

**City Council Action
Financial Impact Report**

Title of Item: Approve Collective Bargaining Agreement between the City of Oklahoma City and the American Federation of State, County, and Municipal Employees, Local 2406 (AFSCME) for fiscal year 2024-2025

Originating Department: Human Resources Department

Description of Impact

The City of Oklahoma City and the American Federation of State, County, and Municipal Employees, Local 2406 (AFSCME) have been involved in negotiations since on or around March 27, 2024. City representatives and AFSCME, Local 2406, reached a tentative agreement to resolve negotiations for FY 2024-2025. The membership of AFSCME, Local 2406 ratified the agreement on or about July 18, 2024.

The resulting agreement shall be effective July 1, 2024 and shall remain in full force and effect through June 30, 2025.

The tentative agreement consists of the following:

- 1) Pay Plan adjustment of 3.62% across the board, effective July 1, 2024 (Article 22 and Addendum B);
- 2) Increased 2nd, 3rd, 4th shift differential pay by \$0.25 (Article 22);
- 3) Classification changes as reflected in Addendum A to the contract;
- 4) Deleted unused pay ranges 401, 402, 403, 404, and 405;
- 5) Insurance premium rates (Article 17 and Addendum D); and
- 6) Various date changes throughout the contract.

The total estimated cost of the line items impacted by contract changes for FY 2024-2025 is shown below.

Salary with FICA and Retirement*	\$89,715,139
Insurance*	\$22,748,024
Total	<u>\$112,463,163</u>

* The amount for Salary with FICA and Retirement represents an increase of \$3,169,391 over FY24 costs. Of the total estimated FY25 personnel cost, \$780,818 is for merit increases included within the current plan. The insurance amount represents a decrease of \$556,712 based on health insurance renewal rates received lower than estimated.

Summary of Impact

a. Cost to City Organization: \$112,463,163

b. Cost to Residents: None

c. Cost to Business Community: None

d. Revenue Produced: None

Source of Funds	
Fund Name: Various	Agency Name: Various
Department Head Signature: <i>[Handwritten Signature]</i>	
OMB Review Completed by: <i>Latisha Thompson</i>	