



TO: Jayme Stevenson, First Selectman

FROM: Kathleen Buch, Town Administrator
Laurie G. Dunn, Director of Human Resources
Jennifer Charneski, Finance Director

DATE: April 3, 2019

SUBJECT: Darien Police Association Contract Settlement

The Town's bargaining team reached an agreement on a successor contract with the Darien Police Association for the contract that expired on June 30, 2018. Following negotiations that started last May and concluded with a mediation session on January 23, 2019, the parties settled on a four (4) year contract covering the July 1, 2018, to June 30, 2022, period. The union ratified this agreement on April 2, 2019. This unit represents 48 employees in the Police Department. The average annual increase in cost of this contract is approximately 2/100th of a mill per year, based on the October 1, 2018, Grand List. This assumes status quo in staffing and premiums and is based on currently quantifiable items.

The major economic items are as follows:

Wages:

- 7/01/18 – 2.25%
- 7/01/19 – 2.30%
- 7/01/20 – 2.30%
- 7/01/21 – 2.30%

The general wage increases are less than the average negotiated and arbitrated settlements in the State. Over 50% of the members of this bargaining unit are at the top step for their rank as of July 1, 2018. As such, they will only receive the general wage increase for the life of this contract. By the end of the contract, 85% of the members will be at the top step for their rank. When considering those members who will still receive step increases and assuming there are no changes in personnel over the contract period, the average cost increase over the duration of the contract is 3.3%. This is skewed by the number of officers moving to top step patrol, which is a significant increase over the next lower step, in year 2 of the contract. Should there be retirements during the period of this contract; the overall cost of the contract would be reduced.

Medical changes effective 7/01/19:

- Current medical plan *plus* MAC B* pharmacy with the following increases in employees' premium cost share:
 - 7/01/19 – increase (from 6%) to 7.5%
 - 7/01/20 – increase to 9.0%
 - 7/01/21 – increase to 9.5%
 - 6/30/22 – increase to 10.0%

*MAC B – Generics are dispensed unless the provider writes “dispense as written, no substitutes” on the prescription. After meeting the plan deductible, the Employee is responsible for the generic copay plus the cost difference between the brand and generic if the brand is dispensed at the *request* of the employee. If the brand is dispensed because the physician wrote “dispense as written, no substitutes” then the Employee only pays the brand copay after meeting the plan deductible.

- Cost savings from the above medical changes in FY 20 are estimated at \$15,269 and an additional \$12,355 in FY 21 and a further \$4,119 in FY 22. These savings are based on the current premiums and make no assumptions for rate increases. The increase in cost share on the last day of the contract ensures that a premium increase is already in place while negotiating the next contract.
- Beginning in FY 20, the Town shall provide an optional *buy-up* dental plan that includes tooth implant and adult orthodontia and the Town shall not pay more than the cost of the existing basic dental plan.
- Beginning in FY 20, the Town shall make available a group vision plan and the Town shall pay 50% of the premium cost. The estimated cost to the Town if all members took advantage of the plan is \$3,000 in FY 20.

Language Changes - Favorable to the Town

- Payroll in Arrears – Employees will transition from being paid to date for regular wages and from being paid two weeks in arrears for overtime, to being paid one week in arrears for all wages; mandatory direct deposit; and move to a Friday pay day. With the DPA's agreement to move to a Friday pay day, all Town employees will also transition to a Friday pay day. These payroll changes will result in substantial administrative efficiencies with all Town employee groups being handled in a uniform manner for payroll purposes.
- Tuition Reimbursement – Several changes were made to the tuition reimbursement program: (1) An employee who has been approved to receive tuition reimbursement is requested to provide by November 15th a plan for the upcoming fiscal year for budget planning purposes that includes estimated tuition costs; (2) Only Associate's, Bachelor's and Master's degrees will be eligible for reimbursement and an employee may only get reimbursement for one degree at each of those levels; and (3) Annual reimbursement will be capped at the maximum allowable educational exclusion under Section 127 of the IRC (\$5,250 for 2018). These changes will result in future savings.

- Cost Savings Related to Medical Insurance – When an employee or retiree is married to another Town employee or retiree and is on the spouse’s Town health insurance, he/she shall not be eligible to receive the in lieu of medical insurance payment. This prohibition will result in future potential savings. Any employee married to another Town employee and on the spouse’s Town health insurance coverage and *currently* receiving the in lieu of payment shall be grandfathered, but going forward this loop hole has been closed. This change will result in future potential savings.
- Contract Negotiations – New language requires that negotiations for a successor agreement will begin between the parties not later than April 1st of the year in which the contract expires.
- Check Off Dues – Changes were made to bring language into compliance with the Janus Decision.
- Grievance Procedure – The Step 1 hearing officer is changed from Captain to the Chief and the Step 2 hearing officer is changed from Chief to the Town Administrator. Time limits throughout the various steps of the procedure changed from seven (7) to ten (10) days and “day” is redefined for transparency.

Language Changes - Favorable to the Union

- Order Back – If an employee is ordered to work after having completed his/her active duty for the workday, he/she shall receive \$100.00 in addition to payment for time worked.
- Voluntary Swapping of a Shift – An employee may voluntarily swap a shift with one other employee of the same rank and work a double shift pursuant to several restrictions and guidelines. The swapping of a shift shall be permitted on a trial period which will run the duration of the agreement.
- Clothing/Cleaning Allowances – The clothing allowance for plainclothes employees will increase from \$900 to \$1,000 and the uniform cleaning allowance will increase from \$300 to \$500 annually effective July 1, 2019.
- Special Jobs – An employee will be paid for the total length of time for which they are scheduled by the contractor even if they are released earlier than the scheduled end time. Additionally, the employee will be paid at 1.5 times the special job rate for each additional hour they are asked to work beyond the scheduled time. It is hoped these changes will result in more accurate scheduling by the contractors. This change is cost neutral to the Town.
- Death in the Line of Duty – The amount of life insurance will increase to \$250,000 in the event an employee dies as the direct result of an injury sustained in a line of duty accident. The previous contract language stated that the Town would provide \$50,000 to the employee’s beneficiary in the event that he/she is killed in the line of duty.
- Holidays – Employees will be advanced holiday time in two equal installments each July 1st & January 1st. Employees will have the ability to request and schedule time off using such holiday time. The Chief may deny any request that would result in a short squad, require the use of a replacement at an overtime rate or otherwise result in a shortage of personnel. Any holiday time not taken will be paid out to employees annually in June and December. In the past, employees were paid for each holiday in the pay period in which

the holiday occurred and employees did not have the option of taking time off. This change is cost neutral to the Town.

- Emergency Sick Leave Bank – An emergency sick leave bank shall be established for use by employees who have exhausted their accumulated leave time and have sustained a catastrophic or extended illness. The bank shall be administered by the Town and shall be established and replenished through voluntary employee donations from accumulated sick leave time.
- Grooming Policy - Employees shall be permitted to have beards and/or wear earrings provided they remain in compliance with the Police Department's regulations pursuant to the Grooming Policy.

Summary

The proposed contract settlement is a fair outcome and makes strides in curbing the Town's health care costs by increasing the premium cost share for employees, while also advancing administrative efficiencies and flexibility.

cc: Board of Selectmen