

2019-2022 Detectives' Endowment Association Memorandum of Agreement

MEMORANDUM OF AGREEMENT made this 28th day of December, 2021, (the "*DEA MOA*") by and between the Detectives' Endowment Association ("the Union") and the City of New York ("the Employer");

WITNESSETH

WHEREAS, the undersigned parties desire to enter into a collective bargaining agreement, including this *DEA MOA* and an agreement successor to the existing unit agreement expiring on March 31, 2019, to cover the employees represented by the Union ("Employees"); and

WHEREAS, the undersigned parties intend by this *DEA MOA* to cover all cost-related matters and to incorporate the terms of this *DEA MOA* into the Successor Unit Agreement,

NOW, THEREFORE, it is jointly agreed as follows:

Section 1. Term.

The term shall be from April 1, 2019 through May 31, 2022.

Section 2. Continuation of Terms.

All terms of the Predecessor Unit Agreement shall be continued except as modified pursuant to this *DEA MOA*.

Section 3. Prohibition of Further Cost-Related Demands.

No party to this *DEA MOA* shall make further cost-related demands during the term of this *DEA MOA*.

Section 4. General Wage Increase

- a. The general increases, effective as indicated, shall be:
 - (i) Effective on April 1, 2019, Employees shall receive a rate increase of 2.25%.
 - (ii) Effective on April 1, 2020, Employees shall receive an additional rate increase of 2.5%.
 - (iii) Effective on April 1, 2021, Employees shall receive an additional rate increase of 3%.

- b. The increases provided for in this Section 4a. shall be calculated as follows:
- (i) the increases in Section 4a. (i) shall be based upon the base rates (which shall include salary or incremental schedules) of the applicable titles in effect on March 31, 2019.
 - (ii) the increases in Section 4a. (ii) shall be based upon the base rates (which shall include salary or incremental schedules) of the applicable titles in effect on March 31, 2020.
 - (iii) the increases in Section 4a. (iii) shall be based upon the base rates (which shall include salary or incremental schedules) of the applicable titles in effect on March 31, 2021.

Section 5. Service Differential

Effective on April 1, 2022, the parties agree that employees will be provided a differential for title service, as follows:

- a. After 5 (five) years of service as Detective, members assigned as Detective 3rd Grade shall be eligible for a differential equivalent to 2.25% of their then-current base salary.
- b. Employees assigned as Detective 2nd Grade or Detective 1st Grade, irrespective of the length of service as a Detective, shall be eligible for the differential described in Section 5a.
- c. This differential described in this Section 5 shall be pensionable, subject to applicable law and rules concerning wages, and shall increase with future general wage increases.

Section 6. Neighborhood Policing

The parties recognize that bargaining unit employees may be required to wear body-worn cameras and to perform duties related to body-worn cameras as a term and condition of employment. The Department shall provide the Union with copies of current and future Patrol Guide Procedures related to mandatory body-worn cameras for review and comment before publication.

Section 7. Health Savings and Welfare Fund Contributions

- a. The June 28, 2018 Letter Agreement regarding health savings and welfare fund contributions between the City of New York and the Municipal Labor Committee, will be attached hereto as an Appendix, and is deemed part of this DEA MOA and fully incorporated in the Successor Unit Agreement.
- b. Effective February 1, 2022, the City's contribution to the Union health and welfare fund for active and retired employees shall be paused; i.e. the monthly contribution amount shall be \$0, for twenty-one (21) calendar months. Effective November 1, 2023, the City's contractual contribution obligation shall re-commence at the rate of \$1,408 per employee (active and retiree) per annum.
- c. In addition, the DEA agrees to pay \$165 per annum for each active and retired employee to the City by check for the period of February 1, 2022 through October 31, 2023, on a monthly basis, beginning in February of 2022.

Section 8. Uniform Allowance.

Effective April 1, 2022, the uniform allowance shall be increased by \$200 per employee per annum.

Section 9. Labor-Management Committee.

