

2011-2018 Memorandum of Agreement Local 300, SEIU and the City of New York

MEMORANDUM OF AGREEMENT entered into on August 20, 2014 (“*2011-2018 Local 300 MOA*”) by and between the undersigned Local 300, SEIU (the “Union”) and the City of New York (the “City”).

WHEREAS, the undersigned parties desire to enter into a collective bargaining agreement, including this *2011-2018 Local 300 MOA*, and the successor agreement to the agreement terminating on February 22, 2011 (the “*2009-2011 Assistant Buyers Agreement*”), to cover the employees represented by the Union (“Employees”);

WHEREAS, the undersigned parties intend by this *2011-2018 Local 300 MOA* to cover all economic and non-economic matters and to incorporate the terms of this *2011-2018 Local 300 MOA* into the *Successor Unit Agreement* covering the period from February 23, 2011 to June 22, 2018;

WHEREAS, the undersigned parties intend by this *2011-2018 Local 300 MOA* to continue all of the same terms and conditions specified in the *2009-2011 Assistant Buyers Agreement*, including applicable side letters terminating on February 22, 2011, except as modified or amended below;

NOW, THEREFORE, it is jointly agreed as follows:

1. The term of the agreement shall be from February 23, 2011 through June 22, 2018.
2. General Wage Increases
 - a.
 - i. Effective August 23, 2012, Employees shall receive a general increase of 1.00%.
 - ii. Effective August 23, 2013, Employees shall receive a general increase of 1.00%.
 - iii. Effective August 23, 2014, Employees shall receive a general increase of 1.00%.
 - iv. Effective August 23, 2015, Employees shall receive a general increase of 1.50%.
 - v. Effective August 23, 2016, Employees shall receive a general increase of 2.50%.
 - vi. Effective August 23, 2017, Employees shall receive a general increase of 3.00%.
 - b. Part-time per annum, per session, hourly paid and part-time per diem Employees (including seasonal appointees) and Employees whose normal work year is less than a full calendar year shall receive the increases provided in Section 2 on the basis of computations heretofore utilized by the parties for all such Employees.
 - c. The general increase provided for in Section 2 a. i. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2012.
 - d. The general increase provided for in Section 2 a. ii. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2013.

- e. The general increase provided for in Section 2 a. iii. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2014.
- f. The general increase provided for in Section 2 a. iv. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2015.
- g. The general increase provided for in Section 2 a. v. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2016.
- h. The general increase provided for in Section 2 a. vi. above shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on August 22, 2017.
- i. The general increase shall be applied to the base rates, incremental salary levels and the minimum “hiring rates,” minimum “incumbent rates” and maximum rates (including level) if any, fixed for the applicable titles.
- j. Notwithstanding the provision set forth in Section 2 a. i., ii., iii., iv., v., and vi., the appointment rate for any Employee newly hired on or after February 23, 2011 shall be in accordance with Article III, Section 4 (“New Hires”) of the *2009-2011 Assistant Buyers Agreement*.

3. Additions to Gross

Effective August 23, 2017, the general wage increase provided for in Section 2 a. vi. shall be applied to “additions to gross.” “Additions to gross” shall be defined to include uniform allowances, equipment allowances, transportation allowances, uniform maintenance allowances, assignment differentials, service increments, longevity differentials, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening, or night shift differentials.

4. Ratification Bonus

A lump sum cash payment in the amount of \$1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law, and shall not be part of the Employee’s basic salary rate.

5. Conditions of Payment

- a. The lump sum cash payment pursuant to Section 4 of this MOA shall be payable as soon as practicable upon ratification of this MOA.
- b. The general increases pursuant to Section 2 a. i., ii., and iii. of this MOA shall be payable as soon as practicable upon execution of this MOA.
- c. The general increases pursuant to Section 2 a. iv. and v. of this MOA shall be payable as soon as practicable after the effective date of such increases of this MOA.

- d. The general increases provided in Section 2 a. vi. of this MOA shall be payable as soon as practicable upon the execution of the *Successor Unit Agreement*.

6. Additional Compensation Funds

Effective February 23, 2018, the Union shall have available funds not to exceed 0.52% to purchase recurring benefits, mutually agreed to by the parties, other than to enhance the general wage increases set forth in Section 2 or the hiring rate for new employees. The funds available shall be based on the December 31, 2011 payroll, including spinoffs and pensions. The final general wage increase in this Agreement as stated in Section 2 a. vi. shall not be paid unless and until these negotiations are completed by the parties.

7. Prohibition of Further Economic Demands

Except as provided for in Sections 6 and 9 of this Agreement, no party to this agreement shall make additional economic demands during the term of this MOA or during the negotiations for the applicable *Successor Unit Agreement*.

8. Health Savings and Welfare Fund Contributions

The May 5, 2014 Letter Agreement regarding health savings and welfare fund contributions between the City of New York and the Municipal Labor Committee, will be attached as an Appendix, and is deemed to be part of this MOA.

9. Discussions Concerning Savings

Nothing contained in this MOA shall preclude the parties from their continuing discussions to identify, review, recommend and develop initiatives that will generate workplace savings, maximize the potential of the City workforce and ensure the provision of essential services, while at the same time providing increased compensation for the workforce. The parties must conclude all discussions regarding this Section no later than 24 months after the date of ratification of this MOA unless the parties have mutually agreed to extend the deadline. Any claim that either party has of **enforcement** of a mutually agreed upon savings proposal shall be submitted to an expedited arbitration panel with the assistance of the Office of Collective Bargaining. The expedited arbitration panel shall not be used to decide the substance, merit or value of either of the parties' specific savings proposals. The final general wage increase in this MOA as described in Section 2 a. vi. shall not be paid unless and until these discussions are completed by the parties or unless the parties mutually agree to extend the deadline.

