



2011 LEOFF Salary Reduction Survey: Fire Districts, Ports, and State Colleges and Universities

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BACKGROUND: In the summer of 2011, the LEOFF II board contracted with the Department of Commerce's Research Services unit to survey non-city and non-county LEOFF employers. The survey sought information about prior salary cutting efforts and plans for salary cutting in the next biennium. HB 2070 creates a need to identify employers using reduced work hours, mandatory leave without pay, temporary layoffs, or reductions to current pay in order to properly determine final compensation.

The Association of Washington Cities (AWC) surveyed city and county employers, leaving local fire districts, ports, state colleges and universities, and the State Department of Fish and Wildlife (DFW) to be surveyed by Research Services. Phone interviews were conducted, 174 of 174 agencies participated, and 131 were LEOFF employers.

RESULTS: Of the 174 employers contacted with either LEOFF and/or PERS members, six had employed salary-cutting techniques in the past two years. This is 3.5 percent of employers, but represents 12.2 percent of covered PERS employees. The 131 LEOFF employers include five with cuts, representing 3.8 percent of employers and 11.8 percent of covered employees. Over one-quarter of the impacted LEOFF employees work for the state at the Department of Fish and Wildlife (DFW). Details are contained in Table 1 below.

TABLE 1: Summary of Survey Results			
	<i>LEOFF</i>	<i>PERS</i>	<i>Description</i>
Total surveyed employees	3,773	24,522	
Port of Seattle	100	650	10 furlough days in 2009 approximating 3% cut
Department of Fish and Wildlife	120	1,483	Furlough days equal to 3% salary cut
Central WA University	11	740	Reduced work contracts equal to 3% salary cut
Cowlitz FD 2	30	15	5% across the board (8% for Chiefs)
Port of Everett	-	85	6 furlough days for non-union personnel
West Pierce Fire and Rescue	185	28	1% salary cut or one un-compensated shift
Total employees with cuts	446	3,001	
Percent employees affected	11.8%	12.2%	

SPECIFICS ABOUT PAST CUTS: The Port of Seattle, Port of Everett, and the Department of Fish, and Wildlife (DFW) all used furloughs in order to reduce compensation by three percent. Central Washington University used a variety of methods that included reducing work contracts that were previously 12 months to 11.5 months. The shortened contracts were accompanied by a “leave bank” that allowed employees to take days off during the 12 months of the year and extend compensated time into the uncontracted period – thus smoothing out monthly compensation and spreading the cut to the rest of the year. This allowed employees to mimic a furlough circumstance and resulted in a three percent cut.

West Pierce Fire and Rescue used two methods to reduce compensation by one percent. LEOFF employees in one bargaining unit took a one percent cut in pay; the other unit chose to maintain pay rates but each employee had to work a “debit day.” The debit day was a 24-hour, on-call period that was uncompensated. The largest cuts were experienced by Cowlitz Fire District No. 2. The rank-and-file LEOFF and PERS members took a five percent across-the-board pay cut. Chiefs also took the five percent cut, but took additional cuts related to time spent as duty chief. The chief’s total cut was eight percent. The assistant chiefs’ cuts ranged from six to eight percent, depending on the scheduled time as duty chief during the pay period. These Cowlitz Fire District No. 2 cuts are going to continue into the next biennium.

ESTIMATES FOR THE NEXT BIENNIUM: For the next two-year period only two employers have definite plans for cuts in employee compensation. These are Department of Fish and Wildlife (DFW) continuing a three percent cut, and Cowlitz Fire District No. 2 continuing their five percent cut. Central Washington

University has language in its current contract with campus LEOFF employees providing a three percent salary cut in the second year of the contract. The contract also contains a mechanism for voiding the cut if the university budget improves. A similar proviso was executed recently with maintenance personnel that prevented the cut from taking effect for those employees, and the university management is hopeful that the same will occur for the LEOFF members.

The survey found 37 employers representing 46 percent of LEOFF employees and 70 percent of PERS employees are in either negotiation or arbitration on contracts and could not definitely say that salary cuts would not happen. Many are waiting on either next year's budget data (trends in assessed valuation), or levy results for either levy lid lifts, renewals of existing levies, or additional funding for emergency services. Most indicated that salary reductions were very unlikely but could not be ruled out until the contracts or budgets were adopted. Fire districts conducting levy elections in August reported high levels of citizen support, with passing rates exceeding 65 percent in many locations. However, not all levy efforts were successful. Table 2 details the potential cuts and demonstrates that the majority of districts in question are larger employers, including three state universities.

TABLE 2: Potential Salary Cuts				
Number	Type of employer	LEOFF	PERS	Status
6	Fire Districts	246	41	Negotiating not expecting cuts
24	Fire Districts	1,421	294	Negotiating, cuts on the table
4	Ports	0	126	Considering depending on 2012 revenues
1	University	8	309	Voting on 3% cuts
1	University	20	750	Negotiating
1	University	45	15,720	Waiting on admin. budget decisions
	Totals	1,740	17,240	
	Percent	46%	70%	