



CITY OF HOUSTON

Sylvester Turner

Mayor

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April 17, 2019

Mr. Patrick "Marty" Lancton
President
Houston Professional Fire Fighters Association, IAFF Local 341
1907 Freeman Street
Houston, Texas 77009

Re: Prop B Proposal

Dear Marty:

As a follow up to our meeting on Monday, April 15, 2019, please see attached additional information requested regarding a comparison of incentive pay for Police and Fire. For your reference, I have also attached financial calculations of prop B phase in over 3.5 years. This information was provided to you at our meeting on Monday.

I have repeatedly stated that we could avoid layoffs of Municipal workers and firefighters if Prop B was phased in over five years. Anything less than 5 years would require some layoffs without an identified funding source. With that said, you have proposed a 3.5 year payout.

Phasing in Prop B over 3.5 years would require 47 layoffs of firefighter cadets. This information was also shared with you at our meeting on Monday, April 15, 2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Sylvester Turner".

Sylvester Turner
Mayor

City of Houston
Prop B Phase in over 3.5 Years
Based on Payroll Data as of December 2018

<i>Base Salary</i>	Jan - June FY2019	FY2020	FY2021	FY2022	FY2023	Total
18+ years - 4%	2,484,701	17,469,362	-	-	-	19,954,063
Less than 18 years - 4%	3,614,652	3,642,457	21,771,329	-	-	29,028,439
18+ years - 3%	-	-	-	2,816,637	-	2,816,637
Less than 18 - 3%	-	-	-	4,168,931	-	4,168,931
Total Base Salary	6,099,354	21,111,819	21,771,329	6,985,568	-	55,968,071
Incentive	1,134,092	3,197,358	2,129,134	2,129,134	-	8,589,719
Overtime	209,690	1,038,699	430,070	679,824	-	2,358,283
Pension	2,349,901	7,910,358	7,811,937	2,934,114	-	21,006,310
FICA	106,325	362,743	349,592	138,820	-	957,479
Total Cost	9,899,362	33,620,977	32,492,063	12,867,461	-	88,879,862
Total Cumulative Cost	9,899,362	43,520,339	76,012,402	88,879,862	88,879,862	307,191,828

Base Pay Allocation

18+ years (4% Allocation)	25%	75%	-	-	-	100%
Less than 18 years - (4% Allocation)	25%	-	75%	-	-	100%
18+ years (3% Allocation)	-	-	-	100%	-	100%
Less than 18 years - (3% Allocation)	-	-	-	100%	-	100%

Incentive Pay Allocation

Allocation By Year	25%	25%	25%	25%	-	100%
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Base Pay Percent Equivalent

Year to Year	6.5%	7.4%	10.1%	2.9%	0.0%
FY to Base (Current FY19)	6.5%	14.4%	25.9%	29.6%	29.6%

3.5 Year Base Salary Detail
 Firefighters with 18+ years of Service
 Prepared on 04/15/2019

Classification	Count	Base Pay			25% of HPD 4% Increase - FY2019			100% of HPD 4% Increase - FY2020			100% of HPD 3% Increase - FY2022			Variance against HPD Rate				
		Current HPD Rates	HPD (1) 4% Increase	HPD (2) 3% Increase	25% of Parity	Revised HFD Rate	FY19	FY20	75% of Parity	Revised HFD Rate	FY20	FY21	FY22	100% of Parity	Revised HFD Rate	FY22	FY20	FY22
Firefighter (Base Probationary)	212	2,354.85	2,724.66	2,806.40	92.45	2,447.30	254,799.09	256,759.08	277.36	2,724.66	1,534,674.52		81.74	2,806.40	452,282.66		0.00	0.00
Engineer (Base 3-4 yrs)	399	2,429.45	3,037.68	3,128.81	152.06	2,581.51	788,722.25	794,789.35	456.17	3,037.68	4,750,534.80		91.13	3,128.81	949,022.87		0.00	0.00
Captain (Base 5-9 yrs)	357	2,699.28	3,501.82	3,606.87	200.64	2,899.92	931,147.04	938,309.70	601.91	3,501.82	5,608,370.22		105.05	3,606.87	978,867.25		0.00	0.00
Sr Captain (Base 7-9 yrs)	98	3,013.65	3,924.69	4,042.43	227.76	3,241.41	290,166.24	292,398.29	683.28	3,924.69	1,747,693.58		117.74	4,042.43	301,157.15		0.00	0.00
District Chief (9th yr)	35	3,445.77	4,632.86	4,771.85	296.77	3,742.54	135,031.49	136,070.19	890.32	4,632.86	813,305.04		138.99	4,771.85	126,963.53		0.00	0.00
Deputy Chief (11th yr)	2	3,826.15	5,327.79	5,487.62	375.41	4,201.56	9,760.65	9,835.74	1,126.23	5,327.79	58,789.17		159.83	5,487.62	8,343.32		0.00	0.00
Pending Approval																		
Asst Chief (Base 1-2 yrs)	5	4,455.22	6,680.77	6,680.77	556.39	5,011.61	36,165.13	36,443.32	1,669.16	6,680.77	217,825.36		0.00	6,680.77	0.00		0.00	0.00
3rd Yr	1	4,565.91	6,680.77	6,680.77	528.72	5,094.62	6,873.30	6,926.17	1,586.15	6,680.77	41,398.42		0.00	6,680.77	0.00		0.00	0.00
6th Yr	1	4,679.16	6,680.77	6,680.77	500.40	5,179.56	6,505.24	6,555.28	1,501.21	6,680.77	39,181.55		0.00	6,680.77	0.00		0.00	0.00
Pending Approval																		
Exec. Ass. (Base 1-2 yrs)	1	4,900.74	7,642.00	7,642.00	685.31	5,586.06	8,909.08	8,977.61	2,055.94	7,642.00	53,660.09		0.00	7,642.00	0.00		0.00	0.00
3rd Yr	1	5,022.50	7,642.00	7,642.00	654.87	5,677.38	8,513.36	8,578.85	1,964.62	7,642.00	51,276.65		0.00	7,642.00	0.00		0.00	0.00
6th Yr	1	5,147.07	7,642.00	7,642.00	623.73	5,770.81	8,108.51	8,170.88	1,871.19	7,642.00	48,838.16		0.00	7,642.00	0.00		0.00	0.00