The parties agree to add the following Section 5 to Article XXVII of the parties' Successor Unit Agreement, which shall be effective upon ratification of this *DEA MOA*:

5. *In addition to the labor-management committee contemplated in Sections 1-4 above, the City and Union agree to form a special labor-management committee designed to discuss the issue of off-duty work performed by Detectives outside of and in addition to their regularly scheduled tours/hours of duty. The purpose of this labor-management committee shall be to study the Police Department's policies and practices related to off-duty work; which squads, divisions, and/or units may or may not be required to perform such duties; etc. This special committee shall consist of six (6) members who shall serve for a period of 270 days after its formation and shall consist of three (3) members designated by the Union and three (3) members designated by the Police Commissioner and/or the Commissioner of Labor Relations. The parties agree to convene this labor-management committee as soon as practicable after the ratification of this DEA MOA and shall schedule meetings at the request of either party. At the conclusion of the above-stated 270-day time period, this special committee will make best efforts to jointly propose a mutually-agreeable resolution to this specific issue. Nothing contained in this Section shall preclude the Union and/or its members from filing any lawsuit or grievance related to allegations of off-duty work or overtime assignments, upon prior written notice to the City.*

Section 10. Annual Leave Donation Program.

- A. The Employer and the Union, in order to assist uniformed members of the service assigned as Detectives who have exhausted all available leave and need to take a prolonged absence from duty due to the medical emergency of an immediate family member, have agreed to implement a Pilot Program entitled "Annual Leave Donation Program." Detectives who anticipate using a significant amount of leave to resolve issues caused by a major illness or medical condition of an immediate family member, may apply. The Pilot Program will be sponsored by the Department.
- B. All Detectives are eligible to participate as donors or recipients. Donations of accrued annual leave must be made in full day increments and will be debited from the donor's annual leave balance after review of the form and credited to the annual leave bank as full days. Only accrued annual vacation leave may be donated. Lost time, chart days, terminal leave, or any time which is not vacation is not eligible for this program. All donations of accrued annual leave are voluntary. Donations cannot be directed to a particular Detective. Donations will be included in a pool of annual leave to be dispersed by a joint Labor/Management panel. Donations into the "Annual Leave Donation Program" are not permitted in the calendar year of a Detectives' separation from the Department, and any such donations shall be retroactively withdrawn and returned to the individual.
- C. A Detective must have donated at least one (1) vacation day to the pool to be eligible for a disbursement during the life of the Pilot Program. A Detective may donate a maximum of five (5) vacation days per calendar year. A Detective may receive a maximum disbursement equal to one (1) year's vacation time that would be accrued by the Detective in the same year. In cases of extreme hardship, the Labor/Management Panel may waive the required donation to the "Annual Leave Donation Program" prior to a disbursement, as well as the maximum disbursement and donation limits.
- D. All decisions concerning the implementation of the "Annual Leave Donation Program" and the eligibility of the donor/donee will be mutually agreed upon by the Labor/Management panel. All decisions must comply with IRS Revenue Ruling 90-29. The decisions of the Labor/Management panel are final and not subject to review, appeal or any grievance procedures. The Labor/Management panel shall consist of four (4) members, two (2) members each from the DEA and the Department. A majority vote is necessary to receive a disbursement from the program.
- E. This "Annual Leave Donation Program" shall only be implemented in accordance with IRS Revenue Ruling 90-29 and as required by law.
- F. The Pilot Program may be terminated by either party upon at least 30 days' written notice to the other party.

Section 11. Conditions of Payment.

The general wage increases provided for in Section 4 of the *DEA MOA* shall be payable as soon as practicable after ratification of the *DEA MOA* by the DEA.

Section 12. Approval of Agreements.

This *DEA MOA* and the successor unit agreement are subject to approval by the City in accordance with applicable law and ratification by the Union.

Section 13. Savings Clause.

