

FORT WAYNE PHILHARMONIC

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FOR IMMEDIATE RELEASE:

With Looming Deadline, Philharmonic Prepares to Cancel January 28 Concert if no Deal is Reached

Fort Wayne, IN (January 5, 2023) — After today's negotiation session, the Fort Wayne Philharmonic and Local 58, Fort Wayne Musicians Association could not come to an agreement. The union's requests in recent sessions, even with the assistance of a Federal Mediator, have moved backwards. This lack of meaningful progress over the last four sessions has prompted the Philharmonic to file charges of failing to bargain in good faith against the Musicians Association with the NLRB. The Philharmonic hopes that this action will lead to reinvigorated bargaining and movement towards a deal.

Out of respect for our patrons and the many people who work on our events (guest artists, venue staff, stage hands, etc.), a resolution will need to be reached by January 10 at 11 p.m. or the Philharmonic will have to cancel the next concert, January 28, due to the required time to prepare and present concerts using the full orchestra. The Philharmonic and union plan to return to the bargaining table on Saturday in an effort to reach a deal before the deadline.

During today's session the Musicians presented the Philharmonic with another offer which repackaged the prior day's proposal and included less than .2% change in the overall financial impact. The Philharmonic once again bargained against themselves raising their offer to 42.5% over four years. The union failed to offer a response to the Philharmonic's most recent proposal before departing negotiations at 2 p.m., a change from the anticipated end time of 6 p.m. that was agreed to by both groups.

Contract Offerings

The new 4-year contract being offered by the Philharmonic creates a generous 30-week concert season for the next 4 years. This contract for core Musicians includes healthcare, pension contributions, HSA options, FSA options, maternity leave, and regular audiology consultations for aural health screening and protection. The hours this contract covers include 487 hours of paid work per season spread across 30 weeks and provides for salary increases that exceed pre-pandemic wages in year one. These contract hours are chosen with the intent to leave ample time for personal musical development, work with other organizations, and teaching private lessons.

Year 1: 24.3%

Year 2: 8%

Year 3: 8%

Year 4: 3%

Wages, Compensation, and Attendance

The total financial impact of the generous compensation offer to Musicians results in cumulative salary increase of approx. \$749,000 over the 4-year contract period and places the beginning base salary for

core Musicians at \$27,420 in year one and ending at \$32,942.10 by year four. Of the 44 core Musicians employed, over 24 Musicians are already making rates above base salary through advanced positions in the orchestra with final Principal Musician salaries ending at \$39,695 by year four.

The Fort Wayne Philharmonic is proud of our Musicians and the value they bring to our community. While many Musicians have more than one source of income earned from various employers, the Philharmonic recognizes our role in providing a portion of their annual income. With that recognition comes a responsibility of the Philharmonic to be respectful of Musicians who take other employment by scheduling rehearsals in late evening, giving notice of services over 30 days in advance, and giving musicians the ability to self-schedule rehearsal time for ensemble performances.

The proposed contract also provides for a minimum guarantee of 81 services a season at a rate of \$140.62 per service for 19 per-service Musicians. Per-service Musicians are not members of the core and do not receive healthcare, HSA options, FSA options or maternity leave. They do, however, receive pension contributions and audiology consultations for their health and safety from the Philharmonic.

The offered contract creates an attendance policy for the first time in the history of the orchestra. This policy would require each member to commit to 75% of the services scheduled that season. This policy will ensure that with the generous offer of increased wages, Musicians spend more time playing together, meaning stronger sections, stronger presence in the community, and ultimately a stronger orchestra.

An additional benefit of the attendance policy is to assist the Philharmonic in controlling costs associated with hiring substitutes when needed to perform with an in-school or community engagement ensemble. Each time a core member is not available for a service, the Philharmonic is required to hire a substitute from outside our community. Along with additional compensation costs to engage a substitute musician, the orchestra also incurs mileage expenses to bring that replacement in.

