

THE CITY OF PROVIDENCE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

No. 330


Approved June 8, 2012


RESOLVED, That the accompanying copy of the Collective Bargaining Agreement by and between the Providence School Department and Rhode Island Laborers' District Council on behalf of Local Union 1033, effective July 1, 2011 to June 30, 2012. (Public School Safety Services Officer)

IN CITY COUNCIL

JUN 07 2012

READ AND PASSED

  
PRES.

  
CLERK

I HEREBY APPROVE.

  
Mayor

Date: 6/8/12

TENTATIVE AGREEMENT  
PUBLIC SCHOOL SAFETY SERVICES OFFICER

ENTERED into this <sup>pl</sup>14<sup>th</sup> day of December 2011, by and between the PROVIDENCE SCHOOL DEPARTMENT and the RHODE ISLAND LABORERS' DISTRICT COUNCIL on behalf of LOCAL UNION 1033 pursuant to Article XX and Article XXI of the parties' Agreement effective July 30, 2008 to June 30, 2011;

WHEREAS, the parties hereto have conducted good-faith negotiations pursuant to Title 28, Chapters 7 and 9.4 of the Rhode Island General Laws, as amended; and

WHEREAS, the parties' negotiations have resulted in Agreement for a Collective Bargaining Agreement, effective July 1, 2011 to June 30, 2012; and

WHEREAS, the parties hereto desire to codify their AGREEMENT and, subject to their respective ratification procedures, be bound by the same.

THE PARTIES HEREBY AGREE

1. The document titled "Agreement between the Providence School Department and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, Bus Monitors, effective July 1, 2008 to June 30, 2011 is herein incorporated by reference as if fully reproduced. The terms and conditions of this Agreement shall continue and remain in effect for the period of July 1, 2011 to June 30, 2012, except as expressly modified herein.
2. The document titled "Agreement between the Providence School Department and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, Crossing Guards, effective July 1, 2008 to June 30, 2011 shall not continue beyond the date of the execution of this Agreement, excepting as provided in paragraph 9(b) below.
3. Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address the needs of the City and its Citizenry and all methods of providing services to the Citizenry including consolidating City Departments and Agencies as well as Offices and Divisions of the School Department and those of the City.
4. Article I, Section 1. The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of, and this Agreement shall apply only to, permanent Public School Safety Services Officers, performing both bus monitor and crossing guard duties, employed by the Employer, excluding all other employees. The parties shall execute any and all documents necessary for the Rhode Island State Labor

Relations Board to issue an amended Certification consistent with their intent as stated herein.

5. All references to "Bus Monitors" throughout the agreement shall be replaced with the term "Public School Safety Officer."

6. Article V- In Service Training shall be eliminated. Commencing in the 2011-2012 School Year, the School Department shall provide seven (7) hours of paid job related professional development to all bargaining unit members and at the discretion of the employer, a pre School Year Orientation period of four (4) hours at the employees regular hourly wage of pay.

7. Article VII. Workday. Section 1. An employee's workday shall not exceed a total of eight (8) hours scheduled at the employer's discretion at any time or times between 6:30 AM and 5:30 PM and for those persons performing bus monitor duties only, shall be inclusive of a thirty (30) minute lunch period and twenty (20) minute rest period as scheduled by the employer.

8. Article VIII . Vacations/ Holidays/ Recesses

Section 4(D). In lieu of holiday pay, ten month employees shall receive an additional personal day for each designated holiday, as defined in Section I of this Article, that occurs during a school recess for which ten month employees already receive recess pay.

9. Article XII- Health and Welfare

a. The parties collective bargaining agreement shall not reference or specify any specific healthcare carrier or provider except in defining the network of providers.

b. Section 1(A). Health Insurance Coverage

Effective September 1, 2011, the School Department shall provide all permanent employees who are covered by this agreement and their eligible family members with health care coverage as set forth in Article XVII, Section I (A) entitled "Local Union 1033 Health Care Plan."

c. Section 2.

