


**STATE OF CONNECTICUT  
MUNICIPAL ACCOUNTABILITY REVIEW BOARD**

**MEMORANDUM**

TO: Members of the Municipality Accountability Review Board (MARB)

FROM: Robert Dakers, OPM 

SUBJECT: Revised Tentative Labor Agreement Between the City of West Haven, West Haven Fire Department, West Shore Fire Department and West Haven 911 Dispatchers, International Association of Firefighters & UPFFA of CT, Local 5127

DATE: June 6, 2018

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On April 5, 2018, the MARB disapproved a tentative agreement between the City of West Haven, West Haven Fire Department, West Shore Fire Department and West Haven 911 Dispatchers, International Association of Firefighters & UPFFA of CT, Local 5127. The parties, based on the concerns of a majority of MARB members, entered a revised tentative agreement on April 24, 2018. The agreement has been approved by the union and by the City Council. On May 24, 2018, the MARB West Haven committee unanimously recommended that the full MARB Board approve the revised tentative agreement.

The agreement covers approximately 16 employees working in ERS Dispatcher titles providing dispatch services for the West Shore Fire District, Center Fire District, Allingtown Fire (now part of the City) and the West Haven Police Department. The dispatchers are paid by the two Fire Districts, Allingtown, and the City of West Haven, divided equally between the parties. The current City of West Haven's fiscal year 2017-18 budget funds 16 full-time dispatchers and one part-time dispatcher, with regular wages totaling approximately \$966,115 in the FY2018 budget. It appears that there is an additional \$359,000 in overtime and other compensation. The FY2018 budget contains \$791,955 in revenues from the fire district's share of the ERS dispatch service.

The changes in the revised tentative agreement include:

- The term of the original contract was July 1, 2017 to June 30, 2020. The revised tentative agreement changes the term to July 1, 2017 to July 1, 2021.
- Increases in the employee premium share increases in each of the contract years, as described below.
- Eligibility for retiree health and other-post employment benefits has been changed from 20 years of service to 20 years of service and age 55.
- The original tentative agreement had wage increases of 0%, 2% and 2%. The revised tentative agreement has wage freezes in each of the four years of the contract.

**Summary of Tentative Agreement**

In the descriptions below, some of the provisions of the prior contract are described, with negotiated changes that are included in both the original and revised tentative agreement **being highlighted**; however, changes added in the revised tentative agreement are both **highlighted and shaded**. Below are brief descriptions of the **changes** compared to the prior contract language.

**Article 5, Section 3: Deduction of Union Dues (page 3). A new provision Union agreeing to indemnify and hold the City harmless related to actions taken by the City for the purpose of complying with this section.**

## **Article 9, Sick Leave**

- **Section 1 (page 7).** The maximum sick leave accumulation under the current and tentative agreement is a maximum of 120 days for those hired on or before July 1, 1996, and 110 days for those hire thereafter days. Annual accumulation is 18 days per year for those hired on or before March 1, 2015 and 15 days per year for those hired thereafter.
- **Section 3 (page 7).** Sick leave payout to their beneficiaries of accumulated sick time upon death of any employee is 120 days for those hire on or before July 1, 1996 and 80 days for those hired thereafter. **In the tentative agreement, employees hired after February 5, 2018 shall not receive sick leave payout upon their death.**
- The contract provides for a long-term disability plan commencing after 90 days at 66 2/3% of wages, with a social security offset, up to age 65 if employee continues to meet the plan's eligibility criteria.

**Article 10, Vacations (page 9).** Employees who have completed one year of service receive 12 vacation days per year, growing in five year increments to 25 days after 20 years of service and 26 days upon completion of 25 years

**Article 11, Section 3 Overtime (pages 10).** Currently, time and one-half of hourly pay shall be paid for all time worked in excess of 8 hours worked in any day. Time taken as sick, vacation or holiday during that week counts as time worked. **Under the tentative agreement, hours work in excess of 40 hours in a week shall be paid time and on-half. Sick leave would no longer count as hours worked in a workweek for employee's volunteering for overtime; however employees ordered into work will receive time and one-half pay.**

**Article 13, Personal Days (page 11).** The current and tentative agreement provides for four personal days per year, which shall not be accumulative except for one unused personal day.

**Article 14, Holidays (page 12).** Each employee shall be paid for 12 holidays, paid annually in two installments. Employees who work on a holiday shall receive two (2) times their days' paid.