10. The final general wage increase in this MOA as specified in Section 2 a. vi. shall not be paid unless and until there is a signed *Successor Unit Agreement*.

11. Due Process for Provisionals

Immediately after ratification, the City shall make good faith efforts to ensure due process protections for provisionals, similar to the Citywide Agreement due process procedures, for provisional employees in the New York City Department of Education, New York City Housing Authority, and the NYC Health and Hospitals Corporation.

12. Administrative Procurement Analyst (Non-Managerial) (Title Code 8297A) and Administrative Quality Assurance Specialist (Non-Managerial) (Title Code 1008B), certified to the Union effective October 9, 2012 pursuant to Board of Certification decision 5 *OCB2d 33* (BOC 2012),


shall be incorporated into the applicable sections of the *2011-2018 Assistant Buyers Agreement*, consistent with the understanding of the parties.

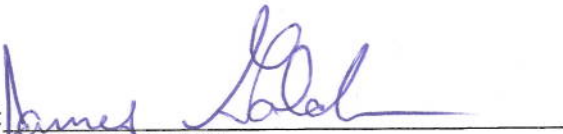
The general wage increases in Section 2 a. i., ii., iii., iv., v., and vi. shall apply to these titles, consistent with all other provisions in this MOA, except that the general wage increase in Section 2 a. i. shall be effective October 9, 2012 for these titles (the date of certification). Additionally, the Section 2 a. i. wage increase shall be based upon the base rates (including salary or incremental salary schedules) of these titles effective October 9, 2012 (the date of certification).

13. This Memorandum of Agreement is subject to ratification by the Union.

FOR THE CITY OF NEW YORK

FOR LOCAL 300, SEIU

BY: 
ROBERT W. LINN
Commissioner of Labor Relations

BY: 
JAMES GOLDEN
President

August 14, 2014



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006-1705
<http://nyc.gov/olr>

ROBERT W. LINN
Commissioner

May 5, 2014

Harry Nespoli
Chair, Municipal Labor Committee
125 Barclay Street
New York, NY 10007

Dear Mr. Nespoli:

This is to confirm the parties' mutual understanding concerning the following issues:

1. Unless otherwise agreed to by the parties, the Welfare Fund contribution will remain constant for the length of the successor unit agreements, including the \$65 funded from the Stabilization Fund pursuant to the 2005 Health Benefits Agreement between the City of New York and the Municipal Labor Committee.
2. Effective July 1, 2014, the Stabilization Fund shall convey \$1 Billion to the City of New York to be used to support wage increases and other economic items for the current round of collective bargaining (for the period up to and including fiscal year 2018). Up to an additional total amount of \$150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties. Thereafter, \$ 60 million per year will be available from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties.
3. If the parties decide to engage in a centralized purchase of Prescription Drugs, and savings and efficiencies are identified therefrom, there shall not be any reduction in welfare fund contributions.
4. There shall be a joint committee formed that will engage in a process to select an independent healthcare actuary, and any other mutually agreed upon additional outside expertise, to develop an accounting system to measure and calculate savings.

5. The MLC agrees to generate cumulative healthcare savings of \$3.4 billion over the course of Fiscal Years 2015 through 2018, said savings to be exclusive of the monies referenced in Paragraph 2 above and generated in the individual fiscal years as follows: (i) \$400 million in Fiscal Year 2015; (ii) \$700 million in Fiscal Year 2016; (iii) \$1 billion in Fiscal Year 2017; (iv) \$1.3 billion in Fiscal Year 2018; and (v) for every fiscal year thereafter, the savings on a citywide basis in health care costs shall continue on a recurring basis. At the conclusion of Fiscal Year 2018, the parties shall calculate the savings realized during the prior four-year period. In the event that the MLC has generated more than \$3.4 billion in cumulative healthcare savings during the four-year period, as determined by the jointly selected healthcare actuary, up to the first \$365 million of such additional savings shall be credited proportionately to each union as a one-time lump sum pensionable bonus payment for its members. Should the union desire to use these funds for other purposes, the parties shall negotiate in good faith to attempt to agree on an appropriate alternative use. Any additional savings generated for the four-year period beyond the first \$365 million will be shared equally with the City and the MLC for the same purposes and subject to the same procedure as the first \$365 million. Additional savings beyond \$1.3 billion in FY 2018 that carry over into FY 2019 shall be subject to negotiations between the parties.

6. The following initiatives are among those that the MLC and the City could consider in their joint efforts to meet the aforementioned annual and four-year cumulative savings figures: minimum premium, self-insurance, dependent eligibility verification audits, the capping of the HIP HMO rate, the capping of the Senior Care rate, the equalization formula, marketing plans, Medicare Advantage, and the more effective delivery of health care.

7. Dispute Resolution

- a. In the event of any dispute under this agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Arbitrator Martin F. Scheinman for resolution.
- b. Such dispute shall be resolved within 90 days.
- c. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- d. The arbitrator shall have the authority to meet with the parties at such times as the arbitrator determines is appropriate to enforce the terms of this agreement.
- e. If the parties are unable to agree on the independent health care actuary described above, the arbitrator shall select the impartial health care actuary to be retained by the parties.
- f. The parties shall share the costs for the arbitrator and the actuary the arbitrator selects.

If the above accords with your understanding and agreement, kindly execute the signature line provided.

Sincerely,



Robert W. Linn
Commissioner

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: 
Harry Nespoli, Chair