

DEPARTMENT OF CITY CLERK

CITY HALL

JANUARY 15, 1993

RECONVENTION

The Committee on Finance reconvenes this day at 12:00 O'Clock P.M. in Committee Room "A", City Clerk's Department, City Hall.

PRESENT: Chairman Dillon, Councilman Fenton, Councilman Igliazzi, Councilman Glavin.

ABSENT: Councilwoman Fargnoli.

Also present are Boyce Spinelli, Finance Director; Alex Prignano, Budget Analysis; Michael R. Clement, City Clerk; Anna M. Stetson, Assistant Clerk.

(Subsequently Councilwoman Fargnoli joins the meeting)

COLLECTIVE BARGAINING AGREEMENT BY AND BETWEEN THE CITY OF PROVIDENCE AND LOCAL 799, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, AFL-CIO, 1992-1995.

MR. SPINELLI: Article 9 limits personal days regarding certain holiday periods and this could result in some callback. It's basically a favorable provision. If you want us to elaborate Alex is a little more familiar with that.

Number 2 basically is the provision for the 4.5 percent and the 5 percent wage increases in years 2 and 3 of the contract. For FY-94, that would total \$900,000, in FY-95, that would be \$1,045,000.

Number 3, Article 12 creates a new position of a Fire Prevention Arson Captain at \$67.00 per week higher than a regular captain. That would have the impact of this year of \$3,477, next year \$3,600 and the following year \$3,800 more.

CHAIRMAN DILLON: Why would that person get more than a regular captain?

MR. SPINELLI: Whether it requires special skills for Arson, I don't know.

Chairman Dillon asks if it's the 9 percent because you mixed police and fire in an arson squad, and the police are used to getting this 9 percent so that means that the firefighters have to have this 9 percent too.

MR. SPINELLI: Number 4, Article 12, limits the number of EMT's to 30, and talking to Chief Bertoncini, he said in past years it wasn't unusual to have 40 EMT's. He believes that we don't need more than 30. So this was a provision specifically capping it to 30 which would save a training cost of about \$700.00 per individual.

CHAIRMAN DILLON: Why would they be interested in limiting it?

MR. PRIGNANO: Because it costs us \$700.00 to train them.

Discussion ensues.

MR. SPINELLI: Number 5, Article 13 stipulated that the Firefighters Local Union would study managed care, therefore, for this fiscal year, we have \$0.00 in there for saving because we don't see it being implemented this year. If it is implemented, it would save approximately \$50,000 to \$60,000 dollars per year. We would push to get it implemented on a citywide basis because it's already implemented for 1033, the teachers are studying it, the firefighters are studying, we want to get it implemented on a citywide basis because it is a cost saving.

Number 6, Article 18, is the one that I was just referring to. If you look at page 46 of the contract, it clearly states that four additional firefighters would be hired over and above the current level of 98. We tried to check that out as good as we could this morning, we checked with Frank Corrente, we called the Chief and we called Jeff Castle, the Labor Lawyer. He's getting with Mr. Rodio, who is the attorney for the union, and we'll clarify that. The cost of hiring one firefighter is about \$35,000 a year. But from what I was told it is clearly the intent that the 98 level will not be exceeded. I will follow up on that and keep you posted and know the progress of that.

CHAIRMAN DILLON: Is the 98 the minimum manning, or is it 98 plus 200,000.

MR. PRIGNANO: The 200,000, I believe.

CHAIRMAN DILLON: So in the winter we are going to have more than 98 people on per shift?

MR. PRIGNANO: I'm not sure how that works.

COUNCILMAN FENTON: So there's a couple of areas that we don't have, that we are not sure about.

MR. PRIGNANO: That's always been there. I don't know how the fire department determines how that \$200,000....it's just an area that I'm not familiar with.

MR. SPINELLI: That's for call back pay.

CHAIRMAN DILLON: The idea was that in the old days that when there were three men on the truck in the wintertime it was especially difficult. So that put four men on trucks for the winter months. But we are up to four on most trucks anyway.

