

EXECUTIVE CHAMBER

CITY OF WARWICK



RHODE ISLAND

SCOTT AVEDISIAN
MAYOR

June 4, 2015

The Honorable Donna Travis, President, and City Council Members
Warwick City Council
3275 Post Road
Warwick, Rhode Island 02886

Re: Tentative Agreements; Fire, Police and Municipal Employees Unions

Dear Madame President and Council Members:

Enclosed with this letter are three tentative agreements ("TA") negotiated between the City Solicitor and the City's three collective bargaining organizations. These three TAs have each been approved by the respective membership of the Fire union (Local 2748, IAFF), the Police union (FOP, Lodge #7), and the Municipal employees' union (Local 1651). I am submitting these TAs for the City Council's consideration pursuant to the provisions of Section 2-18 of the Warwick Code of Ordinances. Each local's TA is enclosed along with a Resolution to ratify the agreements for the Council's consideration. In addition, the Finance Director's fiscal note for these agreements is also enclosed.

I am pleased to report that my office, in cooperation and with the support of each local and their membership, has reached agreements that are financially prudent for the taxpayer and fair to the City's work force. These proposed new three year employee contract agreements, once ratified by the City Council, will allow the City to continue its tradition of providing excellent public services to the residents, business and visitors of our community in a responsible manner.

We have all read the headlines of fiscal crisis in communities and fire districts throughout our State. For years, Warwick's employees and their labor organizations have worked together with the common objective to insure Warwick remained fiscally stable. Yes, the City has had its fiscal ups and downs during the Great Recession. But, our City's fiscal health has endured during these challenging times and I am hopeful for new growth and future prosperity for our residents, businesses and this wonderful City. The cooperation of the City's employees and their labor organizations have achieved over 30 million dollars in reduced taxpayer liability for pension obligations and avoided significant annual operating expenses for general services during the past three fiscal years.

And once again, I'm proud to state that the City's three labor organizations have accepted responsibility and agreed to help the City further reduce legacy liability. For years, the City has made use of Medicare to lower its Other Post-Employment Benefits ("OPEB") costs. The City's OPEB advisor, Jefferson Solutions, Inc., provided several other strategies for the City to undertake to further reduce OPEB costs. One such action was for the City to revise retirement benefits for new hires. I am proud to report that each labor organization has agreed that all new employees hired after July 1, 2105 will be eligible to receive only single coverage health care upon normal retirement. This benefit concession comports with an action recommended by Jefferson Solutions, will reduce the City's retiree health care expenses significantly and end taxpayer funded family medical coverage for retirees.

I'm also proposing raises to City employees for the first time in three years. Our City work force, in years prior, have endured other cost-saving measures, including pay cuts, benefit concessions and no pay increases due to the Great Recession. It's time to re-invest in one of the City's prime assets – its employees. During blizzards, hurricanes, fires, medical emergencies, and public safety threats this City's employees are always there, do their jobs thanklessly and fade into the canvas of everyday life. They also do their routine work each and every day, keeping the quality of life in our City enjoyable, safe and pleasant. I meet people every day who remark on their satisfaction with the quality of life our City offers them, their families, their businesses. The enclosed fiscal note shows the yearly and cumulative cost of these raises. While some will argue against this investment as undeserving, unsustainable or unjustified – I ask each and every Council member to look past the rhetoric, the grievances, the positioning to conclude what I already have – that the comprehensive package of employee concessions and proposed pay raises are justified, fair, reasonable and fiscally responsible. I urge you to vote to ratify these three proposed collective bargaining agreements. Your prompt and positive action on these matters will allow the City to continue to provide excellent public services and treat our employees with the dignity and respect they earned and deserve.

The City Solicitor and members of the negotiating team will make a short presentation to the Council at their June 15th meeting to explain each TA, the fiscal costs and to answer the Council's questions.

Sincerely,



Scott Avedisian
Mayor

CC: President, Local 2748, IAFF
President, Lodge #7, FOP
President, Local 1651, Council 94