Massport slashed its workforce and payroll while on the hook for six-figure payouts to retiring executives

By Matt Stout Globe Staff, Updated March 19, 2021, 6:05 p.m.



In November, traffic was way down at Logan International Airport in Boston, which is run by Massport. ERIN CLARK/GLOBE STAFF

Amid painful pandemic-induced cuts, the Massachusetts Port Authority gave payouts of more than \$200,000 and \$173,000 to two retiring executives last year, sums fueled by hundreds of unused sick days they accumulated under a since-abolished policy.

payments at the same time it was slashing its workforce and other costs during an unprecedented plunge in air travel brought on by COVID-19.

Massport trimmed its payroll to \$142 million in 2020, a drop of \$3.3 million from the year before, and scaled back overtime spending by 65 percent compared to 2019, according to payroll records it released this week in response to a Globe request.

It also offered voluntary buyouts — with one-time severance payments of at least \$20,000 — and this year, laid off 130 employees as part of an effort to cut one-quarter of its staff in the face of an anticipated \$400 million budget hole spanning three years. Massport cut its 1,300-person workforce by just under 20 percent since November, said spokeswoman Jennifer Mehigan.



But all the while, the authority remains on the hook for what can be generous sick-leave payouts, including some to more than 200 longtime employees who still qualify under rules eliminated 15 years ago.

Houssam Sleiman, Massport's former director of capital programs and environmental affairs, received a \$202,397 payout of unused sick and vacation time when he retired in December after 27 years with the agency. Sleiman, now an executive vice president at

Massport employees, according to payroll records.

Vincent Cardillo, Massport's former deputy director of aviation operations and a 36-year employee, received a \$173,085 buyout when he retired in July, nearly double his \$97,000 base pay.

Sleiman and Cardillo had collectively accrued hundreds of sick days under a controversial sick time policy Massport phased out in 2006. Those hired before Jan. 1, 2007, were allowed to keep what they had accrued by then in a sick bank, where employees could receive 100 percent of their unused time when they retired.

Sleiman and Cardillo ultimately were paid out in full for 177 and 348 unused sick days, respectively, based on their 2006 salaries. They also received some money from a smaller share of sick time — 15 and 14 days, respectively, paid out at their most recent salaries — that they accumulated after the policy change went in effect.

Efforts to reach Sleiman and Cardillo on Thursday and Friday were not successful.

Three other employees received buyouts of more than \$60,000 in 2020, including a firefighter who after banking 191 sick days under the old policy, received \$70,832 in unused sick and vacation time when he retired in May after 28 years with the authority.

Massport's current rules allow retirees to collect 20 percent of the cash value of unused sick time, with a cap at 65 days. Employees who leave for any reason other than retirement are not eligible.

Mary Z. Connaughton — director of government transparency at the Pioneer Institute, which supports limited government — said sick time buyouts in any form can be viewed as "perverse incentives," particularly at a time when people are being encouraged to stay home from work if they aren't feeling well.

"In the private sector, sick time is mostly use-it-or-lose-it. Seeing public officials get sixdigit sick time payouts on their way out the door is tough for the public to swallow," she said.

The old rules mean the authority has a history of paying hefty sums to retirees. In 2011, outgoing executive director Thomas J. Kinton Jr. took a \$459,000 payout for unused sick time. Francis X. Anglin, who retired in 2018 as the authority's chief information officer, received a \$222,291 payout, and former Massport fire chief Robert Donahue got a \$260,884 payout in 2017, payroll records show.

Mehigan said Massport cut its operating costs by \$100 million, restructured its debt, and deferred \$1 billion in capital spending while traffic at Logan Airport dipped even below Massport's worst-case forecasts.

"The savings we made . . . far outweigh these obligatory payments" to retirees, she said.

In all, Massport paid \$1.3 million in payouts — which it refers to as "buyouts" in its payroll — including for unused sick or vacation time last year. That's roughly 25 percent more than in 2019 but less than each of the prior two years.

The lump sums given to Sleiman and Cardillo would rank among the highest in Massachusetts history if they were state employees, whose <u>generous payouts</u> — particularly among retiring college officials — <u>generated controversy</u> and have fueled unsuccessful efforts to cap what retirees can receive in unused sick time.

Governor Charlie Baker has for years sought to limit state workers to accruing 1,000 hours of sick leave, or roughly six months, including in a budget proposal he filed in January. The provision, should it pass, would apply only to executive branch employees, not those at quasi-public agencies, such as Massport, where restrictions are now tighter.

As the Massport workforce ages, the number of those on its payroll who qualify under the old sick time rules will continue to dwindle, but that will take time. More than 200 current employees began at Massport before 2007, Mehigan said.

Matt Stout can be reached at matt.stout@globe.com. Follow him on Twitter @mattpstout.

Show 78 comments

©2021 Boston Globe Media Partners, LLC