



CITY MANAGER'S OFFICE

Brian Donovan, Assistant City Manager

Brian.Donovan@copbfl.com | P: 954.786.4049 | F: 954.786.4504

MEMORANDUM

DATE: November 2, 2021
TO: Greg Harrison, City Manager
FROM: Brian Donovan, Assistant City Manager
SUBJECT: Federation of Public Employees Collective Bargaining Agreement

The Collective Bargaining Agreement with the Federation of Public Employees (FOPE) expired on September 30, 2021. The City and the FOPE started negotiations back in May and have reached an agreement that includes provisions for pension plan changes, an additional holiday, pay grade changes, cost of living increases and incentive pay increases for certain licenses and certifications. In consideration of these proposals, the FOPE has agreed to a reduction in vacation accrual hours moving forward. The term of the Agreement is three years. If approved the proposed changes would apply to both bargaining and non-bargaining employees. A more detailed explanation of the Collective Bargaining Agreement and impacts are as follows:

Article 1 - Recognition: in Section 1.2, the pay grades for the following job classifications will be increased in the City's step plan:

1. Messenger shall be increased from paygrade 15 to 16
2. Bus Driver shall be increased from paygrade 15 to 16
3. Custodian shall be increased from paygrade 15 to 16
4. Office Assistant I shall be increased from pay grade 15 to 16
5. Office Assistant II shall be increased from pay grade 17 to 18
6. Secretary I shall be increased from pay grade 17 to 18
7. Secretary II shall be increased from pay grade 18 to 19
8. Recreation Leader shall be increased from pay grade 19 to 20
9. Service Worker IV shall be increased from pay grade 20 to 21
10. Utilities Systems Operator III shall be increased from pay grade 20 to 21
11. Buyer shall be increased from pay grade 21 to 22
12. Assistant Customer Service Manager from pay grade 21 to 26
13. Utilities Treatment Plant Trainee shall be increased from pay grade 20 to 21
14. Utilities Treatment Plant Operator I shall be increased from pay grade 22 to 23
15. Utilities Treatment Plant Operator II shall be increased from pay grade 23 to 24

After performing a market analysis, it was discovered that the current paygrades of the positions listed above were below average. In order to better align the positions with the market, the positions will be increased by one pay grade, except for the Assistant Customer Service Manager which will be increased



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by five pay grades. The estimated impact of these changes is a little over \$74K. Please note that the increases to the positions will not necessarily result in an automatic increase in pay to the individuals employed in those positions, as each job classification is restricted to an assigned wage range within the City's paygrade plan. Thus, employees will receive a pay increase commensurate with the City's merit plan procedures even when pay grades are increased for a position.

Additionally, Section 1.2, the following job classifications/titles from Article 1.2 have been re-classified and replaced with the following new job classifications/titles:

1. Sand and Spurs Attendant was reclassified to Service Worker II
2. Water Meter Reader was reclassified to Field Service Representative II
3. Facilities Maintenance Foreman was reclassified to Facilities Maintenance Supervisor
4. Chief Material Handling Specialist was reclassified to Central Stores Operations Manager

There is no cost impact with the reclassification changes.

Article 12 – Uniforms: Building Division employees will be provided with notice of their ability to request a pro-rated amount of new uniforms (not exceed a total of three (3) uniforms), as well as materials needed to make such a request (e.g. uniform magazine/pamphlet/order form) by the Department Head, or designee, before the end of the calendar year. The Department Head, or designee, will thereafter be responsible for ordering the pro-rated amount of new uniforms (not to exceed a total of three (3) uniforms per employee) upon receipt of a written request from each eligible, interested employee. In addition, the City will also provide bargaining unit members employed within the City's Building Division, Public Works Division and Recreation Division with new uniforms (using the same procedure noted above), pursuant to Section 12.1, by no later than October 31st of each fiscal year.

In Section 12.4, the annual shoe allowance provided to public works employees will increase from \$130 to \$150 per year.

Uniforms are provided for in the most recent Collective Bargaining Agreement. There is no material estimated cost impacts with these changes.

Article 13 – Wages, Merit and Longevity: In Section 13.1 (Wages), the parties agreed to the following wage adjustments in each fiscal year:

1. Year 1 (FY 21-22): a 3.0% wage increase effective in the 1st full pay period that starts on or after October 1, 2021.
2. Year 2 (FY 22-23): a 3.0% wage increase effective in the 1st full pay period on or after October 1, 2022.
3. Year 3 (FY 23-24): a 3.0% wage increase effective in the 1st full pay period on or after October 1, 2023.



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The estimated impact of the cost of living increases is \$3.9M over the term of the Agreement. The 3% wage increase for the current fiscal year is currently budgeted.