MR. SPINELLI: Number 7, Article 24, this is the pension escalation. As I was explaining what's happening with Class B retired employees, public safety, both police and fire, effective January 1, 1992, they are getting a 5 percent C.O.L.A. which would be compounded every year that compares with the 3 percent simple C.O.L.A. that they were getting previous to that. The cost of going from the 3 percent to the 5 percent which is reflected here. FY-1993, there's \$0.00 cost even though they received the 5 percent January 1, 1992, that's simply the way the contributions are paid into the retirement system when the

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actuary tells us this is when your increased contribution begins. It does not begin until FY-94 even though they received it on January 1, 1992, so the cost is \$700,000 next year and \$700,000 the following year.

Beginning on January 1, 1994, for people who retired after January 1, 1991, it goes up to 6 percent. It's not reflected here because that cost, doesn't hit until FY-1996, which is technically outside the perimeters of the contract. It would be an additional \$900,000, so that \$700,000 would go up to \$1.6 million in FY-96 and subsequent years.

Number 8, Article 28, again is the same parity clause which we discussed last night. Summarizing it, for each.... that would come into play if the police are successful in an arbitration award, and for each one percent pay increase granted to police the firefighters, next year would receive it would cost the city \$9,000 more than the 4.5 percent that they would get -----. They are slated for 4.5 percent, which we costed out. If the police are successful in an arbitration award, for every one percent that they get, it will cost the city an additional \$9,000 in FY-94 and an additional \$10,000 for each 1 percent in FY-95.

CHAIRMAN DILLON: Can we step back a bit to the pension. It says in lieu of .... on page 50 of the contract....the 3 percent non compounded, that was there for a long time, then the four percent and the five percent, as I recall, were 1990's contract. Then they are adding..." in consistent with the consent decree cost of living adjustment for the members of the fire department of the city retire on or after July 1, 1994, and who retire after January 1, 1989..." How can that be so?

This \$7,000 that you have in here, is that from Buck?

MR. SPINELLI: Yes, what I did, when I costed that out, that's going from the 3 percent to the 5 percent cause that's what's being implemented right now. I don't know where the four percent came from. I'm not aware of anybody getting 4 percent right now.

CHAIRMAN DILLON: They should have knocked out the 4 percent, because it no longer applies.

MR. SPINELLI: Right. I don't know why they even mention that, but the cost I gave you is the cost of going from 3 to 5.

CHAIRMAN DILLON: I would say that's not enough. Actuarilly determined .....

MR. SPINELLI: I reviewed the numbers with Steve this morning.

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The total cost of going from 3 to 5 on a citywide basis is much greater, cause this does not include police, this is only fire. You would have to double that.

CHAIRMAN DILLON: I think it's a major difference even going from 5 percent to 6 percent.

MR. WOERNER: \$900,000 for the police. That's what Buck gave me for the numbers.

MR. SPINELLI: On the exhibit, if you put FY-96 there it would be 1.6 million.

CHAIRMAN DILLON: That's not actuarilly determined is it?

MR. SPINELLI: Yes. Those are actuarilly determined numbers.

MR. WOERNER: The \$700,000 was half they said for class B it was \$1.4 million.

Discussion ensues.

MR. SPINELLI: You have to remember there is another C.O.L.A. that went from 0 to 3 percent compounded, and that's \$3.4 million a year. That's for Class A employees.

CHAIRMAN DILLON: Who are retired. So this doesn't affect the retired members?

COUNCILMAN FENTON: No. Only '89.

CHAIRMAN DILLON: I think that '89 has to be some kind of a typo. Why would they only go back to '89?

MR. SPINELLI: The way the consent decree is worded, is effective January 1, 1992, all Class B get a 5 percent C.O.L.A. regardless of when they retired. It goes from 3 percent to 5 percent. Also there was a minimum retirement put in.

CHAIRMAN DILLON: ----- it applies to the people who are working right now.

MR. SPINELLI: This does affect all retirees. In January 1, 1994, only the people that retired after January 1, 1991, they go to 6 percent. That's the way it works.

On motion made by Councilman Fenton, seconded by Councilwoman Fargnoli, it is voted to reject the contract with referral to the full Council.

ADJOURNMENT: On motion made by Councilman Fenton, seconded by Councilwoman Fargnoli, it is voted to adjourn the meeting at 12:30 o'clock P.M.



ASSISTANT CLERK



CITY CLERK