

### Fiscal Estimate - 2009 Session

Original       Updated       Corrected       Supplemental

|  |  |  |   |
|--|--|--|---|
| <b>LRB Number 09-4541/1</b>  |  | <b>Introduction Number SB-678</b>  |   |
| <b>Description</b><br>Ratification of the agreement negotiated between the state of Wisconsin and the State Engineering Association for the 2007-09 biennium, covering employees in the professional engineering collective bargaining unit, and authorizing an expenditure of funds |  |  |   |
| <b>Fiscal Effect</b>   |  |  |   |
| <b>State:</b>  |  |  |   |
| <input type="checkbox"/> No State Fiscal Effect  |  |  |   |
| <input type="checkbox"/> Indeterminate   |  |  |   |
| <input type="checkbox"/> Increase Existing Appropriations  | <input type="checkbox"/> Increase Existing Revenues                    | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |   |
| <input type="checkbox"/> Decrease Existing Appropriations  | <input type="checkbox"/> Decrease Existing Revenues                    |  |   |
| <input type="checkbox"/> Create New Appropriations   |  | <input type="checkbox"/> Decrease Costs  |   |
| <b>Local:</b>  |  |  |   |
| <input type="checkbox"/> No Local Government Costs   |  |  |   |
| <input type="checkbox"/> Indeterminate   |  |  |   |
| 1. <input type="checkbox"/> Increase Costs   | 3. <input type="checkbox"/> Increase Revenue                           | <b>5.Types of Local Government Units Affected</b>  |   |
| <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 |
| 2. <input type="checkbox"/> Decrease Costs   | 4. <input type="checkbox"/> Decrease Revenue                           |  | <input type="checkbox"/> Counties <input type="checkbox"/> Others                               |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory   | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |  | <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts               |
| <b>Fund Sources Affected</b>   |  | <b>Affected Ch. 20 Appropriations</b>  |   |
| <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                                     |  |  |   |
| <b>Agency/Prepared By</b>  | <b>Authorized Signature</b>  | <b>Date</b>  |   |
| OSER/ John Wiesman (608) 266-1418  | Yer Vang (608) 266-9820  | 4/5/2010   |   |

**Fiscal Estimate Narratives**

**OSER 4/5/2010**

|  |                                   |                               |
|--|-----------------------------------|-------------------------------|
| LRB Number <b>09-4541/1</b>  | Introduction Number <b>SB-678</b> | Estimate Type <b>Original</b> |
| <b>Description</b><br>Ratification of the agreement negotiated between the state of Wisconsin and the State Engineering Association for the 2007-09 biennium, covering employees in the professional engineering collective bargaining unit, and authorizing an expenditure of funds |                                   |                               |

**Assumptions Used in Arriving at Fiscal Estimate**

**Long-Range Fiscal Implications**

2009-2011 Per year fiscal impact:  
\$6,558,776 State Operations - Salaries and Fringes  
\$2,754,686 GPR State Cost

**WAGE INCREASES IN 2007-2009 CONTRACT AGREEMENT**

State Engineering Association (14)

| <u>SUMMARY TOTALS</u> |                                     |                              |                        |                                |  |
|-----------------------|-------------------------------------|------------------------------|------------------------|--------------------------------|--|
| Total FTE:            |                                     | 1,115.25                     |                        |                                |  |
| Base Payroll:         |                                     | \$67,487,605                 |                        |                                |  |
| <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> |  |
| <b>2007-2008</b>      | 1st Year Cost<br>\$1,350,870        | \$1,613,615                  | \$677,718              | \$935,897                      |  |
|                       | 1st Year Cost<br>in 2nd Year<br>\$0 | \$1,613,615                  | \$677,718              | \$935,897                      |  |
| <b>2008-2009</b>      | 2nd Year Cost<br>\$2,230,348        | \$2,664,153                  | \$1,118,944            | \$1,545,209                    |  |
| <b>Biennial Total</b> | <u>\$4,932,088</u>                  | <u>\$5,891,383</u>           | <u>\$2,474,381</u>     | <u>\$3,417,002</u>             |  |

