

Special Report

Police and Fire Labor Agreements

August 2017



Austin's police and fire labor agreements appear to be structured and contain clauses that are similar to those in the labor agreements for Fort Worth and Houston. Common clauses address issues such as pay, leave, promotions, discipline, and hiring for new employees. Additionally, we found:

- While all of the labor agreements are structured to enable periodic police and firefighter base wage and step pay increases, the percentage and the frequency of the increases differ among the cities and departments.
- The Austin, Fort Worth, and Houston agreements count productive time differently for the purpose of determining an employee's eligibility for overtime in a work period.
- All cities and departments provide a variety of police and firefighter specialty and incentive payments. However, there are differences in the types and amount of the payments and where they are defined.
- Austin's four-year police labor agreement is in line with those for Fort Worth and Houston, but Austin's fire labor agreement is the shortest among the three cities.

Objective

The objective of this special request was to determine how provisions in Austin's police and fire labor agreements compare to provisions in agreements in place in other comparable cities. Specifically, we looked at the base and step pay provisions, what specialty pay is offered, what is counted as productive time, and the length of the agreements.

Cover: Aerial view of downtown Austin, iStock.com/RoschetzkyIstockPhoto

Background

The City of Austin entered into a 4-year Meet and Confer Agreement with the Austin Police Association effective October 1, 2013. On June 4, 2015 the City of Austin entered into a Collective Bargaining agreement with the Austin Firefighters Association. The two agreements expire on September 30, 2017. Both these agreements establish benefits, rates of pay, hours of work, and other terms and conditions of employment for all members of the bargaining associations.

What We Learned

Overall, Austin's police and fire labor agreements appear to be structured and contain clauses that are similar to those in the labor agreements for Fort Worth and Houston. Common clauses address issues such as pay, leave, promotions, discipline, and hiring for new employees. We also noted differences among the cities. For example, Austin was the only city with agreements that addressed drug testing for police officers and firefighters. Also, each city seems to address issues unique to their circumstances through their agreements. For example, both Austin agreements include clauses that address consolidating other staff or entities into the police and fire departments.

Specific to our objective, we compared selected clauses in the meet and confer and collective bargaining agreements for Austin, Fort Worth, and Houston and found that:

- While all of the labor agreements are structured to enable periodic police and firefighter base wage and step pay increases, the percentage and the frequency of the increases differ among the cities and departments.
- The Austin, Fort Worth, and Houston agreements count productive time differently for the purpose of determining an employee's eligibility for overtime in a work period.
- Based on the agreements, all cities and departments provide a variety of police and firefighter specialty and incentive payments. However, there are differences in the types and amount of the payments and where they are defined.
- Austin's four-year police labor agreement is in line with those for Fort Worth and Houston, but Austin's fire labor agreement is the shortest among the three cities.

Our understanding and analysis is based mainly on a review of the Austin, Fort Worth, and Houston police and fire labor agreements. Where we noted differences in the agreements, we recognize that those issues could be addressed or defined outside the agreements that we reviewed.

Wage Provisions

While all of the labor agreements are structured to enable periodic police and firefighter base wage and step pay increases, the percentage and the frequency of the increases differ among the cities and departments. The percentage increments vary among the cities, ranging between 1% and 4%.

Base Wage Increases for Police

Austin's percentage base wage increases in the period FY 2015 through FY 2017 range between 1% and 2%. Houston's agreement provides for larger percentage increases than Austin or Fort Worth. However, Houston police officers appear to earn less in base wages than their counterparts in Austin and Fort Worth. For example, in FY 2017, a first year Houston Police Officer earned approximately \$24.00 per hour while a first year Police Officer earned \$28.212 per hour in Austin and \$27.21 per hour in Fort Worth.