In the event that any provision of this *DEA MOA* is found or determined to be invalid, such invalidity shall not impair the validity and enforceability of the remaining provisions of this *DEA MOA*.

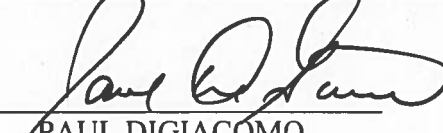
WHEREFORE, we have hereunto set our hands and seals this 28th day of December 2021.

FOR THE CITY OF NEW YORK

By: 

RENEE CAMPION
Commissioner of Labor Relations

FOR THE DETECTIVES' ENDOWMENT ASSOCIATION

By: 

PAUL DIGIACOMO
President



Office of Labor Relations

22 Cortlandt Street, New York, NY 10007
nyc.gov/olr

Renee Campion
Commissioner
Steven H. Banks
First Deputy Commissioner
General Counsel

Claire Levitt
Deputy Commissioner
Health Care Strategy
Georgette Gestely
Director, Employee Benefits Program

December 28, 2021

Paul DiGiacomo
President
Detectives' Endowment Association
26 Thomas Street
New York, New York 10007

Dear Mr. DiGiacomo:

This letter serves to confirm the mutual agreement of the City of New York and the Detectives' Endowment Association ("DEA," or "Union") regarding the creation of an Employee Expense Reimbursement Fund, and contributions by the City to said fund, as follows:

1. The Detectives' Endowment Association Health and Welfare Fund Agreement ("Welfare Fund Agreement") shall be amended to provide for an additional contribution to the Detectives' Endowment Association Health and Welfare Fund (the "Welfare Fund"), for the purposes of establishing an Employee Expense Reimbursement Fund which shall be utilized to reimburse members for money spent on uniforms and other Qualified Expenses as defined in the policy attached to this agreement as "Appendix A." The amount of this contribution shall be the equivalent of the uniform allowance contribution, i.e. \$1,120 per active employee per annum for those with less than fifteen (15) years of service and \$1,500 per active employee per annum for those with fifteen (15) or more years of service, as amended by Section 8 of the December 28, 2021 DEA MOA. The monies shall be contributed once (1x) per year on behalf of employees on payroll as of November 1, and be paid as soon as practicable after that date. The monies received shall be maintained in a separate account and shall not be commingled with other monies received by the Welfare Fund.
2. All terms of the Welfare Fund Agreement, except as modified by this letter agreement, shall be applicable to the monies remitted to the Employee Expense Reimbursement Fund.
3. The trustees of the Welfare Fund shall administer the Employee Expense Reimbursement Fund in accordance with the policy attached to this agreement as "Appendix A."

4. The Fund shall annually submit to the City's Office of Payroll Administration a statement certifying that all monies paid from the Fund to eligible employees are not subject to tax withholding pursuant to applicable law and regulations. In the event the City is determined to be liable for tax withholding for any payments made to covered employees from the Employee Expense Reimbursement Fund, the Welfare Fund shall reimburse the City for the full costs incurred by the City as a result of such liability including, without limitation, penalties and interest.

5. Effective beginning with payment of the fiscal year 2023 allowance, previously scheduled to be paid in December of 2022, the uniform allowance paid to employees pursuant to Article VII of the parties' Collective Bargaining Agreement shall cease.

Sincerely,



Renee Campion

Agreed and Accepted on Behalf of the
Detectives' Endowment Association



Paul DiGiacomo
President

APPENDIX A

UNIFORM AND EQUIPMENT ALLOWANCE POLICY

This Uniform and Equipment Allowance Policy (the "Policy") describes the terms and conditions upon which eligible members of the New York City Police Department (the "NYPD") may receive reimbursement for uniform and equipment costs, and union dues payments. This Policy is intended to reimburse eligible individuals for the cost of qualifying expenses (as defined in Section 3, "Qualifying Expenses") actually incurred and paid during the year up to the amount of the Allowance (as defined below) for the applicable year. This Policy is administered by the NYPD Detectives Endowment Association (the "DEA").

