Biennial Total	<u>\$309,065</u>	<u>\$374,587</u>	<u>\$172,048</u>	<u>\$202,539</u>
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F) FY03 Market Adjustment for Nurse Clinicians effective October 6, 2002

Market Adjustment for Nurse Clinician classification employees in pay status on October 6, 2002. Employees in these classifications receive a seniority-based grid level adjustment and/or percentage of base pay adjustment as follows, based on the employees full years of state service seniority as of October 6, 2002: 1-3 years, 1 grid level or 1.5% if over grid endpoint; 4-5 years, 2 grid levels or 3.0%; 6-10 years, 3 grid levels or 4.5%; 11 or more years, 4 grid levels or 6.0%. These market adjustments are subject to the pay range maximum effective June 30, 2002.

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	\$699,392	\$389,332	\$458,332
Biennial Total		<u>\$847,664</u>	<u>\$389,332</u>	<u>\$458,332</u>

G) FY03 Market Adjustment for Non-Nurse Clinicians effective October 6, 2002

Market Adjustment for Non-Nurse Clinician classification employees in pay status on October 6, 2002. Employees in the classifications listed below, receive a one grid level adjustment or 1.5% adjustment if the employee's base pay rate is at or over the grid endpoint. These market adjustments are subject to the pay range maximum effective June 30, 2002. Classes affected are: Audiologist, Dietitian-Clinical, Dietitian-Administrative, Developmental Disabilities Specialist, Occupational Therapist, Occupational Therapist - Senior, Nurse Practitioner, Public Health Nurse 1, 2 and 3, Public Health Nutritionist 1 and 2, Occupational Therapist, Occupational Therapist - Senior, Nurse Practitioner, Public Health Nurse 1, 2 and 3, Public Health Educator, Public Health Educator - Senior, Public Health Educator - Advanced, Speech/Language Pathologist, Speech/Language Pathologist-Senior, Therapist, Therapist-Senior, Therapies Consultant.

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	\$227,435	\$126,607	\$149,045
Biennial Total		<u>\$227,435</u>	<u>\$126,607</u>	<u>\$149,045</u>

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H) FY03 General Wage Adjustment effective April 6, 2003, equal to 2.5% of their base pay rate. General Wage Adjustment of 2.5% for each employee in pay status on April 6, 2003. Subject to the pay range maximum effective April 6, 2003. Employees who are limited to the pay range maximum effective April 6, 2003, will receive an annualized lump sum adjustment equal to the balance of the April 6, 2003, GWA that exceeds the range maximum, multiplied by the number of hours remaining in the fiscal year (480). Pro-rated by budgeted FTE as of April 6, 2003.

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 \$0 in 2nd Year	\$0 \$0	\$0 \$0	\$0 \$0
2002-2003	2nd Year Cost \$248,507	\$301,191	\$138,337	\$162,854
Biennial Total	\$248,507	\$301,191	\$138,337	\$162,854

I) Length of Service Payments

All employees are eligible for a length of service payment in each fiscal year, based on their full years of state service seniority as of June 30, 2002, and June

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 \$0 in 2nd Year	\$0 \$0	\$0 \$0	\$0 \$0
2002-2003	2nd Year Cost \$0	\$0	\$0	\$0
Biennial Total	\$0	\$0	\$0	\$0

The following are expenses to be funded from agency budgets:

Length of Service Payments	Effective Date
	June 30, 2002
	FY 2001-2002
	June 30, 2003
	FY 2002-2003

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-2189/1		Introduction Number AB-214	
Subject			
2001-03 collective bargaining agreement covering employees in the professional patient care 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	\$3,827,621		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$3,827,621		\$
B. State Costs by Source of Funds			
GPR	1,758,026		
FED			
PRO/PRS	2,069,595		
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	\$3,827,621	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
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