

Fiscal Estimate Narratives

DER 4/8/2003

LRB Number	03-2201/1	Introduction Number	AB-226	Estimate Type	Original
Subject					
2001-03 collective bargaining agreement covering employees in the professional 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)**

<u>SUMMARY TOTALS</u>					
			ALL FUNDS WITHOUT FRINGE	ALL FUNDS WITH FRINGE	GPR WITH FRINGE
FISCAL YEAR					OTHER FUNDS WITH FRINGE
Total FTE:	72.64				
Base Payroll:	\$8,814,402				
2001-2002	1st Year Cost	\$0	\$0	\$0	\$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		\$357,731	\$433,571	\$199,139	\$234,432

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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.

<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
2002-2003	2nd Year Cost \$239,963	\$290,836	\$133,581	\$157,255
Biennial Total	\$239,963	\$290,836	\$133,581	\$157,255

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

<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
2002-2003	2nd Year Cost \$10,231	\$12,400	\$5,695	\$6,705
Biennial Total	\$10,231	\$12,400	\$5,695	\$6,705

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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	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 \$107,537	\$130,335	\$59,863	\$70,472
Biennial Total	\$107,537	\$130,335	\$59,863	\$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.**

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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.

<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 \$0	\$0	\$0	\$0
Biennial Total	\$0	\$0	\$0	\$0

The following are expenses to be funded from agency budgets:

<u>Length of Service Payments</u>	<u>Effective Date</u>
	FY 2001-2002
	FY 2002-2003

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-2201/1		Introduction Number AB-226	
Subject			
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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
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