

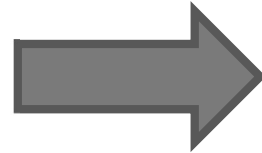
**CENTRAL COVENTRY  
FIRE DISTRICT**  
**Office of the Receiver**

April 14, 2015

# DEPARTMENT REORGANIZATION

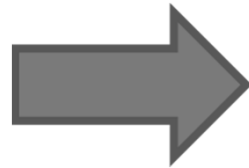
- ◉ Reorganize Department into 3-Platoons / 56-hour (average) workweek
- ◉ Previously, firefighters organized into 4-platoons with 42-hour (average) workweek
- ◉ Results in 33% increase in firefighters' regularly scheduled hours

4 Platoons



3 Platoons

42-hour  
work week



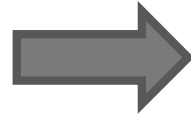
56-hour  
work week

**33% increase in scheduled hours**

# STAFFING CHANGES

- ◉ Minimum Manning - reduce to 8 firefighters on duty at all times
- ◉ 20% reduction from CBA, which called for 10
- ◉ Total Department Staffing - reduce to 30 line firefighters and 2 admin. staff
- ◉ Reduction from contractual requirement of 45 union firefighters
- ◉ Reduction will occur through attrition; currently at 36 firefighters

Min. Manning 10



Min. Manning 8

45 Total  
Union Staff



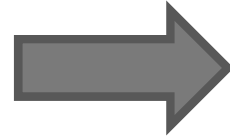
32 Total Union  
Staff

**29% reduction in union staffing**

# STAFFING CHANGES

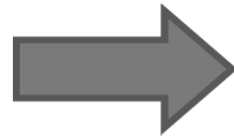
- ◉ Officer Complement - reduce to 3 Captains and 9 Lieutenants
- ◉ Previously, CBA called for 4 Captains and 16 Lieutenants
- ◉ Reduction will occur through attrition
- ◉ Fire Chief - Removed restrictions requiring District to hire Chief from within the bargaining unit

