



# CITY OF SALEM

555 Liberty St SE  
Salem, OR 97301

## Revisions to the Agenda City Council

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**Monday, October 8, 2018**

**6:00 PM**

**Council Chambers**

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**3.3 j.** [18-472](#)

Collective Bargaining Agreement between the City and American Federation of State, County and Municipal Employees (AFSCME).

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

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## Staff Report

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**File #:** 18-472

**Version:** 1

**Date:** 10/8/2018

**Item #:** 3.3 j.

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Mina Hanssen, Human Resources Director

### **SUBJECT:**

Collective Bargaining Agreement between the City and American Federation of State, County and Municipal Employees (AFSCME).

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

### **ISSUE:**

Shall the City Council approve a three-year collective bargaining agreement between the City and American Federation of State, County and Municipal Employees (AFSCME), for a period from July 1, 2018, through June 30, 2021?

### **RECOMMENDATION:**

Approve a three-year collective bargaining agreement between the City and American Federation of State, County and Municipal Employees (AFSCME), for a period from July 1, 2018, through June 30, 2021.

### **SUMMARY AND BACKGROUND:**

The City began negotiations with AFSCME on March 9, 2018, for a successor collective bargaining agreement. A final tentative agreement on a three-year contract was reached during mediation on August 24, 2018. The employees represented by AFSCME ratified the agreement on October 1, 2018.

### **FACTS AND FINDINGS:**

1. The principle features of the successor agreement are as follows:

A. Term of Agreement: Three years commencing on July 1, 2018, through June 30, 2021.

B. Wage Increase:

Year 1 of agreement:

- Effective and retroactive to July 1, 2018, each step of the wage scale in Appendix A for AFSCME members will be increased by two and one-quarter percent (2.25%).
- Effective upon ratification of the successor agreement, certification and incentive pay changes for select Fleet/Building & Safety classifications.

Year 2 of agreement:

- Effective July 1, 2019, each step of the wage scale in Appendix A for AFSCME members will be increased by two and three-quarter percent (2.75%).
- Effective July, 1, 2019, ten job classifications will receive a selective salary adjustment.

Year 3 of agreement:

- Effective July 1, 2020, each step of the salary schedule for AFSCME members will be increased by two and three-quarter percent (2.75%).
- Effective January 1, 2020, four job classifications will receive a selective salary adjustment.

D. Life Insurance:

- Effective January 1, 2019, life insurance coverage will increase to \$50,000 per employee.

E. Collective Bargaining Agreement: The agreement is available online at:

<http://www.cityofsalem.net/Pages/pay-plans-and-labor-contracts.aspx>

2. The approximate financial impact of this recommended settlement for the duration of the agreement is as follows:

Year 1: \$1,043,591

Year 2: \$2,218,386

Year 3: \$3,409,294

The approximate total financial impact over the life of the contract is \$6,671,271. It is anticipated the departments will absorb the additional first year cost in its FY 2018-19 budgets. If the cost cannot be absorbed, staff will return late in the fiscal year with a transfer request from contingencies.

Mina Hanssen  
Human Resources Director