(a) The School Department shall provide all employees and their eligible family members with coverage as follows if the employee is covered by this Agreement and regularly works more than twenty hours per week.

(b) The School Department shall provide all employees with Individual health care coverage as follows if the employee is covered by this Agreement and regularly works twenty (20) hours or less per week. Those employees who regularly work twenty (20) hours or less per week shall not be entitled to family health insurance coverage provided by the School Department but shall be afforded the opportunity to purchase family coverage by paying the difference between the Individual premium or agreed to working rate and the applicable family premium or agreed to working rate, in addition to the co-share stated in this Agreement.

(c) Regularly works shall be defined to mean assigned to a weekly work shift and actually working (or being compensated for) the referred to number of hours for a period of 6 weeks or more. Prior to the commencement of the School Year, members may exercise their seniority to obtain any vacant posted work shifts.

d. Effective upon the ratification of this Agreement, Employees shall share in the cost of their medical health benefits by a payroll pre-tax co-payment deduction for Individual Plans at .0145 of base wages not to exceed 15% of the annual premium/working rate or \$750.00 annually and for Family Plans at .0285 of base wages not to exceed 15% of the annual premium/working rate or \$1,500.00 annually which shall be computed based upon the rates provided in the preceding paragraph and adjusted, based upon utilization and paid claims, by a consultant selected by the parties which shall not increase by more than 9.5% over the rates stated in said preceding paragraph.

c. Retiree Coverage- The School Department's obligation to provide retiree healthcare coverage to a specific retiree shall be suspended in the event that the retiree is eligible for medical insurance under any health care plan, including that made available through the retiree's spouse, providing said plan is equivalent in coverage and cost. If coverage is not equivalent or if the plan's cost exceeds the cost to the retiree of a School Department Plan, then the School Department shall have the option of providing payment to make the cost equal and/or providing only such coverage as to make the plans equivalent or maintaining the School Department plan for the retiree, all pursuant to all provisions contained herein for retirees on said retirement date. At the request of the School Department, the retiree shall be obligated to provide proof that he or she is not eligible to provide health care coverage from another source or that coverage is not

otherwise equivalent coverage pursuant to this agreement. Should a retiree subsequent to retirement, whose healthcare coverage is suspended in accordance with this provision, lose alternate coverage from an alternate source, the School Department shall restore coverage on the first day of the month after coverage has been received under the same terms as those that existed at the retiree's date of retirement.

#### 10. Article XIV- Economic Package

a. In the event that there is an across the Department wage increase afforded to City/School employees in Fiscal Year 2012 but only after the execution of this agreement, then all members of Local Union 1033, including those who have retired in Fiscal Year 2012, shall be entitled to the across the Department wage increase afforded to City/School employees in Fiscal Year 2012. The parties agree that this provision shall not apply to awards established by an interest arbitration panel and/or arbitration awards for City and School.

b. Commencing January 1, 2012 or upon ratification of this Agreement, whichever occurs latter, all employees covered by this agreement shall receive the wage rate established for Bus Monitors in the Agreement effective on June 30, 2011.

#### 11. Article XIV- Longevity

a. Effective January 1, 2012 the Longevity Supplement Annual Percentage Amounts shall be reduced by one percent (1%), as provided below:

<u>Years of Service</u>	<u>Annual Percentage Amount</u>
5 yrs. but less than 10 yrs.	3%
10 yrs. but less than 15 yrs.	4%
15 yrs. but less than 20 yrs.	5%
20 yrs. or more	6%

#### EMPLOYEES HIRED AFTER SEPTEMBER 1, 2005

<u>Years of Service</u>	<u>Annual Percentage Amount</u>
7 yrs. but less than 12 yrs.	3%
12 yrs. but less than 17 yrs.	4%
17 yrs. but less than 20 yrs.	5%
20 yrs. or more	6%