Work Rules and Scheduling of Musicians

The proposed contract includes additional flexibility for the Philharmonic to schedule services for the Musicians during after-school activities. Previously, there were three hours in the evening when the Philharmonic could not schedule services. Extending the working hours in the afternoon from 4 p.m. to 5 p.m., a one-hour increase, would allow the Philharmonic the opportunity to perform during after-school activities, and with local partners such as the Boys and Girls Club or YMCA's.

Management Rights

Included in the contract is a management rights clause that reserves the Philharmonic the right to manage the operations of the organization on all other aspects not outlined in the terms and conditions of the collective bargaining agreement. This allows the Philharmonic the flexibility needed to deal with unanticipated circumstances that might arise in the future and act on them in the best interest of the organization. Examples of these rights in action include purchasing new equipment, upgrading lighting and sound systems, and making choices in the interest of public safety.

Attrition of Three Core Seats and One Per-Service Seat

Equally important is the fact that in the Philharmonic's proposal, no current Philharmonic player will lose his or her core position or benefits. Over time, three full-time core member seats will move to per-service status, and one per-service member seat will move to an extra, only after the current seat holder

leaves or retires. No current Fort Wayne Philharmonic players will lose their core positions.

The attrition of these core seats was based on the utilization of the instruments during an average season. For example, on average, a core Musician could be engaged for 195 services a year. In the 18-19 season, these three seats were only engaged for an average of 145 services. Though these seats will no longer be core positions, any time one of these instruments is called for in a musical score, the Philharmonic will hire a professional Musician on a per-service basis to fulfill that role. The financial savings of these seats will then be spread across the orchestra for the benefit of all and is an important aspect in the way the Philharmonic can make the wage increases financially viable.

Financial Impact

Unlike other local non-profit organizations, the Philharmonic does not receive consistent public support from the city or county. It is up to the Philharmonic to generate all operation costs through ticket sales, generous donors, and income generated by the organization's endowment that the community has worked hard to build. The Philharmonic's endowment represents the generosity of hundreds of donors over many years who have given with the specific expectation that their gift be a sustaining, permanent asset of the Philharmonic. While the Philharmonic is on average drawing \$1.3 million from the endowment earnings, this does not cover the entire Musician compensation budget for each season. The recent cancelation of the December concerts has incurred the Philharmonic a gross loss of over \$300,000; compounded with the increase to musician wages that the Philharmonic will now need to support. It is only with the assistance of generous donors and the designation of special funds to be used towards Musicians' salaries that these increases can be offered.

The Board of Directors has a legal and fiduciary obligation to the Philharmonic, Musicians, and Fort Wayne to put the health and safety of the organization and its endowment first when making decisions. As a board that is made up of unpaid volunteers, they have put forth an offer that is exceptional. The Philharmonic Board and Management have creatively worked towards a solution to offer our Musicians a more than generous wage, which aligns with and exceeds other comparable orchestras in the Midwest, while only requesting minor changes to the contract. The Philharmonic is disappointed this show of generosity has not been accepted by the Musicians.

For years, the Philharmonic has been working with an operating deficit, this year, that number totals \$323,000 before the addition of losses caused by the strike. Adding a cumulative figure of approximately \$749,000 in additional costs over the next four years is calculated risk only viable if the Philharmonic is given the flexibility to be creative and innovative in its management of the orchestra.

The Philharmonic remains ready to welcome back the Musicians when they are ready to return to the stage with a new contract.

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Fort Wayne Philharmonic

The [Fort Wayne Philharmonic's mission](#) is to inspire and foster a lifelong love of symphonic music through performance and education. Music Director [Andrew Constantine](#) leads the Fort Wayne Philharmonic. All programming is made possible by the support of community individuals, businesses, corporations and foundations. The Fort Wayne Philharmonic is graciously supported by the following partners: Purdue University, Fort Wayne, The National Endowment for the Arts, Indiana Arts Commission, Arts Campus Fort Wayne and Arts United. For additional information, call 260.481.0777 or visit fwphil.org.