

Frequently Asked Questions -- Responses from MEA Attorney and Lead Negotiator Ann Smith re MOU Ratification Vote

Question #1. Why is MEA's elected Negotiating Team recommending a "YES" vote to ACCEPT this one-year MOU?

Answer. This is the best attainable contract in light of the COVID-19-related tax revenue losses the City has already experienced and will face deep into the next fiscal year. Despite your Team's focus for months on the need for pay raises and the data to support them, the post-COVID-19 reality completely changed the bargaining narrative. The Mayor and City Council have made clear that, under the circumstances, they cannot and will not approve pay increases for *any* City employee regardless of the nature of their job. When an economic crisis like this one hits, success must be measured differently. This tentative agreement has no "takeaways;" it includes three discretionary leave days (24 hours for full-timers); it guarantees \$11,705 in flex for those who waive medical insurance and take cash back; and it achieves a long-awaited big gain in flex for those who cover dependents but *not* at the "expense" of other employees who don't.

Question #2. What's the *good news* about FLEX in this one-year MOU?

Answer. With pay raises off the table for all City employees, your elected MEA Negotiating Team focused on the flexible benefits plan after confirming in conversations with City Councilmembers that improvements for those employees who cover dependents might be the only improvement *they* would consider for FY21 when the Mayor's firm position was *zero* and more *zero*. However, in past bargaining cycles and, as shown by the results with other City Unions, the City had always insisted that it would not agree to increases in the three employee-plus tiers unless MEA agreed to reduce the amount of flex available for those who waive or take employee-only. MEA likewise always rejected this approach and those who lost out, though disappointed, accepted MEA's unwillingness to get something better for them if it meant that other employees would have to give something up.

In an effort to make "lemonade" out of this bargaining cycle's "lemons," MEA's Negotiating Team set a two-fold goal: improve the flex allowances for those who cover dependents, *and* preserve the full \$11,705 in flex for those who waive or cover employee-only and count on cash-back in 24 paychecks a year. The reason these cash-back arrangements were under more serious threat in this bargaining cycle is because the City's flexible benefits plan has lost its bona fide

status under federal overtime laws because of these cash payouts and, as a result, the City's cost for each overtime hour paid is more expensive. For the same reason, the City was adamant that it would not agree to increase the \$11,705 for those who waive medical insurance or cover employee-only because this arrangement already involves so much cash-back to employees.

The one-year MOU being recommended, if ratified, accomplishes both goals: (#1) it increases the flex allowance for those employees who cover themselves plus children to \$14,000; for those who cover a spouse/domestic partner to \$16,000; and for those who cover the whole family to \$22,000, on condition that they also waive cash-back; and (#2) it preserves the full \$11,705 in flex for those who waive or cover employee-only and take cash-back or put flex dollars into their 401(k) retirement savings account.

Question #3. Why should I vote to approve this one-year MOU if I am in a category that does not get a FLEX increase?

Answer. If ratified, this MOU will provide a contractual guarantee that there will be no pay cuts -- either directly or indirectly by unpaid mandatory furlough days. City employees experienced both during past economic crises -- and news of likely pay cuts and unpaid furloughs days in the *public* sector is now widespread. Whether you cover dependents with medical insurance or not, this one-year MOU is better for you than *no contract at all* -- which is the alternative -- because a contract provides legal protections for *all* MEA-represented employees. If this set of terms is not ratified, nothing better is waiting in the wings. There will simply be no contract at all.

Question #4. Why didn't MEA's Negotiating Team get *something for everyone*?

Answer. While it's true that this one-year MOU does not have something *new* for everyone, it preserves important contractual protections for *all*. Bargaining is always a long game and every MOU benefits some employees more than others. Take a look back at the long list of Special Salary Adjustments and Infrastructure Premium Pay achieved for some in FY19 and FY20 while others still wait despite Civil Service Commission recommendations. To be effective, MEA must set its sights on what can be achieved for the greatest number of represented employees and never turns down an opportunity to get something for some even if it can't get something *new* for everybody. And, stronger together, we will return to the bargaining table with the City in November to take up the fight for FY22.

Vote "YES" To Approve!