12. Bi-Weekly Payroll- Effective with payment of the FY12 Longevity Supplement on or before January 15, 2012. Individuals who do not qualify the longevity supplement on the first no-pay period, may, at the employee's request, receive a no interest bridge loan from the School Department in an amount equal to one week's regular wages. Said bridge loan shall be repaid to the School Department in equal deductions from all remaining bi-weekly paychecks through March 31, 2012. Said bridge loans must be repaid no later than March 31, 2012. Individuals who are placed on a no pay leave status subsequent to receiving a bridge loan shall authorize the School Department in a loan agreement to deduct said payment on March 31, 2012 from accrued personal time and/or sick days.

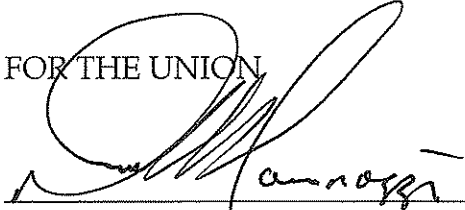
13. Article XV- Union Benefits-

Section 1. (a) For the purpose of providing retirement benefits for employees covered by this Agreement, the employer shall make, for each day or portion thereof for which the employee receives pay, a daily contribution to the Laborers' International Union of North America National (INDUSTRIAL) Pension Fund for each employee of eight (\$8.00) per day. Effective December 31, 2011, the parties elect to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International National (Industrial) Pension Fund.

(b) In order to provide each employee covered by this Agreement and their dependents with the benefits described below and which are provided through Union Benefit Trust Funds, the Employer agrees to contribute \$11.52 per day for each day each employee covered by this Agreement is paid, of which an addition of not less than three cents (\$.03) per hour for each straight-time hour each employee covered by this Agreement is paid shall be allocated to the "Rhode Island Public Employees' Training Fund" Effective January 1, 2012 through December 31, 2012, the additional three cents (\$.03) per hour for each straight-time hour each employee covered by this Agreement shall be suspended.

14. The Union and the School Department shall enter into a collective bargaining agreement incorporating the above described agreements for the time period commencing July 1, 2011 through June 30, 2012. That Collective Bargaining Agreement shall be subject to ratification by the City Council and the Union and said ratifications shall occur no later than December 31, 2011.

FOR THE UNION



DONALD S. IANNAZZI, ESQ.  
Business Manager

FOR THE EMPLOYER



ANGEL TAVERAS  
Mayor of Providence

Local Union 1033

  
VICKI A. VIRGILIO

President  
Local Union 1033

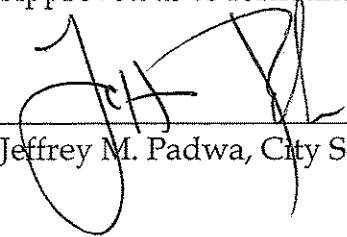
WITNESS

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WITNESS

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Approved as to form and correctness:

 12/14/11  
Jeffrey M. Padwa, City Solicitor



# Public Employees' Local Union 1033

410 South Main Street  
Providence, Rhode Island 02903-7124  
Tel. (401) 331-1033  
Fax (401) 421-0244



TO: The Honorable Providence City Council

FROM: Donald S. Iannazzi, Esq., Business Manager

DATE: January 12, 2012

SUBJECT: Collective Bargaining Agreements by and between the Rhode Island Laborers' District Council on behalf of Local Union 1033 and the Providence School District

I am writing to formally present you with the terms of the recently negotiated successor Collective Bargaining Agreements by and between the Providence School District and this Union, and to respectfully request your support for ratification.

As you know, our Union is honored to represent approximately 900 dedicated Public Servants employed at the School Department in four separate bargaining units. Our membership has consisted of Teacher Assistants, Bus Monitors, Crossing Guards and the varied professional classifications that make up the B.E.S.T. unit. In meeting the needs of the City and our School District, we have, as an employee initiative, merged our Bus Monitor and Crossing Guard units into a new "Public School Safety Services' Officer Bargaining Unit." Upon your ratification, the bargaining unit will have one contract for all members, provide cost savings to the City and provide a cross trained staff able and committed to meet the needs of temporary absences for all tasks.