**Article 15. Insurance (pages 12-15).** The agreement outlines the current health insurance plan offered to active and eligible retired employees, with employee's premium share being 12 percent of the cost of the plan. **Effective July 1, 2018, a high deductible health plan (HDHP) will be implemented (\$2,000 for single; \$4,000 for family). The City will contribute to the employee's Health Savings Account 50 percent of the applicable deductible. Employees would be able to "buy-up" to the current Blue Cross Century Preferred Point of Service Plan ("PPO") by paying the difference between what the City is contributing towards the HDHP (premium and deductible) and the cost of the PPO. The employee premium share for this plan would increase to 14 percent effective July 1, 2017, from the current 12 percent, and increases to 15% on July 1, 2018, 16% on July 1, 2019 and 17% on July 1, 2020.** According to the City, once the deductible is met, everything is paid at 100%. Unlike the Water Pollution Control union contract, this agreement does not require payment of prescription co-pays of \$5, \$25 and \$40 even after the deductible is met. Employees who waive coverage receive a payment of \$1,000 employee only, \$2,000 employee plus one and \$4,000 for family coverage.

**Article 17, Longevity (pages 15-16).** Employees who have reached their fifth year of employment receive a longevity payment of \$610 increasing in five year increments up to \$810 after 25 years of employment. Employees hired after February 5, 2018 shall not be entitled to longevity payments.

**Article 20, Work Week.** Full time dispatchers work 40 hours per week.

**Article 23, Retirement and Pension (pages 18-20).** Under the current and the tentative agreement, post-retirement benefits primarily involve the City of West Haven's 401 K Pension, payment for accumulated vacation and sick time, and pre and post 65 retiree health insurance. Employees can retire after 20 years with no age requirement.

- **Sections 1 and 2, Vacation and Sick Time.** Full-time employees who retire are entitled to a lump sum payment for vacation time earned. Employees with 20 years of continuous service hired before July 1, 1996 are entitled to a lump sum payment of 100 percent of accumulated sick time up to a maximum of 100 days, with those hired thereafter shall be entitled to a maximum of 90 days payment. **Full time employees hired on or after February 5, 2018 shall not be entitled to payment of accumulated sick leave at retirement.**
- **Section 3, Pre-65 Retiree Health Insurance.** Employees electing to retire after 20 years of continuous service **and age 55**, will receive the insurance and medical benefits afforded to them and their enrolled dependents at the time of retirement (**which is now the HDHP**) until their 65<sup>th</sup> birthday. Until age 60, employees hired on or before July 1, 2011 shall pay the same contribution towards health, prescription and dental benefits as is required of active employees, as it may change from time to time, except that between age 60 and 65 the contribution shall revert to the same premium percentage that was in effect at the time of retirement. Employees hired after July 1, 2011 and retiring after twenty years of continuous service you will pay, as an individual, 25 percent of the fully insured equivalent for coverage through age 65 and 50 percent for dependent coverage for dependents. **Employees hired after February 1, 2018 shall not be entitled to retiree medical insurance.**
- **Section 4, Age 65 and Beyond.** Retired employees, upon reaching age 65, receive reimbursement for the standard individual Medicare Part "B" and an \$8,000 life insurance policy. Retired employees with at least 20 years of service are eligible to receive Plan F or its equivalent (supplemental policy), for themselves and eligible spouses. Retirees shall pay the same percentage toward the supplement policy which is required of active employees as it may change from time to time and 50 percent of the incremental premium cost for his/her spouse. **Employees hired after February 5, 2018 will not be eligible for reimbursement for Medicare Plan B, F or life insurance policy upon retirement.**
- **Section 5, 401K Pension Plan.** The employer's contribution is five percent (5%) of salary, with the employee contribution being a minimum two percent (2%) up to a maximum of 25%; however, the employer shall match the employee's contribution up to eight percent (8%). These employees also participate in Social Security.

**Article 24, Wages (page 21)** The original tentative agreement provided for general wage increases of 0%, 2% and 2% on July 1, 2017, July 1, 2018 and July 1, 2019, respectively. **The revised agreement has 0% wage increases for each of these years as well as a 0% increase on July 1, 2020.** Current salaries for dispatchers are:

| June 30, 2017 | STEP 1      | STEP 2      | STEP 3      |
|---------------|-------------|-------------|-------------|
| Hourly        | \$20.68     | \$24.09     | \$28.14     |
| Annual        | \$43,023.24 | \$50,116.56 | \$58,523.92 |

Attached is a chart showing selected provisions contained in labor contracts that have come before the MARB, including this one. A cost projection related to some of the health insurance changes is also attached.