Exhibit 1: Contractual Annual Increases in Police Base Wages Vary Among the Cities

Fiscal Year	Austin	Fort Worth	Houston
FY13-14	1.5%	1%	3%
FY14-15	1%	2%	4%
FY15-16	1%	1% with a mid-year adjustment of 2% effective April 1, 2016	4%
FY16-17	2%	2.2%	Increase Varies by Position
FY17-18		2%	Increase Varies by Position
FY18-19		3.1%	3.480% (increase excludes certain positions)
FY19-20		3.1%	

SOURCE: OCA analysis of the Austin, Fort Worth, and Houston police labor agreements, August 2017

Base Wage Increases for Fire

Austin's annual increases are roughly aligned with the annual increases provided to Fort Worth and Houston firefighters, although it should be noted that Houston's agreement expired in 2014 and they had been operating under an extension for the past several years.¹ To ease comparison, in FY 2015, a first year Austin firefighter working in fire suppression earned \$18.026 per hour and worked a 53-hour week. Comparable firefighters earned \$17.06 per hour and worked a 56-hour week in Fort Worth and approximately \$17.92 per hour based on a 46.7-hour week in Houston.

Exhibit 2: Contractual Annual Increases in Fire Base Wages Vary Among the Cities

Fiscal Year	Austin	Fort Worth	Houston
FY14-15	1%	0%	
FY15-16	2.5%	2.2%	
FY16-17	2%	2.2%	
FY17-18		3%	

SOURCE: OCA Analysis of the Austin, Fort Worth, and Houston fire labor agreements, July 2017

¹ In March 2014, a temporary contract provided a 2% increase to Houston firefighter base wages. That contract and the original labor agreement expired in June 2014, but Houston had been operating under an extension provision of the original agreement and an additional six-month extension which expired in June 2017.

Step Pay Increases for Police

All three cities provide step pay increases to police officer base wages based on their tenure with the city. Based on Austin’s FY 2017 pay schedule, Austin’s agreement is structured to provide six step pay increases to officers after 1, 2, 6, 10, 14, and 16 years of service. Fort Worth provides ten step pay increases after 1, 2, 3, 4, 6, 8, 10, 12, 14, and 16 years of service. Houston’s step increases vary by position. For the “Police Officer” position, Houston provides seven step pay increases after 1, 2, 3, 5, 6, 7, and 10 years of service. A “Police Officer” in Houston can reclassify to a “Senior Police Officer” position which includes a pay increase after 12 years and an additional step increase in year 17. While Austin’s police officer base wage pay appears to be closer to that of a Fort Worth police officer in FY 2017, the gap between the two widens with time mainly due to the larger percentage increases at the different pay steps.

Exhibit 3: Police Officer Step Pay Increases Based on Each City’s FY 2017 Pay Schedule

	Austin		Fort Worth		Houston	
	2017 Base Pay	\$58,681	2017 Base Pay	\$56,597	2017 Base Pay	\$42,000
Tenure	% Increase	Amount	% Increase	Amount	Increase	Amount
Year 1	12%	\$65,850	5%	\$59,426	19%	\$49,918
Year 2	10%	\$72,681	5%	\$62,400	10%	\$55,041
Year 3	No Step Increase	\$72,681	5%	\$65,520	2%	\$56,417
Year 4	No Step Increase	\$72,681	5%	\$68,786	No Step Increase	\$56,417
Year 5	No Step Increase	\$72,681	No Step Increase	\$68,786	3%	\$58,292
Year 6	7%	\$77,766	5%	\$70,512	1%	\$59,088
Year 7	No Step Increase	\$77,766	No Step Increase	\$70,512	3%	\$60,940
Year 8	No Step Increase	\$77,766	2%	\$72,259	No Step Increase	\$60,940
Year 9	No Step Increase	\$77,766	No Step Increase	\$72,259	No Step Increase	\$60,940
Year 10	7%	\$83,211	3%	\$74,069	8%	\$65,826
Year 11	No Step Increase	\$83,211	No Step Increase	\$74,069	No Step Increase	\$65,826
Year 12	No Step Increase	\$83,211	2%	\$75,920	No Step Increase	\$65,826
Year 13	No Step Increase	\$83,211	No Step Increase	\$75,920	2%	\$67,023
Year 14	7%	\$89,035	5%	\$79,706	No step increase	\$67,023
Year 15	No Step Increase	\$89,035	No Step Increase	\$79,706	No step increase	\$67,023
Year 16	7%	\$95,270	5%	\$83,845	No step increase	\$67,023
Year 17	No Step Increase	\$95,270	No Step Increase	\$83,845	9%	\$73,388
Year 18	No Step Increase	\$95,270	No Step Increase	\$83,845	No step increase	\$73,388
Year 19	No Step Increase	\$95,270	No Step Increase	\$83,845	No step increase	\$73,388
Year 20	No Step Increase	\$95,270	No Step Increase	\$83,845	No step increase	\$73,388