**WAGE INCREASES IN 2007-2009 CONTRACT AGREEMENT**

State Engineering Association (14)

**FISCAL YEAR INCREASES:**

**A) General Wage Adjustments**

FY08 - base pay increase of 2% to each eligible employee with a lump sum for hours in pay status back to June 24, 2007

FY09 - base pay increase of 1% to each eligible employee in pay status on July 6, 2008

FY09 - base pay increase of 2% to each eligible employee in pay status on June 7, 2009

| <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> |
|-----------------------|---------------------------------------|------------------------------|------------------------|--------------------------------|
| <b>2007-2008</b>      | 1st Year Cost \$1,350,870             | \$1,613,615                  | \$677,718              | \$935,897                      |
|                       | 1st Year Cost in 2nd Year \$1,350,870 | \$1,613,615                  | \$677,718              | \$935,897                      |
| <b>2008-2009</b>      | 2nd Year Cost \$799,662               | \$955,197                    | \$401,183              | \$554,014                      |
| <b>Biennial Total</b> | <u>\$3,501,402</u>                    | <u>\$4,182,427</u>           | <u>\$1,756,619</u>     | <u>\$2,425,808</u>             |

**B) FY09 Market Stratification, effective the first pay period after the Agreement effective date, with a lump sum for hours in pay status back to October 12, 2008.**

Market pay increases are for all non-entry level employees hired prior to 2010, and range from \$0.19/hr to \$1.235/hr, depending on seniority, averaging about \$0.90/hr.

| <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> |
|-----------------------|---------------------------------|------------------------------|------------------------|--------------------------------|
| <b>2007-2008</b>      | 1st Year Cost \$0               | \$0                          | \$0                    | \$0                            |
|                       | 1st Year Cost in 2nd Year \$0   | \$0                          | \$0                    | \$0                            |
| <b>2008-2009</b>      | 2nd Year Cost \$1,423,363       | \$1,700,208                  | \$714,087              | \$986,121                      |
| <b>Biennial Total</b> | <u>\$1,423,363</u>              | <u>\$1,700,208</u>           | <u>\$714,087</u>       | <u>\$986,121</u>               |

**WAGE INCREASES IN 2007-2009 CONTRACT AGREEMENT**

State Engineering Association (14)

C) FY09 Construction Representative (non-DOA) Market Adjustment effective the first pay period following the Agreement effective date, with a lump sum for hours in pay status back to October 12, 2008. The market adjustment is \$0.50/hr for each non-entry level Construction Representative not employed by the Dept. of Administration.

| FISCAL YEAR           | ALL FUNDS WITHOUT FRINGE                           | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|--|-----------------------|-----------------|-------------------------|
| 2007-2008             | 1st Year Cost \$0<br>1st Year Cost in 2nd Year \$0 | \$0<br>\$0            | \$0<br>\$0      | \$0<br>\$0              |
| 2008-2009             | 2nd Year Cost \$6,866                              | \$8,202               | \$3,445         | \$4,757                 |
| <b>Biennial Total</b> | <b>\$6,866</b>                                     | <b>\$8,202</b>        | <b>\$3,445</b>  | <b>\$4,757</b>          |

D) FY09 Pay Range Reassignments effective the first pay period following the effective date of the Agreement. All employees in pay range 24 are reassigned to pay range 4, and all employees in pay range 26 are reassigned to pay range 6. Employees receive an increase only as necessary to increase their pay rate to the applicable new pay range minimum.

| FISCAL YEAR           | ALL FUNDS WITHOUT FRINGE                           | ALL FUNDS WITH FRINGE | GPR WITH FRINGE | OTHER FUNDS WITH FRINGE |
|-----------------------|--|-----------------------|-----------------|-------------------------|
| 2007-2008             | 1st Year Cost \$0<br>1st Year Cost in 2nd Year \$0 | \$0<br>\$0            | \$0<br>\$0      | \$0<br>\$0              |
| 2008-2009             | 2nd Year Cost \$457                                | \$546                 | \$229           | \$317                   |
| <b>Biennial Total</b> | <b>\$457</b>                                       | <b>\$546</b>          | <b>\$229</b>    | <b>\$317</b>            |