I believe, that following your review of the new terms, you will agree with me that our 2011-2015 Union Contracts are progressive and meet the needs of "your workforce" as well as the needs of "your constituents." As in the past, our membership accepted and addressed the concerns of our Capital City. Our Union has a long history of accepting the challenges of the times and working out real solutions. We take this action to



address real issues on a real time basis. Our commitment to the stability of our City is as real as our commitment to the stability and security of our membership and their families. It is our hope and trust that all stakeholders of our City are as sincere in adopting timely solutions as our Union has been.

The membership of Public Employees' Local Union 1033 looks forward to full ratification by the Providence City Council and is most appreciative of the amicable relationship we enjoy with our Capital City's legislative body. Our relationship has been fostered over the last many years by mutual respect, candor, and a genuine concern for the City of Providence and its people. We trust that every member of our City's legislative body will appreciate our efforts and our shared sacrifices.

As with our City contracts, due to the statutory requirements of the Municipal Employees' Arbitration Act, § 28-9.4 RIGL, which limits a Municipal Collective Bargaining Agreement to a three-year period, we are formally presenting to you and seeking your ratification of two (2) agreements covering the time periods July 1, 2011 to June 30, 2012 and July 1, 2012 to June 30, 2015.

Details of the negotiated changes are as follows:

A. Public School Safety Services' Officer Bargaining Unit (PSSSO)

Term - July 1, 2011-June, 30, 2012 AND July 1, 2012-June 30, 2015. State Law forbids a Municipal Employee Collective Bargaining Contract from exceeding three years, so our Agreement is actually two separate Agreements. The first Agreement is retroactive to July 1 and continuing to June 30, 2012 and our second agreement is for a three year period beginning in July, 2012. The changes contained in these Agreements are as follows:

Unification- The Crossing Guard and Bus Monitor Bargaining Units will now be combined and known as the "Public School Safety Services' Officer Bargaining Unit." The bargaining unit will have one contract for all members.

Wages- Following ratification by the City Council, all PSSSOs shall receive the wage rates of the former Bus Monitor bargaining unit, which is a wage reduction for those employees performing crossing guard duties (and everyone will also receive full pay on all holidays);

- Increases: July 1, 2013: 3% and July 1, 2014: 3%
- In the event there is a wage increase afforded to City/School Employees prior to July 1, 2013, all 1033 members shall receive that increase

Health Benefits- Local Union 1033 Health Care Plan -All members will receive the Local Union 1033 Health Care Plan (Healthmate Coast to Coast). An HMO will no longer be mandated on new members. PSD shall provide all employees who regularly work (6 wks. or more) more than twenty hours per week with family insurance coverage. Those working less than twenty hours per week will receive individual coverage.

All PSSSO members may bid and fill by seniority, all future vacancies. Thus, individuals currently working 20 hours or less may seek positions that provide greater than 20 hours of work and Family Healthcare benefits.

In spite of the rising cost of health care, employee contributions for healthcare will NOT increase prior to July 1, 2013 (when membership wages increase).

Jan. 2012- Individual Plan pre-tax co-share of .0145 of base wages (not more than 15% of premium or \$750 annually). Family Plan pre-tax co-share of .0285 of base wages not to exceed 15% of premium or \$1500 annually).

July 1, 2013- June 30, 2015- 15% of negotiated working rate

\*Premium/working rate shall not increase by more than 9.5% annually

Retiree Coverage- Retiree healthcare coverage remains unless that employee is eligible for retiree healthcare under another plan, including one's spouse's plan. If coverage is not equivalent in coverage or cost to the PSD plan, the School Department shall have the option of making payment to make cost equal and/or providing coverage to make plans equivalent.

