



# ICCSOM

## Settlement Bulletin

INTERNATIONAL CONFERENCE OF SYMPHONY AND OPERA MUSICIANS

June 5, 2005

### Philadelphia Ratifies 3-Year Agreement

On November 20, 2004, the musicians of the Philadelphia Orchestra ratified a three-year agreement that runs from September 20, 2004 through September 16, 2007. On February 23, 2005, the musicians ratified audition language for that agreement. This was a negotiation process in which the board attempted to re-open the previous contract in August 2003 (year 4 of a 5-year agreement). Once the orchestra refused to re-open the agreement, they elected their negotiating team in September 2003. Throughout the 2003-04 season, the committee was barraged, both in board meetings and negotiations, with efforts to change their health care, to forego raises due in February 2004, and to reduce the size of the orchestra by 10 musicians. The reason for this was a \$50 million endowment grant by the Annenberg Foundation, which came with the restriction that the orchestra balance their budget in the 2005-06 season as well as deal with the projected \$2.65 million deficit in 2003-04. In this environment the committee tried using a facilitator, used information provided by Ron Bauers, and went through hundreds of pages of financial and lease documents.

There was no substantial agreement prior to agreement expiration, and the two sides remained millions of dollars apart as the previous agreement was extended through Opening Night and Carnegie Hall Opening Night. The mayor of Philadelphia finally stepped in to prevent a work stoppage and devoted incredible energy and time to come up with a deal. In the end both sides had to accept things there were extremely opposed to. These included media language the orchestra had expected the Philadelphia Media Committee Institute to deal with, "revenue-generating" proposals from the marketing department, paying the musicians more and limits on reducing the size of the orchestra temporarily.

	<b>[2003-04]</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
<b>LENGTH OF SEASON:</b>	[53 wks]	52 wks	52 wks	52 wks
<b>WAGES: Annual Salary –</b>	[\$104,000]	\$104,000	\$109,200	\$114,400
<b>Weekly Salary –</b>	[\$1,900/\$2,000]	\$2,000	\$2,100	\$2,200
	[9-15/2-2]			

**EMG:** After a nine-year hiatus, musicians will once again receive an EMG of \$40 per week, which commences March 15, 2005.

**Radio -** \$30 per week of the EMG will be used for up to 13 national/international broadcasts in the 2004-05 season and up to 26 national/international broadcasts in 2005-06 and 2006-07. Each broadcast will be paid for at the equivalent of \$60 per broadcast. No more than 3 international broadcasts may occur without the approval of the Philadelphia Orchestra Media Institute (POMI). AFM-EPF payments will be 7% in 2004-05 and 2005-06, and will increase to 7.5% to match pension paid for wages.

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[EMG cont.]

**Recordings (CDs, etc.)** - \$10 per week of the EMG will be used for recordings from live concerts only, not sessions and will be considered as an advance against revenue sharing. Each disc will be paid for at the equivalent of \$120 or 6% of weekly salary with a lump sum payable at the end of each season, as applicable. AFM-EPF remains at 10%.

Media work above these amounts required additional payment.

**VACATION:** [was 10 weeks] Becomes 10 vacation weeks plus 1 string relief week, and increases to 2 string relief weeks in 2006-07 (a string relief week is not less than 6 consecutive days.)

**PENSION:** [was private plan - \$55,000 per year] Becomes a mixed plan that includes each musician's accrued benefit as of September 19, 2004 in the frozen private plan (\$1,833.33 per year of service up to 30 years) plus contributions based on scale wages (does not include media payments) paid to the AFM-EPF of 3% in 2004-05, 5% in 2005-06 and 7.5% in 2006-07. Musicians retiring at age 60-65 with 30 years of service during this agreement are guaranteed \$65,000 per year through a combination of earned benefits from the POA pension plan and benefits paid on scale wages to the AFM-EPF. Should the AFM-EPF reduce the benefit conversion rate below \$3.50 per \$100 of accrued benefits, the Association will increase the contribution to cover the reduction in paid benefits.

**INSURANCE:**

**Health –** [was PPO with \$5/\$10 co-pay] Remains a PPO with increased co-pays; however, management agrees to reimburse the difference between the new expenses and the previous payments. Management will no longer make payments to musicians' individual flexible payment accounts.

**Disability –** [was 60% of individual salary up to \$4,500 per month] Cap increases to \$7,500.

**Instrument –** [was \$100,000 for any instruments used in the orchestra or \$550,00 for 2 string instruments plus 2 bows] Multiple instruments remain at \$100,000 and 2 string instruments plus 2 bows increases to \$650,000.