Attachments

- Cc: Mayor Nancy Rossi, City of West Haven  
 Katherine Vecellio, President, Local 5127  
 Beth Sabo, Commission of Human Resources, City of West Haven

Selected major provisions of agreements presented to MARB to date April 5, 2018 June 6, OPM

|  | West Haven Water Pollution Control Local 1303-345   | Hartford Local 1716   | Hartford BOE School Safety Officers, Local 1018D (Disapproved by MARB 4/5/18)  | West Haven Dispatchers, Local 5127 (Disapproved by MARB 4/5/18); Rev Tentative 4-24-18  |
|--|---|---|--|---|
| Term   | July 1, 2017 to June 30, 2020   | July 1, 2015 to June 30, 2021   | July 1, 2017 to June 30, 2019  | July 1, 2017 to June 30, 2020/2021  |
| Wages  | 7/1/17: 0%<br>7/1/18 & 7/1/19: 2%<br>Step movement  | 7/1/15; 7/1/16; 7/1/17: 0%<br>7/1/18; 7/1/19: 2%<br>7/1/20: 0%<br>Step movement   | 7/1/17 & 7/1/18: 0%; No steps<br>Note: 7/1/16: 0%; No steps  | 7/1/17: 0%<br>7/1/18; 7/1/19: 7/1/20: 0%—2%<br>Step movement  |
| Active Health Insurance                      | July 1, 2018: HDHP/HSA (\$2,000/\$4000; 50% HSA); Buy up option to PPO<br><br>Employee Premium Share: Remain at 12%   | July 1, 2018: HDHP/HSA (\$2,000/\$4000; 50% HSA); Buy up to PPO until 6/30/21<br><br>Employee Premium Share: 7/1/17: Remain at 12%<br>7/1/18; 7/1/19; 7/1/20: 13%, 14%, 15%   | PPO; 12% employee premium share effective July 1, 2014   | July 1, 2018: HDHP/HSA (\$2,000/\$4000; 50% HSA); Buy up option to PPO<br>Employee Premium Share: 7/1/17: 14% (prior 12%); July 1, 2018: 15%; July 1, 2019: 16%; July 1, 2020: 17%  |
| Retiree Health                               | Retirement 5/65 or 20/50<br>CURRENT<br>If hired prior to 1/1/12<br>Pre-65: same premium share as actives for same plan as actives, as it changes from time to time.<br>Post-65: same premium percentage as actives for supplement for retiree and spouse, not to exceed \$1,000/year retiree or \$2,000/year for retiree and spouse<br>If hired 1/1/12 or after:<br>25% premium share for retiree and 50% for spouse both pre and post 65<br>Employees hired after July 1, 2017 not eligible for retiree health at retirement | Current: Retiree may purchase health insurance, at own cost; For those retiring w/ 25 years of service/ age 55, City contributes \$600 towards premium until age 62, with City paying full premium between age 62 and 65<br><br>New Agreement: Same, except same plan available to actives but no employer contribution to HSA; however, not able to purchase or remain on City health plan after age 65; New employees-not eligible for retiree health | No retiree health  | Retirement: 20 yrs of service & age 55<br>Pre-65: Retiree/dependents same health insurance as at time of retirement; until age 60 pay same premium share as actives; 60 to 65 same percentage as when retired; Employees hired after 7/1/11 shall pay 25% of their own coverage through age 65 and 50% of spousal/dependent coverage for same plan as active employees have as it may change from time to time; Employees hired after 2/1/18 not eligible.<br>65 and Beyond: Receive reimbursement for Medicare Part "B; Receive Plan F (Supplement) for retiree/spouse—same premium share as actives and 50% for spouse; Those hired after 2/1/18 not eligible |
| Pension                                      | 401K Plan: Employer contribution 5% of salary; employee 2% to max of \$25%, employer matches up to 8%   | State MERF  | City MERF Pension Plan: 25 yrs/age 55, or 10/60, pension 2% of final average pay x's years of service; Max of 70%; final pay is highest 5 of last 10 years gross earnings (incl OT); 4% active contributions to SSI taxed income, 7% above | 401K Plan: Employer contrib 5% of salary; employee 2% to max of \$25%, employer matches up to 8%  |
| Sick Leave Accumulation/Payout at retirement | Current: 90 (LTD plan after 90 days); Payout is 100% of days up to max of 90/100; Employees hired after 7/1/18 not eligible   | Current: 150/50% or 50 days, whichever is greater<br>New Agreement: 120/50% or 40 days, whichever is less   | 175/50% 100% of days up to 70 or 50% of total, whichever is higher   | Current: 110/120 (depends on hire date) (LTD after 90 days); Payout 100% to max of 90/100; Employees hired after 2/1/18 not eligible  |