SOURCE: OCA analysis of the Austin, Fort Worth, and Houston police labor agreements, August 2017

Step Pay Increases for Fire

All three cities provide step increases to firefighter base wages based on their tenure with the city. Austin provides nine step pay increases after 1, 2, 3, 6, 9, 12, 15, 18, and 21 years of service. Fort Worth provides seven step pay increases after 1, 2, 3, 4, 5, 9, and 14 years of service. Houston's step increases vary by position. For the "Firefighter" position, Houston provides eight step pay increases after 1, 2, 3, 5, 8, 11, 14, and 17 years of service.²

Exhibit 4: Firefighter Step Pay Increases Based on Each City's FY 2017 Pay Schedule

	Austin		Fort Worth		Houston	
	2017 Base Pay	\$51,940	2017 Base Pay	\$51,917	2014 Base Pay	\$40,170
Tenure	% Increase	Amount	% Increase	Amount	Increase	Amount
Year 1	9%	\$56,447	5%	\$54,475	8%	\$43,528
Year 2	9%	\$61,249	5%	\$57,200	5%	\$45,791
Year 3	9%	\$66,854	5%	\$60,070	5%	\$48,190
Year 4	No Step Increase	\$66,854	8%	\$64,958	No Step Increase	\$48,190
Year 5	No Step Increase	\$66,854	5%	\$68,203	6%	\$51,194
Year 6	5%	\$70,194	No Step Increase	\$68,203	No Step Increase	\$51,194
Year 7	No Step Increase	\$70,194	No Step Increase	\$68,203	No Step Increase	\$51,194
Year 8	No Step Increase	\$70,194	No Step Increase	\$68,203	3%	\$52,644
Year 9	5%	\$73,705	3%	\$70,200	No Step Increase	\$52,644
Year 10	No Step Increase	\$73,705	No Step Increase	\$70,200	No Step Increase	\$52,644
Year 11	No Step Increase	\$73,705	No Step Increase	\$70,200	5%	\$55,437
Year 12	5%	\$77,385	No Step Increase	\$70,200	No Step Increase	\$55,437
Year 13	No Step Increase	\$77,385	No Step Increase	\$70,200	No Step Increase	\$55,437
Year 14	No Step Increase	\$77,385	3%	\$72,176	4%	\$57,815
Year 15	5%	\$81,260	No Step Increase	\$72,176	No step increase	\$57,815
Year 16	No Step Increase	\$81,260	No Step Increase	\$72,176	No step increase	\$57,815
Year 17	No Step Increase	\$81,260	No Step Increase	\$72,176	6%	\$61,226
Year 18	5%	\$85,318	No Step Increase	\$72,176	No step increase	\$61,226
Year 19	No Step Increase	\$85,318	No Step Increase	\$72,176	No step increase	\$61,226
Year 20	No Step Increase	\$85,318	No Step Increase	\$72,176	No step increase	\$61,226
Year 21	5%	\$89,584	No Step Increase	\$72,176	No step increase	\$61,226

SOURCE: OCA analysis of the Austin, Fort Worth, and Houston fire labor agreements, August 2017

Productive Time

The Austin, Fort Worth, and Houston agreements count productive time differently for the purpose of determining an employee's eligibility for overtime in a work period.

Police Labor Agreements

For the purpose of determining eligibility for overtime, Austin's agreement counts all approved paid leave time as productive time, except for sick

² Houston figures are based on the step increases defined in the agreement that remained in effect for FY 2017 and includes the 2% increase to base wages added in March 2014.

leave. In comparison, the Fort Worth agreement does not count vacation leave, sick leave, accrued holiday leave, hours spent earning holiday premium pay, and certain association business leave as productive time for overtime purposes. Houston's agreement does not directly address this issue, but suggests that the rules may vary depending on an officer's placement. The Houston agreement is not specific about how leave is counted for overtime purposes except to note that any leave taken under their Strategic Officer Staffing Program "will not count as actual time worked for purposes of calculating FLSA overtime."

