

PRELIMINARY FISCAL NOTE  
SR 8/HR 8

Appropriations Committee  
Meeting

January 20, 2015



**OFFICE OF FISCAL ANALYSIS**

Room 5200, Legislative Office Building  
Hartford, CT 06106 • (860) 240-0200

E-Mail: [ofa@cga.ct.gov](mailto:ofa@cga.ct.gov)  
[www.cga.ct.gov/ofa](http://www.cga.ct.gov/ofa)

**SR 8 and HR 8** – Memorandum of Understanding between the State of Connecticut and the American Federation of State, County and Municipal Employees Union, Council 4 (AFSCME) (NP-3 Bargaining Unit). DESPP Dispatch Supervisors.

**Summary** - The resolution proposes approval of the Memorandum of Understanding (MOU) between the State of Connecticut and the American Federation of State, County and Municipal Employees Union, Council 4 (AFSCME) on behalf of the Administrative Clerical NP-3 Bargaining Unit members. This MOU establishes a Dispatch Supervisor classification within the Department of Emergency Services and Public Protection (DESPP) to provide oversight of dispatch operations in each of the two DESPP regional dispatch centers.

The total General Fund (GF) costs arising from this MOU are anticipated to be \$18,921 in FY 16. These costs represent the promotion of two Lead Dispatchers to the new Dispatch Supervisor class and the subsequent promotion of two Dispatchers to Lead Dispatcher to ensure 24-hour coverage at the regional dispatch centers. Though this MOU was signed on April 22, 2014, there have been no costs incurred in either FY 14 or FY 15 as the two established positions have gone unfilled.

In addition to the costs identified above, potential position refill costs of \$140,939 may be incurred as a result of this MOU. These additional costs are associated with the potential hiring of two additional DESPP Dispatchers to fill the vacancies created by the promotions described above. A summary of anticipated GF costs is provided below:

**Cost Estimate of MOU**

	<b>FY 16 \$ (promotions)</b>	<b>FY 16 \$ (potential position refills)</b>
Salary	16,442	95,154
SERS	1,197	6,927
Health	-	31,436
Unemployment	25	143
Social Security	1,258	7,279
<b>TOTAL GF COSTS</b>	<b>18,921</b>	<b>140,939</b>

**Wages** - The two Dispatch Supervisors are expected to be paid a salary of \$70,224. These employees are currently employed as Lead Dispatcher at \$65,998. As such, this promotion will result in increased wages of \$8,452 in FY 16. Additionally, to ensure 24-hour Lead Dispatcher coverage at the regional dispatch centers, two Dispatchers earning \$62,003 will be promoted to Lead Dispatcher at \$65,998; resulting in additional

wages of \$7,990. Therefore, the total for promotions attributable to this MOU is anticipated to be \$16,442.

Given current staffing levels, the two vacated Dispatcher positions may potentially be backfilled with new employees at a starting salary of \$47,577; totaling \$95,154 in additional potential wages.

**Fringe Benefits** - Social security and unemployment related fringe benefit costs will be incurred based on the wage related provisions negotiated in the contract. The current social security rate is 7.65% of salary. The current unemployment rate is 0.15% of salary. The social security and unemployment costs are estimated to be \$8,704 in FY 16, of which \$1,282 is related to the contract provisions and \$7,422 may potentially be incurred through the backfilling of vacancies.

Health care related fringe benefit costs may be incurred if two new dispatchers are hired to replace those individuals who have been promoted pursuant to the MOU. The health rate is based on the state's Anthem - Point of Enrollment Plan, and assumes an employee and one dependent. The rate for the eligible coverage period is \$15,718 per dispatcher; total potential additional health costs are estimated to be \$31,436 in FY 16.

**State Employee Retirement System (SERS)** - The pension impact of the wage related provisions is based on the FY 16 average normal cost rate for Tier II and Tier IIA SERS non-hazardous duty employees, and assumes all other actuarial assumptions remain the same. The estimated normal cost for SERS is \$8,124 in FY 16, of which \$1,197 is related to the MOU provisions and \$6,927 may potentially be incurred if the additional hires are made. However, increased costs to the pension plan attributable to the identified wage provisions will not be recognized in the state's actuarially determined employer contribution (ADEC) until FY 18, as the FY 16 and FY 17 ADEC are set based on the June 30, 2014 actuarial valuation.