**2018 Copay Plan**

| 7/1/18 - 6/30/19 | Employee Count | Monthly Medical Rates | % Employee Pays | Employee Monthly Contributions |
|------------------|----------------|-----------------------|-----------------|--------------------------------|
| <b>ERS</b>       |                |                       |                 |                                |
| Single           | 4              | \$996.50              | 15%             | \$149.48                       |
| EE+1             | 4              | \$2,087.56            |                 | \$313.13                       |
| Family           | 6              | \$2,554.77            |                 | \$383.22                       |
| <b>Total</b>     | <b>14</b>      | <b>\$27,664.86</b>    |                 | <b>\$4,149.73</b>              |

**2018 Copay Plan Buy-Up**

| 7/1/18 - 6/30/19      | Employee Count | Monthly Medical Rates | % Employee Pays | Employee Monthly Contributions |
|-----------------------|----------------|-----------------------|-----------------|--------------------------------|
| <b>ERS</b>            |                |                       |                 |                                |
| Monthly Medical Rates |                |                       | 25.7%           |                                |
| Single                | 2              | \$996.50              |                 | \$256.20                       |
| EE+1                  | 2              | \$2,087.56            |                 | \$536.71                       |
| Family                | 3              | \$2,554.77            |                 | \$656.83                       |
| <b>Total</b>          | <b>7</b>       | <b>\$13,832.43</b>    |                 | <b>\$3,556.32</b>              |

**2018 High Deductible Health Plan**

| 7/1/18 - 6/30/19      | Employee Count | Monthly Medical Rates | % Employee Pays | Employee Monthly Contributions |
|-----------------------|----------------|-----------------------|-----------------|--------------------------------|
| <b>ERS</b>            |                |                       |                 |                                |
| Monthly Medical Rates |                |                       | 15%             |                                |
| Single                | 2              | \$870.94              |                 | \$130.64                       |
| EE+1                  | 2              | \$1,824.53            |                 | \$273.68                       |
| Family                | 3              | \$2,232.87            |                 | \$334.93                       |
| <b>Total</b>          | <b>7</b>       | <b>\$12,089.54</b>    |                 | <b>\$1,813.43</b>              |

**Annual Active ERS HDHP Savings Analysis**

|                     | Old Plan  | Buy Up    | Savings           |
|---------------------|-----------|-----------|-------------------|
| Annual Gross Cost   | \$331,978 | \$311,064 | <b>(\$20,915)</b> |
| HSA Funding         |           | \$12,000  | <b>\$12,000</b>   |
| EE Contrib          | \$49,797  | \$64,437  | <b>(\$14,640)</b> |
| West Haven Net Cost | \$282,182 | \$258,627 | <b>(\$23,555)</b> |

|                            | ERS               |
|----------------------------|-------------------|
| Headcount*                 | 14                |
| Current Gross Cost         | \$331,978         |
| Employee Contribution %    | 15%               |
| Employee Contribution \$'s | \$49,797          |
| Net West Haven Cost        | \$282,182         |
| Buy-Up Gross Cost**        | \$311,064         |
| Gross Savings              | (\$20,915)        |
| HSA Seed Money             | \$12,000          |
| Employee Contribution %    | 15%               |
| Employee Contribution \$'s | \$64,437          |
| Net West Haven Cost        | \$258,627         |
| <b>Net Savings</b>         | <b>(\$23,555)</b> |

\*Headcounts are for Active employees Only

\*\* Costs are based on 208 Rates, HDHP savings are estimated based on actuarial values, assumes 50% enrollment in each plan