In addition to regular overtime, Austin has specific guarantees that do not appear in the Fort Worth or Houston agreements. While all cities appear to offer overtime for court appearances, if an Austin police officer is called back to work or has to appear in court outside of their regular work hours, they may be guaranteed a minimum number of hours of overtime. The number of overtime hours granted vary based on the time the officer appears in court in relation to their regular shift time. Examples include whether the officer must appear less than one hour before the start of their regular shift, is called back more than one hour before the start of their regular shift, or is called back after the end of their regular shift.

Fire Labor Agreements

For the purpose of determining overtime, Austin's agreement counts all approved paid leave time as productive time, except for sick leave. In comparison, the Fort Worth agreement notes that all paid time off work will not count as productive hours for the purpose of calculating eligibility for regular overtime except for business, personal holiday, holiday, association business, and training leave as well as hours worked that are paid as emergency call back overtime. The Houston agreement is not specific about how leave is counted for overtime purposes, but grants overtime for "all actual hours worked outside of their regularly scheduled twenty four (24) hour shift or work schedule."

Specialty Pay Provisions

Based on the agreements, all cities and departments provide a variety of police and firefighter specialty and incentive payments. However, there are differences in the types and amount of the payments and where they are defined. All three cities offer a variety of specialty payments for their police officers and firefighters. These payments reflect an increase in the officer or firefighter's base pay. Many of these payments are common across all three cities. Specialty pay is commonly included for things such as education or certification attainment, special training or skills, longevity, and shift differentials.

For the three cities, it appeared that specialty pay categories, amounts, and where they were defined varied by city and department. For example, Austin and Houston define³ most of the specialty payments within the labor agreements. However, Fort Worth generally defines their specialty payments outside the agreements through policies and city code.

³ This includes stating what the pay is, who gets it, qualifications that trigger the pay, and the dollar amount.

Texas State Law entitles each member of fire and police department, in a municipality with a population of 10,000 or more, longevity pay of \$4 per month for each year of service in the department not to exceed 25 years.

Police Specialty and Incentive Payments

For longevity pay, the Austin agreement specifies that police officers will receive \$107 per year of service up to 25 years. In comparison, the Fort Worth and Houston agreements mention longevity pay, but do not define it. The Fort Worth recruitment website indicated that officers receive \$4 per month or \$48 per year of service up to 25 years. A salary calculator for Houston officers indicated that officers receive \$2 per pay period or \$52 per year of service.

Similarly, bilingual pay and mental health pay is mentioned in both the Austin and Houston agreements, but not in Fort Worth's agreement. For bilingual pay, Austin's agreement is the only one that defines the pay (\$175 per month). Houston's agreement notes that the amount is defined by city ordinance and department policy and we found bilingual pay provisions in the Fort Worth City Code. For mental health pay, Austin provides \$175 per month to each officer assigned to a patrol shift and serving as a Mental Health Officer. Houston provides patrol officer incentive pay ranging from \$600 to \$1,800 per year, based on seniority, for officers including those assigned to the Mental Health Division.

We noted other differences among the agreements. Amounts for field training and a clothing allowance were defined in both the Austin and Houston agreements, but not in the Fort Worth agreement. In addition, only the Austin and Houston agreements provide for an officer residency incentive.⁴ Only the Houston agreement provides payments for mentoring pay and an equipment allowance. Finally, the Fort Worth and Houston agreements define pay for physical fitness standards, but Austin's agreement does not. However, as noted above, specialty or incentive payments may be provided outside the labor agreements through policies or city code provisions.

Firefighter Specialty and Incentive Payments

For longevity pay, the Austin agreement specifies that firefighters will receive \$100 per year of service up to 25 years. The Fort Worth and Houston agreements also address longevity pay. The Fort Worth agreement noted that longevity pay was discontinued, but incorporated in the salary schedules. The Houston agreement indicates a biweekly payment of \$2 per year of service (\$52 per year) up to 25 years.