Count 1,113

Base Salary 2,484,701.38 2,503,814.47
 Pension (32.99%) 819,702.99 826,008.39
 FICA (1.45%) 36,028.17 36,305.31
Total 3,340,432.54 3,366,128.17

14,965,547.55
 4,937,134.14
 217,000.44
20,119,682.13

2,816,636.79
 929,208.48
 40,841.23
3,786,686.50

Note:
 (1) Effective July 1, 2019 (FY2020)
 (2) Effective July 1, 2020 (FY2021)
 (3) Police Assistant Chief and Executive Assistant Chief are not part of Houston Police Officers Union (HPOU).

3-5 Year Base Salary Detail
 Firefighters with less than 18 years of Service
 Prepared on 04/15/2019

Classification	Count	Base Pay			25% of HPD 4% Increase - FY2019			100% of HPD 4% Increase - FY2021			100% of HPD 3% Increase - FY2022			Variance against HPD Rate	
		Current HFD Rates	HPD (1) 4% Increase	HPD (2) 3% Increase	Revised HFD Rate	FY19 13.0	FY20 13.1	75% of Parity	Revised HFD Rate	FY21 26.1	100% of Parity	Revised HFD Rate	FY22 26.1	FY21	FY22
Firefighter (Base Probationary)															
1st Yr	79	1,545.01	1,615.38	1,615.38	17.59	18,067.50	52.78	1,615.38	108,821.93	0.00	1,615.38	0.00	0.00	0.00	0.00
2nd Yr	116	1,674.16	2,066.20	2,128.19	98.01	147,799.08	294.03	2,066.20	890,205.23	61.99	2,128.19	187,668.81	0.00	0.00	0.00
3rd Yr	239	1,761.20	2,278.27	2,346.62	129.27	401,634.12	387.80	2,278.27	2,419,073.21	68.35	2,346.62	426,348.61	0.00	0.00	0.00
4th Yr	452	1,853.45	2,335.20	2,405.26	120.44	707,690.75	361.31	2,335.20	4,262,475.83	70.06	2,405.26	826,464.64	0.00	0.00	0.00
5th Yr	226	1,969.00	2,412.82	2,485.20	110.96	325,985.79	332.87	2,412.82	1,963,437.49	72.38	2,485.20	426,967.80	0.00	0.00	0.00
6th Yr	163	2,024.78	2,522.45	2,598.12	124.42	263,640.68	373.25	2,522.45	1,587,928.11	75.67	2,598.12	321,937.77	0.00	0.00	0.00
7th Yr	81	2,132.19	2,724.66	2,806.40	148.12	155,967.73	444.35	2,724.66	939,405.62	81.74	2,806.40	172,806.11	0.00	0.00	0.00
8th Yr	275	2,233.65	2,724.66	2,806.40	125.25	447,777.69	375.76	2,724.66	2,696,999.46	81.74	2,806.40	586,687.41	0.00	0.00	0.00
Engineer (Base 3-4 Yrs)															
10th Yr	135	2,405.39	2,774.21	2,857.44	92.21	161,819.78	276.62	2,774.21	974,652.95	83.23	2,857.44	293,247.87	0.00	0.00	0.00
Captain (Base 5-9 Yrs)															
10th Yr	12	2,472.04	3,331.58	3,431.53	214.89	33,522.06	644.66	3,331.58	201,905.95	99.95	3,431.53	31,303.53	0.00	0.00	0.00
	274	2,558.56	3,437.72	3,540.85	219.79	782,891.98	659.37	3,437.72	4,715,418.62	103.13	3,540.85	737,535.32	0.00	0.00	0.00
Sr Captain (Base 7-9 Yrs)															
10th Yr	1	2,759.95	3,709.47	3,820.75	237.38	3,085.94	712.14	3,709.47	18,586.85	111.28	3,820.75	2,904.52	0.00	0.00	0.00
	47	2,856.54	3,829.21	3,944.09	243.17	148,575.34	729.50	3,829.21	894,880.72	114.88	3,944.09	140,918.76	0.00	0.00	0.00
District Chief (9th yr)															
10th Yr	4	3,159.72	4,273.87	4,402.09	278.54	0.00	835.61	4,273.87	0.00	128.22	4,402.09	0.00	0.00	0.00	0.00
		3,269.04	4,514.73	4,650.17	311.42	16,318.54	994.27	4,514.73	97,537.53	135.44	4,650.17	14,140.13	0.00	0.00	0.00
		3,445.77	4,632.86	4,771.85	296.77	0.00	890.32	4,632.86	0.00	138.99	4,771.85	0.00	0.00	0.00	0.00