4 Captains



3 Captains

16  
Lieutenants



9  
Lieutenants

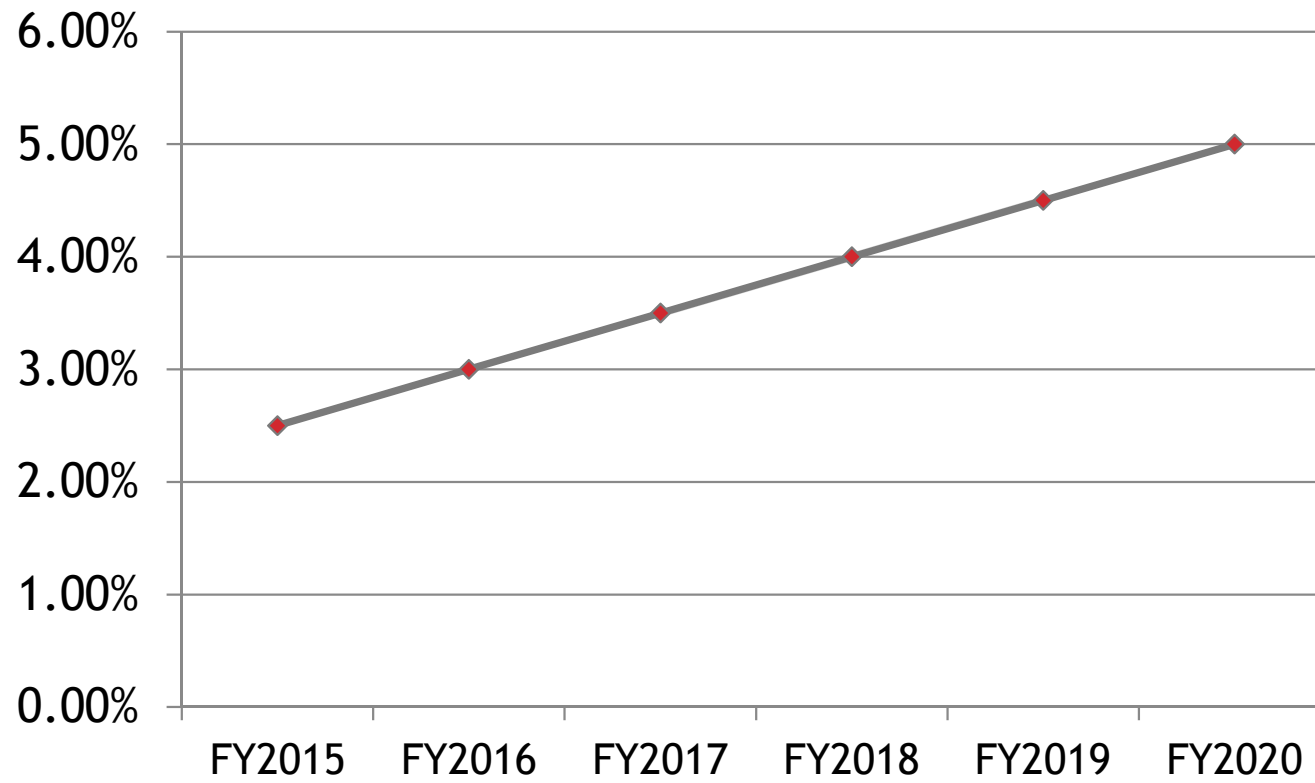
**40% reduction in officer complement**

# MEDICAL INSURANCE CHANGES

- ⦿ Increased medical insurance deductible from **\$1,500/\$3,000** to \$2,000/\$4,000
- ⦿ Increased employee contribution from **0% of deductible** to 100% of deductible
- ⦿ Eliminated co-pays and co-insurance in excess of deductible (were funded by District)
- ⦿ Employees pay a co-share (portion of plan premiums) instead of former flat contribution of **\$10 per week** (indiv) or **\$20 per week** (family)



## Employee Premium Co-Shares



# HEALTH INSURANCE CHANGES

- ⦿ Application pending for membership in RI Interlocal Risk Management Trust - approximately 15% savings in medical and dental premiums (over \$200,000 in FY16)
- ⦿ Employees pay 10% co-share until Trust membership is effective (target 6/1/2015)
- ⦿ Medical buybacks reduced from ½ of premium (\$2,954/\$7,975 previously) to \$2,000/\$4,000

# OTHER INSURANCE CHANGES

- ◉ Dental insurance plan changed to less expensive option through Delta Dental
- ◉ Vision insurance payments (**\$200 per employee annually**) eliminated
- ◉ Life insurance policy limit reduced from **\$75,000** to \$50,000 - resulted in cost reduction of 33% in FY2015

# RETIREE HEALTH INSURANCE

- Reduced contributions to each eligible employee's defined contribution Post-Employment Health Plan from 9.5% in FY 2014 to:

Firefighters hired prior to 1/1/2005:  
3% of base salary

Firefighters hired between 1/1/2005 and 9/1/2014:  
1.75% of base salary

Firefighters hired on or after 9/1/2014:  
1% of base salary

# HEALTH INSURANCE - DISABILITY RETIREMENTS

- ⊙ Injured on the Job (Accidental Disability) → health insurance in retirement reduced from free lifetime family coverage to:
  - Individual plan
  - Limited to 15 years or until Medicare eligibility
  - Retiree pays 25% of premium co-share
  - Restrictions on eligibility (other insurance; income limits)
  - Limited family coverage if totally disabled (unable to perform any work), with 25% co-share

# HEALTH INSURANCE - DISABILITY RETIREMENTS

- ◉ Injured off the Job (Ordinary Disability) → health insurance in retirement reduced from free lifetime individual coverage to:
  - Option to purchase up to 15 years of health insurance coverage
  - Retiree must pay entire premium

# WAGE CHANGES

## ◉ Salary increases:

Fiscal Year	Before	After
2013	2% (4/1/13)	0%
2014	2% (4/1/14)	0%
2015		4% owed + 2% April-August
2016		3%
2017		2%
2018		3%
2019		3%
2020		0% (3% on 8/31/2020)

# LONGEVITY & INCENTIVE PAY

- Longevity eliminated (over \$200,000 annually)
- EMT Incentive Pay eliminated (over \$52,000 annually)
  - EMT-Cardiac: \$40 per week
  - EMT-Paramedic: \$60 per week
- Shift Differential Pay eliminated (\$75 per holiday)
- Clothing Allowances reduced from \$1,200 per year to:
  - \$700 per year starting in second year
  - \$1,200 advance to new hires for initial uniform



# OVERTIME CONTAINMENT

Historical Overtime Expenses				
FY11	FY12	FY13	FY14	FY15 thru 03/31/15
<b>\$850,092</b>	\$524,569	\$379,902	\$387,785	\$276,321

Projected Overtime Expenses					
FY15	FY16	FY17	FY18	FY19	FY20
\$320,261	\$154,500	\$157,590	\$162,318	\$167,187	<b>\$167,187</b>

# OVERTIME CONTAINMENT

- Implementation of Fair Labor Standards Act governing calculation of overtime pay
  - Employees must actually work more than 212 hours in a 28-day period to receive OT payments
  - If District spends \$120,000 on OT in any fiscal year, subsequent hours worked in excess of 212 paid at straight-time instead of time-and-a-half
- Administrative staff exempt from overtime
- Vacation leave and compensatory leave restricted to 2 firefighters at a time (previously allowed up to 6 per shift)

