



City of New Haven
Office of Management and Budget
Justin M. Elicker, Mayor
Michael Gormany, City Budget Director and Acting Controller

Bargaining Local 424 (Public Works), AFSCME

Total budget position: 82 (Including vacancies)

Contract Period July 1, 2021 – June 30, 2026

General Compensation Cost

Wages: FY 2017-2021 (contract expiration) Base cost was \$4,730,565

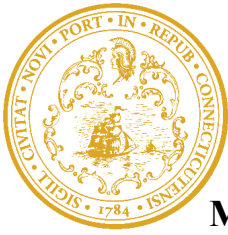
Fiscal Year	Effective	GWI	Cost	Cost over prior Year
2021-2022	7/1/2021	2.00%	\$4,833,712.00	\$103,147.00
2022-2023	7/1/2022	7.00%	\$5,182,944.00	\$349,232.00
2023-2024	7/1/2023	3.00%	\$5,346,432.00	\$163,488.00
2024-2025	7/1/2024	3.25%	\$5,527,184.00	\$180,752.00
2025-2026	7/1/2025	3.50%	\$5,724,992.00	\$197,808.00
2026-2027	7/1/2026	3.50%	\$5,933,408.00	\$208,416.00

Estimated Total Cost/(Savings) \$1.2M
Difference between base Amount and
ending year contract

Retroactivity:

Retro will be paid in two installments. The First retro payment to be made thirty (30) days following ratification of this Agreement and second retro payment to be made within 90 days of ratification of this Agreement. To be eligible for these payments, the employee must be employed at the time of ratification.

Estimated Total Cost/(Savings) \$700K
through end of July 2023



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Durational/Temporary/Seasonal Laborers:

The hourly rate shall be \$17.00.

**Estimated Total Cost/(Savings) \$60K per
Fiscal Year**

Meal Allowance

The amount of each meal allowance will increase from \$10.00 to \$14.00.

**Estimated Total Cost/(Savings) per fiscal
years \$5,600**

Tool and Boot Allowance

The tool allowance for Mechanics will increase from \$300.00 to \$700.00 per fiscal year. Budgeted mechanics positions are 9.00

**Estimated Total Cost/(Savings) per fiscal
years \$3,600**

The City shall provide boots yearly. If the employee is unable to wear the boots provided, the City shall provide such employee \$150.00 to purchase boots.

**Estimated Total Cost/(Savings) per fiscal
years \$12,300**

Pension:

Summary of changes to pension:

1. New employees are eligible to retire at age 65 and don't have Rule of 80/85;
2. Early retirement penalty increased to 5% for each year of early retirement
 - a. Applies to all bargaining unit employees
3. New Employees have options for joint and survivor benefits

The attached PDFs contain the cost analyses for Local 424 (PW). Similar to other recent CERF cost analyses, Hooker & Holcombe analyzed the cost separately for the proposed changes of current employees and future hires.

The net impact of the proposed changes for current employees is an increase in liabilities of about \$290,000 and an increase to the FYE 2024 ADEC of about \$20,000.



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Employees hired after the ratification of this contract (future employees) are not represented in the July 1, 2022 valuation report, so Hooker & Holcombe demonstrated the cost of the proposed changes for future hires by showing the impact on the City's Normal cost for recent hires of Local 424. The impact of the proposed changes for future employees is a decrease on the ADEC of about 1.9% of pay. Please note that this savings of 1.9% would be experienced on a long-term basis, as it would initially have a small impact.

These analyses are based on the census data, actuarial assumptions and plan provisions used in the July 1, 2022 Valuation. The proposed changes reflected in each cost estimate are detailed in the exhibits.

Medical Benefits

Changes to the prescription coverage plan as follows

1. Convert from the IngenioRx National formulary to the Essential formulary
2. Increase Rx copays and add a fourth tier for specialty drugs as follows:
 - High Deductible plans: Copays after deductible \$15/\$35/\$60/\$75 Retail; 2X Mail
 - Non-High Deductible plans: \$15/\$35/\$60/\$75 Retail; 2X Mail
3. Adopt Specialty Drug management provisions
 - High Deductible Plans: IngenioRx Specialty Accumulator Rules
 - Non-High Deductible Plans: IngenioRx Cost Relief

City's Annual HSA contributions

- First year's contribution for new enrollees who are current employees shall be at 65%
- Employees hired after ratification are not eligible for the above, and contribution shall be 50%
- Maintain annual contributions of 50% through the term of the contract.

Total Estimated Cost/(Savings) will depend on open enrollment for individuals. The estimated savings is between \$500,000

Pay Differentials



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A mechanic who is assigned to work on the Bulldozer and Compactor at the landfill shall receive an additional \$1.00 per hour for each hour worked at the landfill.
(Previously \$0.25)

Employees regularly assigned to either second shift or third shift shall receive an additional shift premium of \$1.25 for second shift, and \$1.50 for third shift. (This was previously \$0.45 and \$0.50) This shift premium shall not apply to overtime or call in hours merging into second or third shifts.

**Total Estimated Cost/(Savings) per fiscal
year is \$5,500**