

Labor Negotiations



Matthew U. Watkins

Getting Ready & Starting Negotiations

We are pleased to launch a new column and a new aspect of member services at New Jersey State League of Municipalities. Following is an introduction by Matthew U. Watkins, we look forward to his work with the League.

I am excited to be a part of the League's efforts to enhance its Labor Advisory Service for New Jersey local governments. The Service assists communities with a wealth of information needed to prepare for negotiations with their labor unions. The enhancement will provide more current information about issues and trends in NJ Labor-Management.

Getting ready to negotiate and new collectively bargained agreement, it is critical to have the latest in trends and issues that may impact on the new agreement. Knowing the various trends and new regulations has been very time consuming. The Labor Advisory Service, now through articles and seminars will assist you in your preparations for negotiations. Each month, I will be working with labor attorneys and others to provide you with guidance on those trends and nuances to negotiations that I have experienced over the years. Moreover, I will make myself available to those individuals interested in getting more information.—MW

Many of us over the years have tried to obtain current information on trends in negotiations. This has been a hit-or-miss proposition.

Meanwhile, labor unions are well organized and very much aware of trends in negotiations with municipalities. We hope to address the constantly changing labor management environment in New Jersey by accumulating information, contracts, review of court and PERC decisions and make this available to you.

For this effort, it is extremely helpful if you can provide NJLM with your current contracts. Or, simply make sure that your municipal clerk has posted all your current contracts with a Public Employee Relations Commission (PERC).

Getting Ready

The first phase of every successful negotiation is preparation. Following is an outline of the preparatory steps needed for successful labor negotiations. This process should start 4 to 6 months before the contract ends.

SCATTERGRAM First, develop a scattergram of your union membership.

You should have a spreadsheet that includes:

- Name
- Title
- Date of hire
- Date of birth
- Base salary or hourly rate

Name		Date Of Hire		5/25/2016	Salary	Step			Longevity		14 Days					
First	Last	Title	Date Of Hire	Date Of Hire	Current seniority	on 5/31/16	Step	Date	Due Date	New Annual	%	Due date	Holiday	Clothing	Stipend	Total Compensation
		POLICE DE	9/11/2006	9/11/2006	9 Years, 8 mons	#####	1	7/24/2015	7/24/16	106,317.66	2%	9/11/16	\$ 6,898.33	\$ 1,000.00	\$ -	\$ 109,979.93
		POLICE DE	9/1/1993	9/1/1993	22 Years, 8 mons	#####	2				8%		\$ 7,163.65	\$ 1,000.00	\$ 500.00	\$ 121,235.29
		POLICE DE	7/20/1998	7/20/1998	17 Years, 10 mons	#####	max				6%		\$ 7,030.99	\$ 1,000.00	\$ -	\$ 118,517.97
		POLICE DE	9/7/2004	9/7/2004	11 Years, 8 mons	#####	max				4%		\$ 6,898.33	\$ 1,000.00	\$ -	\$ 116,300.65
		POLICE DE	3/17/2006	3/17/2006	10 Years, 2 mons	#####	max				4%		\$ 6,898.33	\$ 1,000.00	\$ 100.00	\$ 116,400.65
		POLICE OFI	9/22/2015	9/22/2015	0 Years, 8 mons	#####	1		9/22/16	39,851.00	0%		\$ 2,204.17	\$ 1,000.00	\$ -	\$ 37,841.17
		POLICE OFI	9/19/2014	9/19/2014	1 Years, 8 mons	#####	2		9/19/16	45,066.00	0%		\$ 2,535.97	\$ 1,000.00	\$ -	\$ 43,386.97
		POLICE OFI	7/16/2013	7/16/2013	2 Years, 10 mons	#####	3		7/16/16	50,279.00	0%		\$ 2,867.84	\$ 1,000.00	\$ 200.00	\$ 49,133.84
		POLICE OFI	3/1/2012	3/1/2012	4 Years, 2 mons	#####	5				0%		\$ 3,531.37	\$ 1,000.00	\$ -	\$ 60,024.37
		POLICE OFI	8/20/1990	10/7/2005	10 Years, 7 mons	#####	max				10%		\$ 7,005.60	\$ 1,000.00	\$ -	\$ 118,093.60
		POLICE OFI	9/10/1993	9/10/1993	22 Years, 8 mons	#####	max				8%		\$ 6,878.23	\$ 1,000.00	\$ -	\$ 115,964.63
		POLICE OFI	1/28/1994	1/28/1994	22 Years, 3 mons	#####	max				8%		\$ 6,878.23	\$ 1,000.00	\$ 500.00	\$ 116,464.63
		POLICE CA	1/6/1998	1/6/1998	18 Years, 4 mons	#####	max				6%		#####	\$ 1,000.00	\$ -	\$ 174,703.54
		POLICE LIE	9/10/1993	9/10/1993	22 Years, 8 mons	#####	max				8%		\$ 9,287.60	\$ 1,000.00	\$ -	\$ 156,235.56
		POLICE SEI	5/5/1997	5/5/1997	19 Years, 0 mons	#####	1	#####	10/20/16	124,421.74	6%		\$ 7,220.94	\$ 1,000.00	\$ 200.00	\$ 121,892.88
		POLICE SEI	1/28/1994	1/28/1994	22 Years, 3 mons	#####	max				8%		\$ 8,067.14	\$ 1,000.00	\$ -	\$ 135,836.46
		POLICE SEI	9/11/2006	9/11/2006	9 Years, 8 mons	#####	max				2%	9/11/16	\$ 7,768.36	\$ 1,000.00	\$ -	\$ 128,494.94

