

Essential Steps to Prepare for 2019 Negotiations

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If your municipality has a collective bargaining agreement expiring in 2019, your preparation for bargaining should begin now. This article will outline the essential steps that apply to all contract negotiations between Pennsylvania municipal employers and any union representing both uniformed and non-uniformed employees. The collective bargaining process is an opportunity for the municipality to determine how it will allocate its resources in the short term and for years to come. It is thus imperative that the municipality enters into negotiations as informed, and as prepared, as possible.

The following steps are equally applicable to negotiations with a uniformed bargaining unit in which binding interest arbitration is possible (e.g. police, fire, etc.) or with non-uniformed bargaining units.

- Step 1: Have experienced labor counsel review the contract along with the pension plan and pension ordinance and other language that binds the municipality to provide healthcare or other benefits in order to identify any illegal contractual provisions or benefits that should be eliminated.
- Step 2: The municipal manager and the manager of the bargaining unit in question should also review the expiring contract to identify problematic contractual provisions that impair efficient operations and drive up costs. Labor counsel should review these provisions as well and identify where changes are needed to address the issues or to clarify and restore management rights.
- Step 3: Review your health benefits and shop those benefits around for cost savings. Examine plan design changes and possible new health plans. Review providers, deductibles, co-pays and contributions. Identify how you want to change health benefits and gather cost figures to show the union why these changes are necessary. Be cognizant of the 2022 Cadillac tax health benefit cost thresholds and draft proposals to deal with that issue if the need arises.
- Step 4: In addition to the costs of benefits, examine what other costs have increased such as base pay, longevity pay, overtime costs and the cost of leave buy backs, etc.

- Step 5: Review prior grievances and arbitration decisions and other contract interpretation issues that arose in the past to determine what new contractual language is necessary to resolve those issues and to clarify the contractual language.
- Step 6: Be prepared to present data to the union or an arbitrator in Act 111 interest arbitration demonstrating the municipality's expenses and why costs have to be controlled in order to keep public services sustainable.
- Step 7: Put together a bargaining team composed of the best possible negotiators. Identify bargaining team members who have the optimal experience, skills and relationships with the union to achieve your goals.
- Step 8: The municipal manager and the bargaining unit's supervisor should work with labor counsel to draft recommended contract proposals and bargaining strategy to achieve your final contractual goals regarding salary, health care, and pension changes in bargaining or interest arbitration. Be sure the elected officials buy-in to the proposals as well.
- Step 9: Remain aware of the legal deadlines for Act 195 and Act 111 units for bargaining and if applicable interest arbitration. While municipalities must be particularly careful in not missing the Act 111 deadlines for responding to union bargaining and arbitration demands and preserving issues in dispute, municipalities also must be aware of how to respond to early demands from the union. It is imperative that a municipality consult with labor counsel on compliance with all legal deadlines throughout the bargaining process and on what to do if the union misses a deadline.

Although the collective bargaining process can be time consuming, it presents a critical opportunity to obtain financial relief for a municipality. It is therefore essential that municipalities approach the process by being well prepared and with the necessary bargaining proposals that it can reasonably support and that address its fiscal and operational concerns. The key to success in collective bargaining under Act 195 or Act 111 is to be prepared.

Campbell Durrant attorneys specialize in municipal law, particularly municipal labor and employment law across the entire state. Our attorneys represent municipalities throughout the Commonwealth of Pennsylvania and have advised municipalities in bargaining and acted as Act 195 and Act 111 presenters and municipal arbitrators for over forty years. We are prepared to help you implement all of these steps and achieve your bargaining goals.