

EXECUTIVE CHAMBER



CITY OF WARWICK
JOSEPH J. SOLOMON
MAYOR

To: The Honorable Members of the City Council

From: Mayor Joseph J. Solomon

Date: November 26, 2019

Re: **Tentative Agreement between the City and Warwick Fire Fighters Local 2748, I.A.F.F., AFL-CIO for the period of July 1, 2019 through June 30, 2022**

Attached please find the Tentative Agreement between the City and the Warwick Firefighters Local 2748, I.A.F.F., AFL-CIO for the period of July 1, 2019 – June 30, 2022.

I believe the cost-neutral agreement addresses the immediate impact to the City's operating budget while other changes resolve the outstanding issues inherited by my administration, including establishing a tier II benefit structure and eliminating the sick time carry over. The first of its kind in Warwick employee funded OPEB trust squarely addresses future OPEB costs and, moreover, is a template for a new way forward in collective bargaining which is a true paradigm shift for the City.

As promised when I took office, my administration is providing a transparent document, not just an undefined TA summary. For the first time in decades you will find attached the entire contract; every line of every page and each appendix within one document that is underlined for addition and stricken out for deletion so that there is no ambiguity.

The agreement:

Cost Neutral Wage increases - cost neutral 0%, 2%, and 2% for fiscal years 19, 20 and 21 over the full 3 years, will completely be offset by reductions resulting in a cost neutral contract. This will save the City over \$450,000 in the first year.

Employee funded OPEB trust - establishes Warwick's first ever employee funded OPEB trust - All hires after July 1, 2019 will contribute 2% of their base pay to an OPEB trust until retirement. The proceeds will be invested and used to contribute to their healthcare costs in retirement. Per the city's actuary, this will reduce the cost that must be borne by the City for health coverage for new hires in retirement by 27%. This is in addition to current co-shares for health care.

Holiday sick time reduction - firefighters will have **7 fewer days off per year** between sick days, personal days, and holidays Reduction of 4 sick days expected to save the city over \$170,000 per year elimination of 1 holiday expected to save the city over \$80,000 per year elimination of 2 personal days expected to save the city almost \$200,000 per year.

New hires lower pay scale - requires new hires to be on a lower pay scale for four years instead of two years before they achieve the top step.

Management rights clause - addition of a meaningful management rights clause, which is the first to express management rights provision in the City's collective bargaining history with the IAFF.

24-hour shift schedule - implementation of a 24-hour shift schedule which could decrease overtime. In addition, if the anticipated savings do not materialize, the City retains the right to eliminate the 24-hour schedule after the first year and revert to the original shift schedule.

Resolve inherited Tier II and Sick Time Payout issues - All new hires will be in the Tier 2 pension plan, unused sick time payout - paid annually instead of monthly eliminating the practice under the side agreement whereby firefighters had been paid for a portion of their unused sick leave and allowed to carry-over the remaining portion until the end of the year (and use it before then).

Language cleanup - various language clean-up provisions.