Professional Development- In service training is eliminated. Commencing in the 2011-2012 School Year, PSD shall provide 7 hours of paid professional development.

Vacations, Holidays, Recesses- Everyone shall receive pay for holidays designated in the contract. For holidays that fall during a recess week, employees shall receive an additional paid personal day.

Longevity- Effective January 1, 2012, the longevity supplement shall be reduced by 1%. Eligible employees shall now receive between (3-6%).

Bi-Weekly Payroll- Effective with the payment of the FY12 Longevity Supplement on or before January 15, 2012, all employees will be switched to bi-weekly payroll.

Individuals who do not qualify for longevity may, at the employee's request, receive a no-interest bridge loan. This loan will be paid back in equal deductions from remaining eight biweekly checks.

Union Benefits- Effective December 31, 2011, the School Department agrees to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International National (Industrial) Pension Fund; securing all existing benefits at the 2008 benefits level! (Pre-2008 monthly maximum benefit at \$46.32 per year of service and 2008 and thereafter at \$25.74, retaining existing payment options and regular retirement age at 62). This provision requires the School Department to increase its contribution by 10% compounded annually.

Prior to January 1, 2012, the City contributed \$11.52 per day for each day each employee covered by the Agreement was paid, to the Union Benefit Trust Funds, with an additional three cents (\$.03) per hour going to the "Rhode Island Public Employees' Training Fund." Effective January 1, 2012 through December 31, 2013, the additional three cents (\$.03) per hour will be suspended.

B. B.E.S.T.

Term - July 1, 2011- June, 30, 2012 AND July 1, 2012- June 30, 2015. State Law forbids a Municipal Employee Collective Bargaining Contract from exceeding three years so our Agreement is actually two separate Agreements. The first Agreement is retroactive to July 1 and continuing to June 30, 2012 and our second Agreement is for a three year period beginning in July, 2012. The changes contained in these Agreements are as follows:

Wages- Effective January 1, 2012, wages for all positions shall be reduced by 1%. Individuals retiring on or before June 30, 2015 shall have said 1% increase included in the computation of their final compensation for purpose of determining retirement allowance.

- In the event there is a wage increase afforded to City/School Employees prior to July 1, 2013, all 1033 members shall receive that increase.
- Effective July 1, 2011 to June 30, 2012, there shall be no annual step increase.
- Increases: July 1, 2013: 3% and July 1, 2014: 3%
- Commencing January 1, 2012 and terminating July 1, 2014, all new employees shall be compensated at a wage rate 15% below bargaining unit member's wages. Wages for said employees shall be increased by 5% each year. This provision shall sunset on July 1, 2014.

Health Benefits- Local Union 1033 Health Care Plan -All members will receive the Local Union 1033 Health Care Plan (Healthmate Coast to Coast). An HMO will no longer be mandated on new members.

In spite of the rising cost of health care, employee contributions for healthcare will NOT increase for employees making less than \$50,000 prior to July 1, 2013 (when membership wages increase).

Effective 30 days after ratification of Agreement- employees with base wages of \$50,000 or above shall co-share in the cost of health insurance through pre-tax weekly payroll deduction of .016 of base wages for individual and .035 of base wages for family plan- not to exceed 16.5% of negotiated working rate or \$750 for individual plan or \$1500 for family plan.

July 1, 2013- employees with base wages of \$50,000 or above shall co-share in the cost of health insurance at 18% of working rate. Employees with base wages of less than \$50,000 shall co-share at 15% of the working rate.

July 1, 2014- employees with base wages of \$50,000 or above shall co-share in the cost of health insurance at 20% of working rate. Employees with base wages of less than \$50,000 shall remain co-sharing at 15% of the working rate.

\*Premium/ working rate shall not increase by more than 9.5% annually

Retiree Coverage- Retiree healthcare coverage remains unless that employee is eligible for retiree healthcare under another plan, including one's spouse's plan. If coverage is not equivalent in coverage or cost to the PSD plan, the School Department shall have the option of making payment to make cost equal and/or providing coverage to make plans equivalent.