1. **Eligibility**

All uniformed members of the NYPD Detectives' Endowment Association who are on the NYPD payroll on November 1 of a calendar year, beginning in calendar year 2022 ("Eligible Officers") are eligible to receive an annual allowance of up to the amount of the contractual uniform allowance, i.e. \$1,120 per active employee per annum for those with less than fifteen (15) years of service and \$1,500 per active employee per annum for those with fifteen (15) or more years of service, as amended by Section 8 of the December 28, 2021 DEA MOA (the "Allowance") to be used to reimburse the Eligible Officer for the payment of Qualifying Expenses set forth in Section 3.

2. **Payment**

2.1 Eligible Officers must submit a request for reimbursement using the form (the "Form") attached to this Policy as Exhibit A. The Eligible Officer must provide proof of payment of Qualifying Expenses incurred during the calendar year in which the Allowance is paid and will only receive reimbursement for the amount for which proof is submitted. The Eligible Officer must submit a copy of the receipt or invoice for the expense along with proof of payment and produce it for the Detectives' Endowment Association or other authorized agency. For uniform and equipment items, the receipt or invoice must include the name and address of the vendor from whom the goods or services were purchased, the item that was purchased, the date and amount of the charge and the amount paid. For any other Qualifying Expenses, proof of payment must be submitted. In no event will an Eligible Officer be entitled to receive in any calendar year more than the lesser of (i) the Allowance and (ii) Qualifying Expenses.

2.2 Forms and proof of expenses incurred and paid must be submitted by the end of each calendar quarter (i.e., March 31, June 30, and September 30) and by December 1 for the expenses that were incurred during the quarter. However, all Forms must be submitted no later than December 1st in the calendar year to which the Form applies. Expenses incurred from December 1st through December 31st may be submitted for the following calendar year as part of the first quarter submission.

2.3 Each Eligible Officer will be eligible for reimbursement of Qualifying Expenses which are incurred and paid during the year in an amount up to the Allowance. Payment

will be made once annually in the month of December and will be sent by direct payment from the Detectives Endowment Association Health and Welfare Fund or by other such entity established by the DEA and approved by the City for this purpose.

24 If an Eligible Officer terminates employment with the NYPD (voluntarily or involuntarily) prior to November 1st of a calendar year, the Eligible Officer will not be entitled to the Allowance for that calendar year.

3. Qualifying Expenses

Expenses which are incurred for any of following items are eligible for reimbursement from the Allowance:

- Clothing and footwear used by an Eligible Officer while on the job.
- Specialty equipment used by an Eligible Officer while on the job.
- Expenses relating to maintenance or cleaning any of the foregoing items.
- Union dues.
- Any other trade or business expense incurred in connection with being an employee of NYPD covered by Internal Revenue Code Section 162.

An expense is not eligible for reimbursement from the Allowance if the item that is purchased is one that is suitable for general use or personal wear.

4. Miscellaneous

4.1 This Policy shall be construed and enforced according to the laws of the State of New York, and the rules and regulations of the NYPD.

4.2 Nothing in this Policy makes any commitment or guarantee that any amounts paid to or for the benefit of an Eligible Officer shall be excludable from his or her gross income for federal or state income tax purposes, or that any other federal or state tax treatment shall apply to or be available to the Eligible Officer.

4.3 The right to receive the Allowance under this Policy shall not be assignable by the Eligible Officer. The Allowance shall only be paid to an Eligible Officer.

4.4 Eligible Officers shall provide the DEA with such information and evidence, and shall sign such documents, as may be reasonably requested from time to time, for purpose of administration of this Policy.



