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## City Settles With Five Small Unions

### *One-year contracts with a 2% salary increase*

Thinking that legislation might be passed next year that would provide a new health insurance option for cities and towns, the Menino Administration initially proposed to each union's bargaining team a one-year contract with a 2% salary increase and no change in the share employees would pay of their health insurance premiums for the year. Most of the unions rejected this proposal but five small unions did not. For the rest of the unions, the Administration restructured its proposal to tie a 10% salary increase over four years to employees gradually increasing their share of their health insurance premiums by 10% over the same period. Most city employees who have adopted HMO plans pay only 10% of the total premium costs for family or single plans. So far both sides are far apart with continued protracted negotiations expected.

The five small unions represent 140 employees and the additional annual cost of the five contracts is estimated to be \$104,495. In addition to the base wage increase of 2%, each employee will receive a lump sum payment of \$250 in either December 2006 or January 2007, depending on the union. These costs will be funded from the \$4.9M in FY07 state aid in excess of the amount appropriated in the City's approved budget. Employees covered by these contracts include housing inspectors, graphic arts workers and Municipal Police personnel.

The one-year contracts also include a more generous bereavement policy. The number of paid working days leave for bereavement of a member of the immediate family is increased from three (3) to five (5) days for employees with six months of continuous service. Starting in 2008, the employees will receive their salary check through direct deposit. Other minor language changes clarify the probationary period for new employees and provide new worker's compensation notification procedures.

Additionally, salary increases are not retroactive to the start of the new contract – a departure from past practices. Instead the retroactive payments start almost four months into the contract period.

For lengthy negotiations exceeding one year, the practice of making salary increases retroactive to the start of a new contract provides no incentive for union officials to complete negotiations in a timely manner and prevents the City from responding in a reasonable time to changing fiscal conditions. The Research Bureau has recommended changes in state law to provide incentives for the parties to complete negotiations within 12 months of the contract's expiration date. [Mounting Personnel Costs Threaten Boston's Competitive Edge, Outdated Laws And Practices Restrict Local Response In Challenging Fiscal Times](#)