Professional Development- In service training is eliminated. Commencing in the 2011-2012 School Year, PSD shall provide 7 hours of paid professional development.

Vacations, Holidays, Recesses- For holidays that fall during a recess week, ten month employees shall receive an additional paid personal day.

Longevity- Effective January 1, 2012, the longevity supplement shall be reduced by 1%. Eligible employees shall now receive between (3-6%).

Bi-Weekly Payroll- Effective with the payment of the FY12 Longevity Supplement on or before January 15, 2012, all employees will be switched to bi-weekly payroll. Individuals who do not qualify for longevity and convert to biweekly payroll for the first time in 2012, may, at the employee's request, receive a no-interest bridge loan. This loan will be paid back in equal deductions from eight biweekly checks.

Union Benefits- Effective December 31, 2011, the School Department agrees to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International National (Industrial) Pension Fund; securing all existing benefits at the 2008 benefits level! (Pre-2008 monthly maximum benefit at \$46.32 per year of service and 2008 and thereafter at \$25.74, retaining existing payment options and regular retirement age at 62). This provision requires the School Department to increase its contribution by 10% compounded annually.

Prior to January 1, 2012, the City contributed \$11.52 per day for each day each employee covered by the Agreement was paid, to the Union Benefit Trust Funds, with an additional three cents (\$.03) per hour going to the "Rhode Island Public Employees' Training Fund." Effective January 1, 2012 through December 31, 2013, the additional three cents (\$.03) per hour will be suspended.

Occupational/ Physical Therapy Standards Committee- shall be formed and consist of three members appointed by the Union and 3 appointed by the Superintendent. The Committee will be charged with developing and recommending to the parties new protocols relating to the assignments of OTs, PTs and COTAs and mandatory professional development.

## C. Teacher Assistant

Term - July 1, 2011- June 30, 2012 AND July 1, 2012- June 30, 2015. State Law forbids a Municipal Employee Collective Bargaining Contract from exceeding three years so our Agreement is actually two separate Agreements. The first Agreement is retroactive to July 1 and continuing to June 30, 2012 and our second Agreement is for a three year period beginning in July, 2012. The changes contained in these Agreements are as follows:

Wages- Effective January 1, 2012, wages for all TA positions shall be reduced by 1%. Individuals retiring on or before June 30, 2015 shall have said 1% increase included in the computation of their final compensation for purpose of determining retirement allowance.

- In the event there is a wage increase afforded to City/School Employees prior to July 1, 2013, all 1033 members shall receive that increase.
- Effective July 1, 2011 to June 30, 2012, there shall be no annual step increase.
- Increases: July 1, 2013: 3% and July 1, 2014: 3%

Health Benefits- Local Union 1033 Health Care Plan -All members will receive the Local Union 1033 Health Care Plan (Healthmate Coast to Coast). An HMO will no longer be mandated on new members.

In spite of the rising cost of health care, employee contributions for healthcare will NOT increase prior to July 1, 2013 (when the memberships' wages increase).

July 1, 2013- June 30, 2015: Employees shall co-share at 15% of the working rate.

\*Premium/ working rate shall not increase by more than 9.5% annually

Retiree Coverage- Retiree healthcare coverage remains unless that employee is eligible for retiree healthcare under another plan, including one's spouse's plan. If coverage is not equivalent in coverage or cost to the PSD plan, the School Department shall have the option of making payment to make cost equal and/or providing coverage to make plans equivalent.

Vacations, Holidays, Recesses- For holidays that fall during a recess week, employees shall receive an additional paid personal day.

Longevity- Effective January 1, 2012, the longevity supplement shall be reduced by 1%. Eligible employees shall now receive between (3-6%).