# OVERTIME CONTAINMENT

- ◉ Compensatory time no longer accrued; may be discharged only if it does not result in OT
- ◉ Personal leave may not be used if it results in OT
- ◉ Family Illness leave reduced 50%, from 144 hours to 72 hours per year
- ◉ Leave transfers prohibited; transfers within the past year modified
- ◉ Swap time prohibited if it results in OT

# OTHER COMPENSATION

## ○ Holiday Pay

- Eliminated 6 holidays in FY2015 & FY2016
- Holidays restored and paid at a rate of 12 hours per holiday beginning in FY2017

## ○ Tuition Reimbursement

- Reduced from a total of **\$10,000 per year in the aggregate** to \$5,000 per year in the aggregate

## ○ Outside Training Reimbursement

- Reduced from a total of **\$10,000 per year in the aggregate** to:
  - \$2,000 in FY2015 - FY2018
  - \$5,000 in FY2019 & FY2020

# PAYMENT OF ACCRUED LEAVE

## ⦿ Unused vacation leave

- No longer paid out annually
- Paid in accordance with state law upon separation of employment

## ⦿ Unused sick leave

- Paid out at 25% upon separation of employment with at least 15 years of continuous service; 50% with at least 20 years of continuous service  
(reduced from 75%)

# UNION WAGES - COMPARISON

Total Union Expense	FY11	FY12	FY13*	FY14*	FY15*	FY16	FY17	FY18	FY19	FY20
Former CBA	2,553,355	2,881,095	2,486,422	2,308,254	2,140,092					
New CBA					2,027,265	1,998,124	2,038,087	2,037,762	2,024,908	2,024,908

- Union wages include longevity, incentive pay and salary increases where applicable

\* FY13-FY15 wages are lower than contractual wages under the former CBA, as a result of reductions made during Special Mastership and Receiverships

- Concessions result in total wages in FY2020 that are 29.7% less than the total wages paid in FY2012, eight (8) years earlier

# IMPACT OF UNION CONCESSIONS

<b>CCFD FIREFIGHTER CBA NEGOTIATED SAVINGS</b>						
<b>FIREFIGHTER UNION - LOCAL #3372</b>						
<b>Category - Cost/(Savings)</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>FY 20</b>
Salaries	(477,040)	(527,489)	(512,740)	(513,064)	(525,918)	(525,918)
Overtime	(398,395)	(596,484)	(626,309)	(618,008)	(690,505)	(725,031)
Total Medical Expense	(255,046)	(303,104)	(285,646)	(284,638)	(279,451)	(243,787)
Employer PEHP Contribution	(216,022)	(226,378)	(225,953)	(226,820)	(230,574)	(229,217)
Longevity	(86,977)	(203,484)	(205,240)	(205,240)	(236,391)	(236,391)
HSA Contribution	(123,333)	(142,000)	(142,000)	(142,000)	(142,000)	(142,000)
Employer Pension Contribution	(13,113)	(122,117)	(87,245)	148,678	162,408	191,829
Holiday Pay	(108,407)	(113,016)	(44,208)	(45,458)	(44,522)	(44,522)
FICA - Employer	(55,459)	(69,017)	(61,365)	(62,963)	(61,723)	(61,723)
Clothing Allowance/Maintenance	(25,080)	(26,620)	(26,620)	(27,390)	(28,160)	(28,160)
Life insurance	(5,186)	(4,676)	(4,676)	(4,862)	(5,048)	(5,048)
Vision Care	(8,800)	(8,800)	(8,800)	(8,800)	(8,800)	(8,800)
<b>Total Savings to Fire District</b>	<b>(1,772,859)</b>	<b>(2,343,185)</b>	<b>(2,230,802)</b>	<b>(1,990,565)</b>	<b>(2,090,685)</b>	<b>(2,058,768)</b>

# TAX CHANGES

- Tax levy increases limited to 2% per year from FY2016 - FY2020\*
  - Residential property valued at \$150,000:
    - \$411.38 in taxes in FY2015
    - FY2016 - FY2020: an additional **\$8-9 per year**
  - Residential property valued at \$200,000:
    - \$548.51 in taxes in FY2015
    - FY2016 - FY2020: an additional **\$10-12 per year**
  - Residential property valued at \$250,000:
    - \$685.63 in taxes in FY2015
    - FY2016 - FY2020: an additional **\$13-15 per year**

\*Levy increases assume a base growth of 0.25% per year