In Section 13.4 (Incentive Pay for Licenses and Certifications):

1. A section will be added with the title "Parks & Recreation," within which full-time Recreation Leaders and full-time Recreation Lifeguards shall be provided \$50.00 per month for obtaining/maintaining a certified Parks & Recreation professional certification ("CPRP"), and,
2. A section will be added so that full-time Recreation Lifeguards shall be provided \$25.00 per month for obtaining/maintaining a Lifeguard Instructor certification.

The estimated financial impact of this change is under \$10K.

Article 14 - Leaves: a new subsection will be added that provides as follows: Effective October 1, 2021, or on the date the 2021-2024 Agreement is ratified by the City Commission, whichever date occurs last, bargaining unit employees may accrue up to an additional 250 hours of sick leave above the current 1,000-hour sick leave pay-out cap referenced above in Section 14.1(d), but such additional sick leave accruals shall not exceed a total of 1,250 hours of sick leave accruals.

None of these additional sick leave accruals may be cashed out or sold back, but at the time of an employee's retirement or DROP entry, an employee may make an irrevocable election to transfer the value of additional accrued sick leave hours above the maximum 1,000-hour pay-out cap, but not to exceed a total of 250 hours of accrued sick leave to the employee's individual Voluntary Employee Benefits Association ("VEBA") account (i.e., this transfer/election to VEBA shall apply to only those sick leave accruals between 1,000 hours and 1,250 hours).

The transfer of the value of these accrued sick leave hours under this sub-section to an employee's individual VEBA account is intended to be pre-tax if possible, but in any event will be subject to IRS regulations/requirements. The funding that is transferred into VEBA is offset by the savings of employees not taking time off and incurring overtime.

In addition, in Section 14.2, the City will increase the number of paid days off for employees taking approved bereavement leave from three (3) days to four (4) days, but will retain the City Manager's discretion to provide an additional three (3) days off upon request. There is no discernable cost impact to this change.

Section 14.4 (Vacation Leave): the accruals of vacation leave will be revised in the following manner:

<u>Completed Service</u>	<u>Per Vacation Year</u>
1 - 5 years	10 days <u>9 days</u>
6 - 13 years	15 days <u>12 days</u>
14 years or longer	20 days <u>15 days</u>



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The estimated savings over the term of the Agreement is \$1.8M.

Article 16 – Holidays: In Section 16.1, the City will add Juneteenth (observed annually on June 19th) as the thirteenth holiday recognized by the City. The estimated cost of adding an additional holiday is \$180K.

Article 27- Pension: in Article 27, language will be added to show the Retirement Plan will be changed to increase the pension multiplier/normal retirement benefit from 2.75% to 3% average monthly earnings for service earned by Tier I members, including current DROP members, effective October 1, 2021. The financial cost impact is \$2.4M. The cost impact will be reflected in the next fiscal year's required contribution.

Additionally, the pension COLA for active Tier 1 members will increase from 2% to 3%. The cap on the variable portion of the COLA adjustment will increase from 3% to 4%. The financial cost impact is \$2.7M. The cost impact will be reflected in the next fiscal year's required contribution.

In addition, a new Section that will allow members to pay all costs associated with the following: Members who are eligible to retire or enter the DROP (i.e., age 55 with 20 years of service or age 62 with 3 years of service), but who have not yet elected to retire or enter the DROP and who are within a year of service that is beyond/greater than the minimum years of service necessary to become eligible to retire or enter the DROP, may elect to purchase additional service time needed to round-up that year of service prior to retiring or entering the DROP. For example, an employee who has reached age 55 and who has 21 years and 7 months of service (and who has not yet retired or entered the DROP) may elect to purchase additional service time to allow the employee to retire or enter the DROP with 22 years of service (for purposes of collecting a greater retirement benefit). If a member elects to purchase additional service time, the member agrees to pay all costs, including the City's portion, prior to retiring or entering the DROP.

The City Code will also be revised to reflect the parties' agreement to allow members who terminate their employment with the City and are subsequently re-employed by the City to buy back partial or all service time from previous years of service prior to retirement or entering the City's DROP. If a member elects to buy back partial or all service time from previous years of service prior to retiring or entering DROP, the member agrees to pay all costs, including the City's portion, the balance of which must be paid by the member to the City in full prior to the member electing to retire or enter the DROP.

Chapter 34.107 of the City's Code of Ordinances: The City will change the language in the City Code to reflect the agreement to increase the biweekly pay incentive for all Lifeguards certified as an EMT I from 5% to 7%, as provided in Chapter 34.107 of the City's Code of Ordinances. The estimated financial impact is \$18K.

Term of Agreement: the parties have agreed to a 3-year Agreement, effective October 1, 2021 through September 31, 2024.



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The FOPE held a Ratification Vote on November 2, 2021 and a majority of employees approved the proposal.