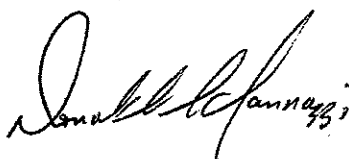
Bi-Weekly Payroll- Effective with the payment of the FY12 Longevity Supplement on or before January 15, 2012, all employees will be switched to bi-weekly payroll.

Individuals who do not qualify for longevity, may, at the employee's request, receive a no-interest bridge loan. This loan will be paid back in eight equal deductions from biweekly checks.

Union Benefits- Effective December 31, 2011, the School Department agrees to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International National (Industrial) Pension Fund; securing all existing benefits at the 2008 benefits level! (Pre-2008 monthly maximum benefit at \$46.32 per year of service and 2008 and thereafter at \$25.74, retaining existing payment options and regular retirement age at 62). This provision requires the School Department to increase its contribution by 10% compounded annually.

Prior to January 1, 2012, the City contributed \$11.52 per day for each day each employee covered by the Agreement was paid, to the Union Benefit Trust Funds, with an additional three cents (\$.03) per hour going to the "Rhode Island Public Employees' Training Fund." Effective January 1, 2012 through December 31, 2013, the additional three cents (\$.03) per hour will be suspended.

Sincerely,

A handwritten signature in dark ink, appearing to read "Donald S. Iannazzi". The signature is fluid and cursive, with a large initial "D" and "I".

DONALD S. IANNAZZI, ESQ.  
Business Manager



## Office of the Internal Auditor

June 4, 2012

Honorable John J. Igliazzi,  
Chairman Committee on Finance  
City of Providence  
25 Dorrance Street  
Providence, RI 02903

Dear Chairman Igliazzi:

I have reviewed the school department's tentative agreements with Local Union 1033 (B.E.S.T., Teacher Assistants, and Public School Safety Services Officers) for the periods July 1, 2011 through June 30, 2012 and July 1, 2012 through June 30, 2015 independently and with Michael D'Antuono, the school department's Deputy Director of Finance. Upon the completion of my review, I did not find material differences with the projected savings in Mr. D'Antuono's fiscal note.

Below are highlights of the major components contained in these tentative agreements:

➤ Salaries

- One-percent (1.0%) wage reduction (January 1, 2012);
- No step increases provided (Fiscal 2012);
- New hires will be compensated at a wage rate that is fifteen-percent (15%) below the current bargaining unit member's wage (July 1, 2012 – July 1, 2014);
- Three-percent (3.0%) across-the-board wage increase (July 1, 2013); and
- Three-percent (3.0%) across-the-board wage increase (July 1, 2014).

➤ Longevity

- Longevity supplement reduced by 1.0% (January 1, 2012)

➤ Health Benefits

- Employee co-shares increase to 18% of working rate for employees with base wages of \$50,000+ and 15% of working rate for employees with a base wage less than \$50,000 (July 1, 2013); and
- Employee co-shares increase to 20% of working rate for employees with base wages of \$50,000+ (July 1, 2014)



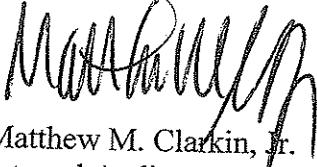
Chairman Igliazzi  
June 4, 2012  
Page 2 of 2

➤ Laborers' Pension Fund

- The school department will fund the Laborers' International National Pension Fund at a "preferred schedule", which will be a cost of approximately \$170,000 during the period of this agreement.

If you have any questions or concerns regarding these tentative agreements, please feel free to contact me.