OFFICE OF LABOR RELATIONS

40 Rector Street, New York, N.Y. 10006-1705
nyc.gov/olr

ROBERT W. LINN
Commissioner

RENEE CAMPION
First Deputy Commissioner

CLAIRE LEVITT
*Deputy Commissioner
Health Care Cost Management*

MAYRA E. BELL
General Counsel

GEORGETTE GESTELY
Director, Employee Benefits Program

June 28, 2018

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

Dear Mr. Nespoli:

1. This is to confirm the parties' mutual understanding concerning the health care agreement for Fiscal Years 2019 – 2021:
 - a. The MLC agrees to generate cumulative healthcare savings of \$1.1 billion over the course of New York City Fiscal Years 2019 through 2021. Said savings shall be generated as follows:
 - i. \$200 million in Fiscal Year 2019;
 - ii. \$300 million in Fiscal Year 2020;
 - iii. \$600 million in Fiscal Year 2021, and
 - iv. For every fiscal year thereafter, the \$600 million per year savings on a citywide basis in healthcare costs shall continue on a recurring basis.
 - b. Savings will be measured against the projected FY 2019-FY 2022 City Financial Plan (adopted on June 15, 2018) which incorporates projected City health care cost increases of 7% in Fiscal Year ("FY") 2019, 6.5% in FY 2020 and 6% in FY 2021. Non-recurring savings may be transferrable within the years FY 2019 through FY 2021 pursuant only to 1(a)(i), 1(a)(ii), 1(a)(iii) above. For example:
 - i. \$205 million in FY 2019 and \$295 million in FY 2020 will qualify for those years' savings targets under 1(a)(i) and 1(a)(ii).
 - ii. \$210 million in FY 2019, \$310 million in FY 2020, and \$580 million in FY 2021 will qualify for those years' savings targets under 1(a)(i), 1(a)(ii), 1(a)(iii).
 - iii. In any event, the \$600 million pursuant to 1(a)(iv) must be recurring and agreed to by the parties within FY 2021, and may not be borrowed from other years.

- c. Savings attributable to CBP programs will continue to be transferred to the City by offsetting the savings amounts documented by Empire Blue Cross and GHI against the equalization payments from the City to the Stabilization Fund for FY 19, FY 20 and FY 21, unless otherwise agreed to by the City and the MLC. In order for this offset to expire, any savings achieved in this manner must be replaced in order to meet the recurring obligation under 1(a)(iv) above.
 - d. The parties agree that any savings within the period of FY 2015 - 2018 over \$3.4 billion arising from the 2014 City/MLC Health Agreement will be counted towards the FY 2019 goal. This is currently estimated at approximately \$131 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries.
 - e. The parties agree that recurring savings over \$1.3 billion for FY 2018 arising under the 2014 City/MLC Health Agreement will be counted toward the goal for Fiscal Years 2019, 2020, 2021 and for purposes of the recurring obligation under 1(a)(iv) above. This is currently estimated at approximately \$40 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries. Once the amount is finalized, that amount shall be applied to Fiscal Years 2019, 2020, 2021 and to the obligation under 1(a)(iv).
2. After the conclusion of Fiscal Year 2021, the parties shall calculate the savings realized during the 3 year period. In the event that the MLC has generated more than \$600 million in recurring healthcare savings, as agreed upon by the City's and the MLC's actuaries, such additional savings shall be utilized as follows:
 - a. The first \$68 million will be used by the City to make a \$100 per member per year increase to welfare funds (actives and retirees) effective July 1, 2021. If a savings amount over \$600 million but less than \$668 million is achieved, the \$100 per member per year (actives and retirees) increase will be prorated.
 - b. Any savings thereafter shall be split equally between the City and the MLC and applied in a manner agreed to by the parties.
3. Beginning January 1, 2019, and continuing unless and until the parties agree otherwise, the parties shall authorize the quarterly provision of the following data to the City's and MLC's actuaries on an ongoing quarterly basis: (1) detailed claim-level health data from Emblem Health and Empire Blue Cross including detailed claim-level data for City employees covered under the GHI-CBP programs (including Senior Care and Behavioral Health information); and (2) utilization data under the HIP-HMO plan. Such data shall be provided within 60 days of the end of each quarterly period. The HIP-HMO utilization data will also be provided to the City's and MLC's actuaries within 60 days of the execution of this letter agreement for City Fiscal Year 2018 as baseline information to assess ongoing savings. The HIP-HMO data shall include: (i) utilization by procedure for site of service benefit changes; (ii) utilization by disease state, by procedure (for purposes of assessing Centers of Excellence); and (iii) member engagement data for the Wellness program, including stratifying members by three tranches (level I, II and III). The data shall include baseline data as well as data regarding the assumptions utilized in determining expected savings for comparison. The data described in this paragraph shall be provided pursuant to a data sharing agreement entered into by the City and MLC, akin to prior data agreements, which shall provide for the protection of member privacy and related concerns, shall cover all periods addressed by this Agreement (i.e., through June 30, 2021 and thereafter), and shall be executed within thirty days of the execution of this letter agreement.

