

Locals 34 and 35 Contract Settlement

JOINT ISSUES

1. Pensions

A. New multiplier formula

For employees retiring on or after January 21, 2002 the multiplier will be calculated at a tiered rate of

tier definition at settlement	multiplier
\$1 to \$30,000	1.5
above \$30,000 to \$55,000	1.4
above \$55,000	1.3

The tier definition amounts will be increased on the dates of across-the-board wage increases by the average (mean) of the across the board increases for Local 34 and Local 35. This eliminates the problem we have faced with the current formula where the multiplier declined as salaries rose over time. The new formula raises the typical effective multiplier amount from about 1.08 to 1.48. (Yale had offered 1.25 on the eve of the strike.)

tier definition in final year	multiplier
\$1 to \$37,036	1.5
above \$37,036 to \$67,900	1.4
above \$67,900	1.3

Pensions increase dramatically based on the higher multiplier and the raises. These tables compare the pensions that employees with 30 and 20 years of service in common job classifications, prior to settlement, at settlement, and in the final year of the contract. The typical increase is about 94%.

In final year of contract	Grade 3		Grade 11		Average for age 60+ workers (both unions)	
Annual salary (final year)	36,140	36,140	64,084	64,084		
Years of service	30	20	30	20	30	20
Current annual pension	8,931	5,954	14,746	9,831	10,096	6,730
Settlement annual pension	13,176	8,784	22,286	14,857	15,188	10,125
Final year annual pension	16,263	10,842	28,027	18,684	19,551	13,034
\$ Increase final year vs. pre-settlement	7,333	4,888	13,280	8,854	9,455	6,303

In last year of contract	C&T B Maximum		C&T C Maximum		C&T D Maximum	
Employee annual salary	44,288	44,288	49,579	49,579	55,514	55,514
Years of service	30	20	30	20	30	20
Current annual pension	9,930	6,620	11,035	7,357	12,276	8,184
Settlement annual pension	15,049	10,032	16,739	11,159	18,635	12,423
Final year annual pension	19,712	13,141	21,934	14,623	24,427	16,285
\$ Increase final year vs. pre-settlement	9,782	6,522	10,899	7,266	12,151	8,101

B. Early retirement: 60 years old, 25 years of service

Early retirement with no penalty is now available at age 60 with 25 years of service.

C. Pay for sick pay at retirement

Any employees retiring on or after the date of ratification will be paid out 25% of their accumulated sick time in cash at retirement and the 75% balance will be applied toward the employee's years of service for retirement.

Any employees retiring in January 2008 or later will be paid out 50% of their accumulated sick time in cash at retirement and the 50% balance will be applied toward the employee's years of service for retirement.

2. Retroactivity

We will receive retroactivity payments equal to 67% of the amount of our raises since the last contract expired in January 2002. However, no employee on the payroll prior to January 31, 2002 will receive less than \$1,500, and no one hired since then will receive less than \$500. We expect the average retroactive payment to be over \$2,500. The largest payment will be over \$4,900.

3. Duration

Eight years, from January 21, 2002 to January 20, 2010, of which a little more than six years remain.

4. Scholarship for Sons and Daughter

Effective July 1, 2004, The Scholarship Program for Sons and Daughters will cover full-time attendance at a community college. Local 35 employees with a permanent schedule of 35 hours are now covered by the program.

5. Employee Tuition Reimbursement

The maximum annual reimbursement under the Tuition Assistance for Non-Yale Courses or Degree Programs will be increased to \$3,500 per year. Beginning July 1, 2005, the amount will increase each year by the value of the Local 34 across the board increase for that year.

6. Yale Health Plan Prescription Deductible, Outpatient Mental Health Reimbursement

Both the annual deductible that we pay for our prescription coverage and the reimbursements that we receive for outpatient mental health will go up twice during this contract. The changes reflect that fact that both prescription and mental health costs are increasing rapidly. These changes are cost neutral, meaning that as a group the amount that we will gain in mental health reimbursements will equal the amount we will pay in increased prescription deductibles.

	Current	January 2004	January 2006
Single person annual prescription deductible	100	150	200
Family annual prescription deductible	300	450	600
Mental health reimbursement per visit	40	50	60

7. Life Insurance

The life insurance provided to all employees at no cost will increase to \$5,000. The coverage for retirees will be increased to \$5,000. The noncontributory life insurance program will continue.

8. Community Training

A committee will be formed with Yale, Local 34, Local 35 and community representatives to train New Haven residents to qualify for entry-level positions in Local 34 and Local 35.

9. Car Pools, Mass Transit

If you commute by bus, train or car pool, you will get three free parking passes a month to park in a Yale lot.

10. Health and Safety

Changes to explicitly include personal security in the health and safety language and to improve how the Joint Health and Safety Committee functions.

11. Workers Compensation

Creates a committee to try and improve how workplace injury victims are treated and to reduce injuries.