Sincerely,



Matthew M. Clarkin, Jr.  
Internal Auditor

Cc:

Council President Michael Solomon  
Members of Committee on Finance  
City Council Members  
Michael D'Antuono, Deputy CFO School Department

ANGEL TAVERAS  
Mayor

SUSAN F. LUSI, PH.D.  
Superintendent



Providence Public School District  
Office of Deputy CFO/Controller  
797 Westminster Street  
Providence, RI 02903-4045  
tel. 401.456-9435  
fax 401. 456-9252  
www.providenceschools.org

February 27, 2012

Honorable John J. Iglizzi  
Chairman  
Providence City Council  
Providence City Hall  
Providence, RI 02903

Dear Chairman Iglizzi:

For your consideration is the fiscal note pertaining to the proposed changes to the Local 1033 contracts (BEST, Teacher Assistants, and Public School Safety Services Officer). The City expects to realize approximately \$3.6 million in reduced expenditures for the duration of the contracts. These new contracts cover the period of July 1, 2011 through June 30, 2015. This agreement covers 845 full time members. The substantive changes in the contract can be categorized within the following three areas; wages and other benefits, health benefits and other.

#### **Wages and Other Benefits**

- Wages will decrease one percent January 1, 2012 (BEST and Teacher Assistants) and increase 3% on July 1, 2013 and an additional 3% on July 1, 2014 (BEST, Teacher Assistants and PSSSO's). The total net cost is \$612K over 4 years.
- The union has agreed to no step increases in FY 2012. This will save \$338K in FY 2012 and all subsequent years.
- The union has agreed to reduce longevity 1%. The savings for FY 2012 is \$194K and all subsequent years.
- The union has agreed to make reductions in the Rhode Island Employee's Benefit Fund and the 1033 Training Fund. The total projected savings are \$30,000.

#### **Health Benefits**

- Effective July 1, 2013, employees with annual base wages of \$50,000 or more shall co-share in the cost of healthcare insurance benefits through pre-tax weekly payroll deduction by the payment of 18% of the negotiated working rate.

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An Equal Opportunity Employer. The Providence School Department does not discriminate on the basis of race, age, sex, religion, sexual orientation, gender identity or expression, national origin, color, disability or veteran status. Vision: The Providence Public School District will be a national leader in educating urban youth. Mission: The Providence Public School District will prepare all students to succeed in the nation's colleges and universities, and in their chosen professions.

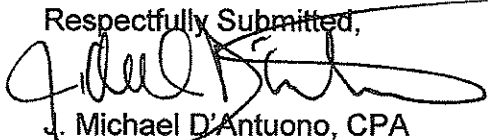
Employees with annual base wages that are less than \$50,000 shall co-share in the cost of healthcare insurance benefits through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate. Effective July 1, 2014, employees with annual base wages of \$50,000 or more shall co-share in the cost of healthcare insurance benefits through pre-tax weekly payroll deduction by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$50,000 shall co-share in the cost of healthcare insurance benefits through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate. The total projected savings are \$1.6 million.

**Other**

- Combining the bargaining units of Crossing Guards and Bus Monitors will save \$481K over the term of the contracts (FY12 – FY15).

Thank you for your consideration and should you have any questions please feel free to contact me to discuss.

Respectfully Submitted,



J. Michael D'Antuono, CPA  
Deputy Chief Financial Officer/Controller

**Four Year Cost of Proposed Agreement with Local 1033**

	<b>2012-2015</b>			
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	<u>(11-12)</u>	<u>(12-13)</u>	<u>(13-14)</u>	<u>(14-15)</u>
Longevity Reductions	\$194,316	\$194,316	\$194,316	\$194,316
Wage Reductions 1%	93,134	200,518	200,518	200,518
Step Freeze	338,334	338,334	338,334	338,334
Wage Increase 3%	0	0	(644,931)	(661,720)
RI Public Employee's Benefit Fund	2,941	2,941	0	0
Training Fund Suspension	11,274	11,274	0	0
Medical Co-Shares	1,924	3,848	915,522	646,712
Creation of Public School Service Safety Officer	68,844	137,686	137,686	137,686
One Year Savings	710,767	888,917	1,141,445	855,846
Cumulative Savings		1,599,684	2,741,129	3,596,975
<b>Total Projected Fiscal Note Savings FY 12-15</b>				<b>3,596,975</b>

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