



DEPARTMENT OF LABOR RELATIONS
 CITY OF NEW HAVEN
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TONI HARP
 MAYOR

Director of Labor Relations

May 26, 2017

The Honorable Board of Alders
 City of New Haven
 165 Church Street
 New Haven, CT 06510

Dear Honorable Board Members:

RE: Successor Collective Bargaining Agreement between the City of New Haven and Local 884, AFSCME, Council 4 dated July 1, 2015 to June 30, 2020

On behalf of Mayor Toni Harp, the Office of Labor Relations is pleased to formally submit for the approval of the Board of Alders the successor Collective Bargaining Agreement between the City of New Haven and Local 884, AFSCME, Council 4 dated July 1, 2015 to June 30, 2020.

The Local ratified the agreement on Thursday, May 25, 2017. In accordance with the Municipal Employee Relations Act, Section 7-474(b), this Agreement must be submitted to the municipal legislative body within fourteen (14) days from that date of the agreement. Within thirty (30) days of the end of the fourteen (14) day period for submission, the legislative body must approve or reject the Agreement. Failure to do so within these prescribed time limits shall automatically make the Agreement legally valid and binding upon the City of New Haven. Therefore, the latest date on which the Board of Alders can act on this Agreement is July 9, 2017.

The Agreement represents a collaboration between the City and the Union. It is a five (5) year economic package which provides modest annual wage increases and increased medical benefit employee contributions. The financial highlights of this Agreement include the following:

- ◆ An annual across-the-board wage increase scheduled as follows:

2015-2016	0%
2016-2017	3% (retroactive to July 1, 2017)
2017-2018	2% (retroactive to July 1, 2017)
2018-2019	2.25%
2019-2020	2.5%

- ◆ Medical Benefits

Medical benefits coverage under the four plans: 2016 Lumenos (a high deductible health care plan), 2016 Blue Care, 2016 Century Preferred PPO, and 2016 Comp Mix shall be effective upon implementation of the contract. A health incentive plan will also be implemented in order to encourage employees to participate in preventive and chronic condition care programs. Cost shares, based on the current fully equivalent rates, will be implemented as follows:

<i>Year</i>	<i>Lumenos HDHP</i>	<i>Blue Care POE</i>	<i>CP PPO</i>	<i>Comp Mix</i>
<i>7/1/17 – 6/30/18</i>	<i>9%</i>	<i>23%</i>	<i>23%</i>	<i>19%</i>
<i>7/1/18 – 6/30/19</i>	<i>9.5%</i>	<i>23.5%</i>	<i>24%</i>	<i>19.5%</i>
<i>7/1/19 – 6/30/20</i>	<i>10%</i>	<i>24%</i>	<i>25%</i>	<i>20%</i>

In order to encourage migration into the Lumenos high deductible plan (deductibles are \$2K/\$4K), the City will fund 65% of the deductible in 2017/18 and 50% of the deductible thereafter.

◆ Retiree Medical/OPEB Payments:

To help offset the cost of retiree medical costs, employees shall contribute the following percentage of their base pay via payroll deduction in each year of the contract:

7/1/17 – 6/30/18	.50%
7/1/18 – 6/30/19	.75%
7/1/19 – 6/30/20	1.25%

◆ Miscellaneous Economic Items:

School Security Officers shall be placed in Range 8, Step 1 of the salary schedule in exchange for increased shifts and flexible schedules to decrease current overtime costs.

The total projected cost of the contract, with the cost of wage increases being offset by savings generated by the medical benefit plans and copays, is attached for your review.

It is in the spirit of this cooperative effort between the City of New Haven and Local 884 that Mayor Toni Harp and I do hereby respectfully recommend the Board of Alders' approval of this successor collective bargaining agreement.

Respectfully submitted,

/s/

Floyd J. Dugas, Esq.
On behalf of Labor Relations

cc: Toni Harp, Mayor
Joe Clerkin, Acting Director of Management & Budget
Tomas Reyes, Chief of Staff