

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: June 4, 2019

File: BIS 19-188

File: TMP-2019-323

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RATIFYING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE 2018 – 2020 COLLECTIVE BARGAINING AGREEMENT WITH THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 2432, GENERAL BARGAINING UNIT.

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient budgetary resources identified/available;
3. Budgetary resources not identified/unavailable;
4. Potential Revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks authorization to ratify and execute the 2018 – 2020 Collective Bargaining Agreement between the City of Hollywood and the American Federation of State, County and Municipal Employees, Local 2432, General Bargaining Unit for the period from October 1, 2018 through September 30, 2020.

Major changes that will have the most immediate financial impact are:

- Pension benefit changes for which the impact will be detailed in an actuarial statement. The cost in FY 2020 for restoration of pension benefits is estimated to be \$2.9 million.
- Full-time employees who are not eligible to benefit from pension benefit changes will be paid a one-time, non-pensionable lump sum of \$1,500 in the first full pay period after the ratification of this Agreement.
The cost for these one-time payments for all three bargaining units (General, Professional and Supervisory) is estimated to be \$480,000.

- Wage increases as follows:
 - 3% effective October 1, 2018
 - 2% effective October 1, 2019
 - Employees classified as Administrative Assistant I will receive an additional 1.5% pay increase effective in the first full pay period after the ratification of this Agreement.

The total cost for the pay increases mentioned above is approximately \$825,000.

Funding for the pay increases detailed in this agreement is available in the FY 2019 Adopted Operating Budget for the current fiscal year, and will be included in the Proposed FY 2020 Operating Budget.

PREPARED BY: Neesha Bajere
Budget Officer

APPROVED BY: Laurette Jean
Budget Division Director