**TRAVEL:**

- Regional bus service will be tested for Carnegie Hall run-outs in November, if acceptable, it continues (it was not successful).
- Stopover while returning from tour will apply only to Asia [was South America as well.]
- The orchestra will have the right to approve domestic tours in addition to foreign tours.
- Independent travel will be reimbursed only for actual expenses up to the cost of travel with the official group.

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**[TRAVEL cont.]**

- 2 additional concerts in Seoul during the 2005 Asian tour will include 1 recovery day prior to the 2-week vacation [was – no recovery day.]
- Tour concert overtime begins at 140 minutes from call time until the last note is played.

**PER DIEM:**

- [was 107% of State Dept. rate] Becomes 100% for foreign tours
- Meals in lieu of per diem will be allowed on intercontinental flights; the Tour Committee must be consulted in regard to domestic flights.
- Saratoga per diem remains \$145 per day in 2004-05 and increases to \$150 in 2005-06 and 2006-07 with a re-opener if Skidmore College housing becomes unavailable.

**AUDITIONS:**

- Smallest committee size increased from 7 to 9 musicians.
- Any orchestra member may audit auditions without voting or comment.
- Voting procedures were changed to include no discussion prior to voting but discussion may take place after voting to reconsider and re-vote; a vote of 60% or more is required to advance from semi-finals to the final round; and the audition committee will no longer act in an advisory position during finals, mutual approval of the Music Director and a majority of the audition committee is required to fill a vacancy.
- Finals may now also include the following options – chamber music, performance in the orchestra for up to 2 weeks with the Music Director.
- If a candidate for principal is invited to a private final audition, at least one portion of the audition must be behind a screen.
- Domestic partners were added to the prohibition of relatives serving on audition committees.
- Previously 72 hours were required to address a perceived lack of impartiality of a committee member. It may now be addressed at any point during an audition.
- Committee member payment remains at \$30 per hour for 2004-05. The parties agree to discuss a raise for the 2005-06 season and beyond.
- Tenure review committee sizes will be increased from 9 members to include all members of the section for strings (all violins to serve on either 1<sup>st</sup> or 2<sup>nd</sup> violin committees), all members of the woodwind section for a wind player, all members of the brass section for a brass player, and the review committee for harp will include 2 additional titled strings, winds, brass and percussion.
- Tenure evaluation by confidential forms will be collected by 2 Artistic Committee members and 2 from the Members' Committee that are not involved in the Tenure Review process. These 4 will collate the responses, and review and relay to the Music Director who has final say in granting tenure. The forms will be destroyed after the tenure process has been completed.
- Any musician ineligible to serve on the audition committee is also ineligible to participate in the tenure review process (i.e., an orchestra member who auditioned for a higher chair unsuccessfully would not evaluate the tenure of the audition winner.)

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**WORKING CONDITIONS:**

- There were numerous changes regarding 4 additional Sunday concerts, split orchestra uses, the addition of up to 4 weeks of 9 services weeks (the 9<sup>th</sup> service being a 75-minute concert of repeat repertoire in the 2005-06 season only), timing of back-to-back educational services, expansion of Yom Kippur, concert overtime extensions due to applause, designating a New Years Eve concert as voluntary and requiring at least 50% participation (for less “members of” will be used), moving the beginning of December vacation from Dec. 16 to Dec. 22, and defining payroll as bi-weekly for all services including tours and vacation.

**MISCELLANEOUS:**

- Up to 6 vacancies created by the Voluntary Retirement Incentive Program (which continued for 2 additional weeks following ratification that is extended to all employees age 65+, regardless of years of service and was previously restricted to age 60 plus 30 years) may remain unfilled until the last year of this contract. Strings will be hired (including subs) to the playing complement plus 1 (alternate). Prior to expiration of this agreement, the Association will fill vacancies to 106 members [currently 109 members] consisting of 104 musicians and 2 librarians. The remaining vacancies will be filled during the next contract.
- The Association may employ 1 librarian part-time with pro-rated compensation for not less than \_ year plus benefits.
- Non-renewal of a musician during the Music Director’s final year may only occur with approval of the Artistic Committee and the incoming Music Director. [was – no limit.]

Thanks to the negotiating team: John Koen, Chair; Ohad “Udi” Bar-David, Larry Grika, David Fay and David Nicastro. Thanks also to Local 77 President Joe Parente, Attorney Susan Martin, and heartfelt thanks to the Mayor of the City of Philadelphia, John F. Street.

*This bulletin was prepared by ICSOM Secretary, Laura Ross with the assistance of the Philadelphia Orchestra ICSOM Delegate, Zach DePue and Alternate ICSOM Delegate John Koen.*

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