4. The parties agree that the Welfare Funds will receive two \$100 per member one-time lump-sum payments (actives and retirees) funded by the Joint Stabilization Fund payable effective July 1, 2018 and July 1, 2019.
5. The parties recognize that despite extraordinary savings to health costs accomplished in the last round of negotiations through their efforts and the innovation of the MLC, and the further savings which shall be implemented as a result of this agreement, that the longer term sustainability of health care for workers and their families, requires further study, savings and efficiencies in the method of health care delivery. To that end, the parties will within 90 days establish a Tripartite Health Insurance Policy Committee of MLC and City members, chaired by one member each appointed by the MLC and the City, and Martin F. Scheinman, Esq. The Committee shall study the issues using appropriate data and recommend for implementation as soon as practicable during the term of this Agreement but no later than June 30, 2020, modifications to the way in which health care is currently provided or funded. Among the topics the Committee shall discuss:
 - a. Self-insurance and/or minimum premium arrangements for the HIP HMO plan.
 - b. Medicare Advantage- adoption of a Medicare Advantage benchmark plan for retirees
 - c. Consolidated Drug Purchasing- welfare funds, PICA and health plan prescription costs pooling their buying power and resources to purchase prescription drugs.
 - d. Comparability- investigation of other unionized settings regarding their methodology for delivering health benefits including the prospect of coordination/cooperation to increase purchasing power and to decrease administrative expenses.
 - e. Audits and Coordination of Benefits- audit insurers for claims and financial accuracy, coordination of benefits, pre-65 disabled Medicare utilization, End Stage Renal Disease, PICA, and Payroll Audit of Part Time Employees.
 - f. Other areas- Centers of Excellence for specific conditions; Hospital and provider tiering; Precertification Fees; Amendment of Medicare Part B reimbursement; Reduction of cost for Pre-Medicare retirees who have access to other coverage; Changes to the Senior Care rate; Changes to the equalization formula.
 - g. Potential RFPs for all medical and hospital benefits.
 - h. Status of the Stabilization Fund.

The Committee will make recommendations to be considered by the MLC and the City.

6. The joint committee shall be known as the Tripartite Health Insurance Policy Committee (THIPC) and shall be independent of the existing "Technical Committee." The "Technical Committee" will continue its work and will work in conjunction with the THIPC as designated above to address areas of health benefit changes. The Technical Committee will continue to be supported by separate actuaries for the City and the MLC. The City and the MLC will each be responsible for the costs of its actuary.
7. In the event of any dispute under sections 1-4 of 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 Martin Scheinman for resolution consistent with the dispute resolution terms of the 2014 City/MLC Health Agreement:
 - a. Such dispute shall be resolved within 90 days.

- b. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- c. The arbitrator shall have the authority to meet with the parties as such times as is appropriate to enforce the terms of this agreement.
- d. The parties shall share the costs for the arbitrator (including Committee meetings).

If the above conforms to your understanding, please countersign below.

Sincerely,



Robert W. Linn

Agreed and Accepted on behalf of the Municipal Labor Committee

BY:  _____
Harry Nespoli, Chair