Bilingual, staff position, and special operations pay is mentioned and defined in both the Austin and Houston agreements, but not in Fort Worth's agreement. In Fort Worth, these and other specialty pay areas are addressed in city code.

Bilingual pay:

- Austin – \$175 per month
- Houston – approximately \$150 per month
- Fort Worth – maximum of \$125 per month (per city code)

⁴ According to Austin Police Department management, Austin does not currently have an officer residency incentive in place.

Staff position pay:

- Austin – \$450 per month, but increases to \$600 per month after 24 consecutive months
- Houston – approximately \$200 per month
- Fort Worth – maximum of \$350 per month (per city code)

Special operations pay:

- Austin – \$150 per month
- Houston – no additional pay
- Fort Worth – \$100 per month (per city code)

We noted other differences among the agreements. The Austin agreement was the only one to provide compensation for a Kelly shift change. An Austin firefighter can receive a \$300 payment to compensate for losing their Kelly Day when they are reassigned. In addition, the Houston agreement was the only one to define payments for a tool allowance and hazardous material assignment as well as for funeral expenses for employees who die while on duty. Again, such payments may be defined and provided outside the labor agreements.

Length of Labor Agreements

According to the Government Finance Officers Association, “[w]hile contract length varies, the current trend in the public sector favors two- to three-year contracts.” This time frame provides relief from continuous negotiations. It also helps the parties to avoid working within the provisions of an agreement for a long period when the future is always uncertain.

Austin’s four-year police labor agreement is in line with those for Fort Worth and Houston, but Austin’s fire labor agreement is the shortest among the three cities. The Austin police agreement was amended about two years after it began and the Austin fire agreement is just over two years in length. In comparison, Fort Worth fire and police as well as the Houston police agreements have expiration dates approximately four years from their effective dates. The Houston fire agreement was approximately three years in length, but was in effect for approximately six years.⁵ Additionally, the Austin and Fort Worth police agreements may remain in effect for one year after expiration, but the Houston agreement continues month-to-month. The Fort Worth fire agreement allows for a one-year extension period and the Houston agreement allowed for yearly extensions, but Austin’s fire agreement allows for a monthly extension period not to exceed six months.

Exhibit 5: Defined Length of Police and Fire Agreements and Extension Terms

	Austin	Fort Worth	Houston
Police	4 years – May remain in effect for 1 year after expiration if no other agreement is ratified	4 years – May remain in effect for 1 year after expiration	Approximately 3 years and 10 months – Shall continue month-to-month if neither party cancels
Fire	Approximately 2 years and 4 months – May continue month to month for a period not to exceed 6 months	Approximately 3 years and 11 months – May remain in effect for 1 year after expiration	Approximately 3 years – Shall continue from year to year, but not beyond 12/31/2016

SOURCE: OCA analysis of the Austin, Fort Worth, and Houston police and fire labor agreements, July 2017

⁵ The Houston fire agreement expired in 2014, but remained in effect until June 30, 2017 under the extension provision defined in the agreement and an additional six-month extension approved in August 2016.

Why We Did This Report

This report responds to a request from Council Member Flannigan, Council Member Alter, and Mayor Adler regarding the Austin police and fire labor agreements.

Scope

The scope of this project included the current Austin Police Department Meet and Confer Agreement and Austin Fire Department Collective Bargaining Agreement.

Methodology

To accomplish our project objectives, we performed the following steps:

- Reviewed the current Austin, Fort Worth, and Houston police and fire labor agreements;
- Compared provisions in Austin’s police and fire labor agreements to provisions in the Fort Worth and Houston police and fire labor agreements; and
- Reviewed industry practices for labor agreements and compared identified practices to Austin police and fire labor agreements.

Project Type

Special request projects conducted by the Office of the City Auditor are considered non-audit projects under Government Auditing Standards and are conducted in accordance with the ethics and general standards (Chapters 1-3).

The Office of the City Auditor was created by the Austin City Charter as an independent office reporting to City Council to help establish accountability and improve City services. Special requests are designed to answer specific questions to assist Council in decision-making. We do not draw conclusions or make recommendations in these reports.

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