

FINAL BARGAINING REPORT

BETWEEN

**COMMUNICATIONS WORKERS OF AMERICA
DISTRICT 9**

and

**VERIZON SELECT SERVICES, INC.
(CALIFORNIA)**

MARCH 2017



Verizon Select Services. Inc. (California)
Final Bargaining Report
March 2017

Dear Member,

We have reached a tentative agreement with Verizon on a four-year contract. We have achieved improvements on some items and were able to fight the Company on their proposed take-backs listed below:

- Elimination of double-time;
- Less flexibility in scheduling of carry over vacation and vacation days;
- Reduction of differential payments;
- GPS work rule infraction –Reduce the amount of Union involvement;
- Elimination of New Hire Retiree Medical and Life Insurance;
- Out of State/Out of Franchise assignments at management discretion.

This is a good agreement your Bargaining Committee recommends a Yes vote on the contract. Your Committee has negotiated everything possible at the table; we therefore recommend that you vote to ratify this agreement.

In Solidarity,

Your Union Bargaining Team

Judy RaPué
Chair

Staff Representative CWA District 9

Etta Johnson
Chief Steward
CWA Local 9510

Alejandro Lawrence
Vice President
CWA Local 9404

Verizon Select Services. Inc. (California)
Final Bargaining Report
March 2017

Duration of Contract:

The terms of the contract will become effective upon ratification and will remain in effect until March 6, 2021.

1. Wages and Other Compensation

The combined 4-year wage increase will result in compounded 10.38% base wage increase by the end of the contract. A ratification bonus of \$1,000 will add to these gains.

a) **General Wage Increase.** The increase listed below are applied to all steps in the basic wage schedules for the year indicated:

- 2017, 2.25% effective upon ratification
- 2018, 2.25%
- 2019, 2.5%
- 2020, 3.0%

b) **Ratification bonus.**

- \$1,000, payable within 30 days of ratification.

2. HealthCare Costs

A model was set for the contributions across Verizon after the ratification of multiple contracts. This agreement provides a lower cost for HMO's than offered in all other Verizon contracts previously ratified.

- Contributions are deducted pre-tax from wages bi-weekly.
- Employees or covered dependents using tobacco products pay an additional \$50 per month as indicated on the list of contributions. The additional cost may be avoided by participating in a smoking cessation program.
- An on-line Health Risk Assessment must be taken by the covered employee to receive a \$100 yearly credit that has been applied to the list of contributions. If the Health Risk Assessment is not taken an additional \$8.33 per month will be added to the monthly contribution rate.

Verizon Select Services. Inc. (California)
Final Bargaining Report
March 2017

Effective January 1, 2018, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Comprehensive Medical Plan Monthly Employee Contribution (Tobacco User Rate)	Comprehensive Medical Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$151	\$101
Employee + 1 or more	\$252	\$202

Effective January 1, 2019, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Comprehensive Medical Plan Monthly Employee Contribution (Tobacco User Rate)	Comprehensive Medical Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$160	\$110
Employee + 1 or more	\$270	\$220

Effective January 1, 2020, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Comprehensive Medical Plan Monthly Employee Contribution (Tobacco User Rate)	Comprehensive Medical Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$180	\$130
Employee + 1 or more	\$310	\$260

Effective January 1, 2021, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Comprehensive Medical Plan Monthly Employee Contribution (Tobacco User Rate)	Comprehensive Medical Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$195	\$145
Employee + 1 or more	\$340	\$290

3. New Hires

The 90- day waiting period for Long Term Disability, Comprehensive Medical Benefits and Dental Benefits will be waived for all new employees hired on or after the affected date.

4. Pension Death Benefit

If a vested participant dies prior to his or her pension commencement date without having designated a pension beneficiary, the Pension Plan will pay a lump sum to the estate of the deceased participant equal to the amount that would have been paid to a beneficiary.

Verizon Select Services. Inc. (California)
Final Bargaining Report
March 2017

5. Voluntary Employee Beneficiary Association (VEBA)

VEBA – Added Medicare Advantage benefit for Medicare eligible retirees. The Union will be included in the communication process, in addition a satisfaction survey will be conducted and the results will be provided to the Union.

6. Voluntary Termination Bonus

Option to increase from \$10,000 to \$20,000 at the Company's discretion.

7. Differential Improvements

Scheduled day from \$12.00 to **\$13.00**

Non-scheduled day from \$19.00 to **\$20.50**

Work week from \$98.00 to **\$106.00**

8. Health Reimbursement Account (HRA)

HRA balances must be exhausted by December 31, 2017 or any remaining balance will be forfeited.