**WAGE INCREASES IN 2007-2009 CONTRACT AGREEMENT**

**State Engineering Association (14)**

The following adjustments to be funded from agency budgets:

| Budgeted<br>Effective Date | FY09 Agency Cost | Increase   |
|----------------------------|------------------|--|
| 12-Oct-08                  | \$13,733         | \$0.50/hr base pay increase to all non-entry level Construction Representatives employed by the Dept. of Administration.   |
| 25-Apr-10*                 | no cost in FY09  | Current add-on of \$0.50/hr is increased to \$1.00/hr for about 40 employees holding licenses as Registered Land Surveyor, Landscape Architect, Professional Geologist or having a permit for Designer of Engineering Systems. |
|                            | \$13,733         | FY09 Agency Total  |
|                            | \$16,404         | With Fringe  |

\*Projected date of implementation of contract pay increases

Annualized Costs to Continue in 2009-2011 Fiscal Biennium

|  | ALL FUNDS<br>WITHOUT FRINGE | ALL FUNDS WITH<br>FRINGE | GPR WITH FRINGE    | OTHER FUNDS WITH<br>FRINGE |
|--|-----------------------------|--------------------------|--------------------|----------------------------|
| All Compensation Reserve funded increases: | \$5,429,216                 | \$6,485,199              | \$2,723,784        | \$3,761,415                |
| All Agency-Funded increases:               | \$61,596                    | \$73,577                 | \$30,902           | \$42,675                   |
| <b>Total</b>                               | <u>\$5,490,812</u>          | <u>\$6,558,776</u>       | <u>\$2,754,686</u> | <u>\$3,804,090</u>         |

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

|  |   |  |                 |
|--|---|--|-----------------|
| <b>LRB Number</b> <b>09-4541/1</b>   |   | <b>Introduction Number</b> <b>SB-678</b>       |                 |
| <b>Description</b><br>Ratification of the agreement negotiated between the state of Wisconsin and the State Engineering Association for the 2007-09 biennium, covering employees in the professional engineering collective bargaining unit, and authorizing an expenditure of funds |   |  |                 |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  |   |  |                 |
| <b>II. Annualized Costs:</b>   |   | <b>Annualized Fiscal Impact on funds from:</b> |                 |
|  |   | Increased Costs                                | Decreased Costs |
| <b>A. State Costs by Category</b>  |   |  |                 |
|  | State Operations - Salaries and Fringes | \$5,891,383                                    | \$              |
|  | (FTE Position Changes)                  |  |                 |
|  | State Operations - Other Costs          |  |                 |
|  | Local Assistance                        |  |                 |
|  | Aids to Individuals or Organizations    |  |                 |
|  | <b>TOTAL State Costs by Category</b>    | <b>\$5,891,383</b>                             | <b>\$</b>       |
| <b>B. State Costs by Source of Funds</b>   |   |  |                 |
|  | GPR                                     | 2,474,381                                      |                 |
|  | FED                                     |  |                 |
|  | PRO/PRS                                 | 3,417,002                                      |                 |
|  | SEG/SEG-S                               |  |                 |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>   |   |  |                 |
|  |   | Increased Rev                                  | Decreased Rev   |
|  | GPR Taxes                               | \$   | \$              |
|  | GPR Earned                              |  |                 |
|  | FED                                     |  |                 |
|  | PRO/PRS                                 |  |                 |
|  | SEG/SEG-S                               |  |                 |
|  | <b>TOTAL State Revenues</b>             | <b>\$</b>                                      | <b>\$</b>       |
| <b>NET ANNUALIZED FISCAL IMPACT</b>  |   |  |                 |
|  |   | State  | Local           |
|  | NET CHANGE IN COSTS                     | \$5,891,383                                    | \$              |
|  | NET CHANGE IN REVENUE                   | \$   | \$              |
| <b>Agency/Prepared By</b>  |   | <b>Authorized Signature</b>                    | <b>Date</b>     |
| OSER/ John Wiesman (608) 266-1418  |   | Yer Vang (608) 266-9820                        | 4/5/2010        |