Example of a Scattergram

- Stipends such as holiday pay or uniform allowance, longevity
- Total compensation column for each employee.

Be sure to input dates so you can sort by date. Further, make sure you know when employees move from one grade to the next. This should be done as well for longevity. All should be in your calculations.

DOCUMENT CONTROL You should have your labor contract in a format that can be edited, such as MS Word or Google Docs. You will also need this to prepare the Memorandum of Agreement (MOA). Each article in the MOA, should include the entire article, not just the changes. Being specific and clear in the MOA is extremely vital and important as labor negotiations wrap up. Never lose control of this document, especially in the final form.

REVIEW ISSUES This is the time to review all grievances that occurred over the past few years to determine if there are any parts of the contract language that are vague and have created disputes. Ask the department heads about issues they may have, too. Review those carefully and address them if possible. Further, you should have a comprehensive discussion with the municipal labor attorney to make sure that those items you believe are important are not in conflict with any other part of the municipal operation or the law.

ESTABLISHING YOUR POSITION With the information above, prepare the cost analysis you will need to present your governing body. The finance officer should have this information or be able to assist in this analysis. You should have a clear understanding from the scattergram how much a 1% increase in salaries would cost the municipality. Further, you should understand the daily cost for that unit. Often, trading time for salary is part of the discussion. Knowing exactly how much a day costs is critical in both discussions with your governing body and later with the union.

Lastly, you should prepare the position that you wish to take with the unions. This needs to be discussed in executive session with the governing body. You should have a clear list of items that you want and those items in the contract that need to be addressed—and know the value of each item. The governing body must provide you with limits and agree on all issues that you intend to address.

I'm hopeful that this information is handy for you in preparations for your next negotiations. Again, I ask for your assistance; please send your labor contracts to me at Matt@njcs.us.

I look forward to hearing from you or assisting you on labor matters as a part of this new service from the New Jersey League of Municipalities. 🇯🇵

Matthew U. Watkins is a retired municipal manager, and former PERC Commissioner and Director of DLGS. He is now President of NJ Community Solutions, LLC

VENDORS: WANT TO REACH THE MUNICIPAL MARKET?

NJLM's magazine puts your company name in the hands of local government decision makers across the state.

REACH A UNIQUE NICHE AUDIENCE

92%

of NJ Municipalities' readers are currently involved in local government.

GENERATE QUALITY LEADS

6,355
subscribers



MAINTAIN A PRESENCE

70%

of readers have subscribed for 10 years or longer.

ESTABLISH BRAND AWARENESS



In front of the magazine's niche local government audience.

NEW JERSEY
STRAIGHT AHEAD

NJLM New Jersey State League of Municipalities

nj municipalities
Official Publication of the New Jersey State League of Municipalities

Contact: Tasneem Kapadia, Advertising Coordinator, 609-695-3481, ext. 121 • tkapadia@njlm.org