



## Staff Report

**File #:** 18-473

**Version:** 1

**Date:** 11/13/2018

**Item #:** 3.2a.

**TO:** Chair and Housing Authority Commissioners

**THROUGH:** Steve Powers, Executive Director

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

**SUBJECT:**

Collective Bargaining Agreement between the Salem Housing Authority (SHA) and American Federation of State, County and Municipal Employees (AFSCME).

Ward(s): All Wards

Commissioners(s): All Commissioners

Neighborhood(s): All Neighborhoods

**ISSUE:**

Shall the Housing Authority Commission approve a three-year collective bargaining agreement between the Salem Housing Authority (SHA) 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 Salem Housing Authority (SHA) 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 Salem Housing Authority 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: In the event SHA determines that the cost of these yearly wage adjustments may result in layoff of bargaining unit employees, SHA will give notice to the Union prior to October of the effective year to reopen and bargain Article 5.1 of the collective bargaining agreement consistent with ORS 243.712.

Year 1 of agreement:

- Effective October 1, 2018 or upon execution, the latter of either, the wage scale for SHA will be increased by 2% for each step of the wage scale.

Year 2 of agreement:

- Effective October 1, 2019, the wage scale for SHA will be increased by 2% for each step of the wage scale.

Year 3 of agreement:

- Effective October 1, 2020, the wage scale for SHA will be increased by 2% for each step of the wage scale.

D. Life Insurance:

- Effective January 1, 2019, SHA will provide \$50,000 life insurance coverage to employees.

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

[<http://www.cityofsalem.net/Pages/pay-plans-and-labor-contracts.aspx>](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: \$68,280

Year 2: \$74,460

Year 3: \$78,680

The approximate total financial impact over the life of the contract is \$221,420. It is anticipated SHA will absorb the additional first year cost in its FY 2018-19 budget.

Mina Hanssen  
Human Resources Director