Count	2,104	Base Salary	3,614,652.41	3,642,457.42	21,771,329.49
		Pension (32.99%)	1,192,473.83	1,201,646.70	7,182,361.60
		FICA (1.45%)	52,412.46	52,815.63	315,684.28
Total Count	3,217	Total	4,859,538.69	4,896,919.76	29,269,375.36
					4,168,931.29
					1,375,330.43
					60,449.50
					5,604,711.23

Note:
 (1) Effective July 1, 2019 (FY2020)
 (2) Effective July 1, 2020 (FY2021). As per HPD Meet and Confer, rate for probationary officer remains at \$1,615.38 biweekly.

**General Fund
Incentive Pay Comparison**

Incentive Pay	Police FY2019 Budget	Fire FY2019 Budget	Prop B Incremental Adj	Fire Revised Budget
Salary Assignment Pay*	1,693,506	7,184,757	-	7,184,757
Patrol Incentive Pay	2,842,000	-	1,763,000	1,763,000
Investigator Pay	970,000	-	-	-
Education Pay	11,943,765	-	1,399,482	1,399,482
Bilingual Pay	2,340,483	1,262,256	-	1,262,256
Equipment Allowance	10,693,228	-	3,496,000	3,496,000
Shift Differential	4,377,073	-	41,559	41,559
Certification pay	30,526,851	5,465,295	975,048	6,440,343
Weekend Premium	3,760,504	-	31,622	31,622
Clothing Allowance	1,283,200	74,000	-	74,000
Health Trust	3,838,713	-	883,008	883,008
Total Payroll Incentive Pay	74,269,323	13,986,308	8,589,719	22,576,027
Overtime	9,500,679	16,250,000	2,358,283	18,608,283
Temporary Higher Class	200,805	1,300,000	-	1,300,000
Tuition Reimbursement	1,040,000	-	TBD	-
Other Pays & Reimbursements	10,741,484	17,550,000	2,358,283	19,908,283
Total Incentive & Other Pays	85,010,807	31,536,308	10,948,002	42,484,310

*** Salary Assignment Pay - Police and Fire:**

This account includes the budgeted amount for multiple sub categories below. These categories are not budgeted individually since they are assigned as required for specific job related duties

Police:

Mentoring Pay
Field Training Instructor/ Field Training Evaluator Pay
Field Training Officer Program
SWAT Responder Pay
SWAT
Bomb Squad
Canine Pay
Dive Team
Helicopter
Motorcycle Pay

Fire:

Field Training Officer Suppression
Field Training Officer Non Suppression
Paramedic/EMT Preceptor Pay
Paramedic Restricted
Paramedic no restricted
Paramedic Officer Program Pay
Paramedic Non Restricted Admin Pay
Paramedic Non Restrict Adm
EMT Admin Assignment
EMT Suppression
HAZMAT
District Training Officer Pay

Notes:

- After the implementation of Proposition B, Fire's Incentive Pay Budget will grow by 61% from \$14M to \$22.6M
- The budget for Tuition Reimbursement will be determined once department needs are assessed
- Mentoring Pay was eliminated effective December 28, 2018
- The FY2019 Budgeted FTE Count for police is 5,155.4 compared to fire at 4,005, a difference of 1,150 FTEs
- Field Training Officer Pay for Police is now called Field Training Sergeants and Field Training Lieutenants Effective December 29, 2018