

**City Council role in police contract process essential
to Boston's fiscal well-being and the well-being of residents**

Before the

Boston City Council's Committee on Ways and Means

September 8, 2020

Regarding: Docket #0840 - A hearing regarding police contracts as policy documents.

Good Afternoon. My name is Pam Kocher. I am the President of the Boston Municipal Research Bureau. I am also a city resident.

Thank you for this opportunity to speak to Docket #0840.

The Research Bureau's mission is very much focused on sound city finances and policy, so that Boston has the resources to do what it needs and wants to do, now and in the future, for all who live, work, and learn in our city.

Negotiations between the City of Boston and its public unions play a critical role in the City's ability to provide public services cost-effectively, improve the service efficiencies of its departments, and achieve sound policies and programs.

In contract negotiations, the Research Bureau supports the intentions of Docket 0840 to use the CBA negotiation process to improve police accountability, increase transparency, and reallocate BPD resources as needed.

Need for Increased Transparency on Contract Costs

A review of the City's personnel earning reports found that BPD's payroll has increased 43% (over \$125 million) between 2011 and 2019, exceeding personnel cost increases in all other civilian departments. This increase is driven by contract provisions either agreed on at the bargaining table or in some cases imposed by a decision of the Commonwealth's Joint Labor Management Committee (JLMC).

The BPPA CBAs, for example, as written and implemented, lack transparency and accountability leading to a variety of "hidden costs" that continue to increase year over year. These different compensation factors are not usually noted when reporting on earnings. They are hidden when new contracts are reported and the costs are described only in terms of annual salary increases.

Some of these provisions, such as hazardous duty compensation, Police Career Incentive (Quinn Bill) and vacation buy-back benefits are pension-eligible which will add to an employee's retirement allowance and increase the City's pension liability.

Collective Bargaining Process and Escalation of Arbitration Awards

The Research Bureau acknowledges that there are a wide variety of issues the City and union will have to work through in this iteration of the CBA's.

However, when focusing on finances and planning for the future of these negotiations, it is important to look at past precedent.

The Research Bureau has long kept an eye on the progression of past CBAs, as a series of public safety binding arbitration awards from 2010 through 2015 led to increasingly expensive compensation costs.

The 2010 binding arbitration award for the Boston firefighters union was driven by the unions push to have "parity" with Boston police officers. The final agreement defined parity as total compensation including overtime and paid detail. This meant that to reach "parity" a firefighter's base pay now measured itself against both a police officer's base pay and any extra pay the officer received in addition to regular salary. Because the firefighters' new base pay resulted in a significant wage advantage over Boston's patrolmen, the 2013 BPPA arbitration award once again upped the pay so an officer's base pay was now in "parity" with the firefighters. In 2015, seeking to also gain parity, the Detectives union used these past awards to drastically increase their contract as well. These increases continue to climb in excess of other public unions as police and fire unions seek to reach an arbitrary level of parity with each other.

Using a nebulous definition of parity as a measuring stick for equal pay has enabled binding arbitration processes to largely ignore the "hidden costs" that make up a substantial portion of a police officer's total earnings.

This cycle of public safety binding arbitration awards building off of each other to justify even greater compensation benefits is a trend that is fiscally unsustainable for the City. And, as representatives from Campaign Zero noted, arbitration is decisions have a tendency to make discipline and accountability difficult, among other challenges.

Past City Councils could have refused to approve these awards but chose not to. This City Council may choose to act differently should a similar situation arise.

Since 2016, public safety unions and the City have reached agreements through the collective bargaining process, avoiding potential for expensive and overly restrictive arbitration decisions.

Under current fiscal conditions, municipal officials are required to manage resources even more effectively but regardless of whether an agreement is reached via negotiation or binding arbitration, inflexible employee contract language like minimum OT guarantees, or expensive arbitration awards create conditions that can make it difficult to spend taxpayers' money more effectively or deliver services more productively.

Reallocation of Resources: Sworn Officers to Civilian positions

The BPD noted in a July 28, 2020 hearing that one of the measures under review to reduce overtime replacement costs is having civilians replace administrative positions currently being filled by approximately 80 to 100 sworn personnel.

Any positions within the BPD that do not require sworn officers to do the job should be converted to civilian positions, freeing up police officers for policing duties where they are needed.

While some position conversions could allow reassignment without bargaining, others would likely require negotiation with unions. The timing is opportune to address changes that require bargaining which may have been off the table in the past.

City Council Role is Key

City Council review, and approval or rejection, of collective bargaining agreements or arbitration decisions is key to the City's fiscal well-being and the well-being of its residents.

The City Council must approve all spending in the City, including items like collective bargaining contracts that occur outside of the regular budget process. The City Council may not be at the bargaining table, but it does have the power and responsibility to reject a contract (by not funding it) and push for reforms and accountability.

The council has the right and the ability to send even a binding arbitration agreement back to the table and it should consider deploying this option should the need arise.

The City Council should use its considerable authority over collective bargaining agreements to decide if the financial and policy provisions in the next round of contracts are what is best for the City and its residents.

In making this final decision, the Council should take a critical look at the final product and ask questions such as:

- What did the union achieve in negotiations and can the City afford the financial implications? Are these the right investments in policing?
- What did the City achieve in negotiations - What management, policy and operational improvements are included in a collective bargaining contract that will benefit residents in return for the added compensation provided in the contract, and do those improvements justify the compensation increases in the contract?
- Does the contract include changes that will improve the effectiveness and efficiency of city services? This can include policy changes like the distribution of OT and reallocation of resources through the process of converting positions filled by sworn officers to civilians where appropriate.
- Consider the implications of agreements or arbitration awards on future contracts: how the financial compensation in a contract as well as policy and management rights could influence future contracts negotiated with other city unions.