

Environmental Police Officers Memorandum of Economic Agreement

January 13, 2016

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WHEREAS, the undersigned parties desire to enter into a collective bargaining agreement, including this 2010-2017 Memorandum of Economic Agreement ("MEA"), covering the period of April 1, 2010 through September 30, 2017;

WHEREAS, the undersigned parties intend by this 2010-2017 MEA to cover all economic matters and to incorporate the terms of this MEA into a collective bargaining agreement;

WHEREAS, the undersigned parties intend by this 2010-2017 MEA to continue all of the same economic terms and conditions, except as amended below;

1. Wage Increases

a. General Wage Increases

10/1/2011	1.00%
10/1/2012	1.00% compounded
10/1/2013	1.00% compounded
10/1/2014	1.50% compounded

b. Effective October 1, 2016, the Step 6 salary shall be increased from \$63,631 per annum to \$64,397 per annum.

c. The salary schedule is attached to this Agreement as Appendix A.

2. Recurring Increment Payment

Effective October 1, 2015, full-time employees covered by this Agreement shall be eligible to receive the following Recurring Increment Payments ("RIP"):

<u>Service</u>	<u>Amount per annum</u>
After 5 Years	\$500
After 10 Years	\$2,395 (an additional \$1,895)

Effective October 1, 2016, full-time employees covered by this Agreement shall be eligible to receive the following Recurring Increment Payments ("RIP"):

<u>Service</u>	<u>Amount per annum</u>
After 5 Years	\$1,821
After 10 Years	\$5,091 (an additional \$3,270)

The RIPs shall be based upon years of City service and shall be paid in addition to the existing 15-year longevity increment. RIPs shall be payable on the January 1, April 1, July 1, or October 1 subsequent to the qualifying employee's anniversary date, subject to the rules for eligibility set forth in Appendix B of this Agreement.

3. Separations From Service

Employees who separated from service before January 7, 2016, other than by retirement, are not entitled to retroactive increases pursuant to Paragraphs 1 and 2 of this MEA.

4. Welfare Fund

Effective October 1, 2016, the welfare fund contribution shall be increased by \$100 per employee (active and retiree) per annum.

5. Assignment Differentials

Effective April 1, 2017, an assignment differential in the pro-rata annual amount of \$1,470 shall be paid to employees in the following assignments:

Level I

Canine Unit

Detectives

Field Training Officers

Level II

Sergeants assigned to Detective Squad, ESU, and Aviation

Level III

Precinct or Unit Commanders

6. Workday

Effective February 7, 2016, the regular schedule for unit employees shall be nine hours per day. Contractual provisions regarding overtime and paid leave shall not be impacted. The February 1, 2016 salary schedule referenced in Appendix A shall not be in effect until the nine-hour tours are implemented.

7. Annual Leave

Effective April 1, 2016, all employees shall accrue one fewer annual leave day per annum, as follows:

<u>Years of Service</u>	<u>Annual Allowance (hh:mm)</u>	<u>Monthly Accrual (hh:mm)</u>
1 st Year	75:00	06:15
5 th Year	117:00	09:45
8 th Year	159:00	13:15
15 th Year	175:48	14:39

8. Health Savings

The May 5, 2014 letter agreement regarding health savings and welfare fund contributions between the Municipal Labor Committee and the City will be attached as an Appendix and is deemed to be part of this MEA.

9. Duration

This agreement shall be effective from April 1, 2010 through September 30, 2017.

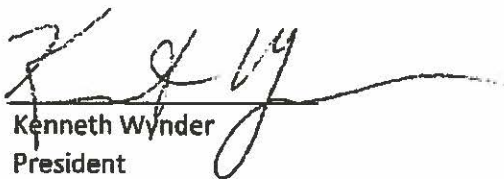
10. Ratification

This agreement is subject to ratification by the Union.

AGREED AND ACCEPTED:



Renee Campion
Deputy Commissioner, OLR
On behalf of Robert W. Linn, Commissioner



Kenneth Wynder
President

ENVIRONMENTAL POLICE OFFICERS ILLUSTRATION

Contract Term: 4/1/10 - 9/30/17

1/7/2016

	CURRENT		10/1/11 1.00%		10/1/12 1.00%		10/1/13 1.00%		10/1/14 1.50%		10/1/15 2.5% converted to RIP		2/1/16 45 hours per week add'l hours at Overtime (Included in rate)	10/1/16 3% converted to RIP Enhancement of EPD max*	10/1/2016 vs. Current
	Hiring rate	Incumbent rate	Hiring rate	Incumbent rate	Hiring rate	Incumbent rate	Hiring rate	Incumbent rate	Hiring rate	Incumbent rate	Hiring rate	Incumbent rate	No hiring rate Incumbent rate	Incumbent rate	
EPO LEVEL I															
FIRST 26 WEEKS	\$31,485	\$36,208	\$31,800	\$36,570	\$32,118	\$36,936	\$32,439	\$37,305	\$32,926	\$37,865	\$32,926	\$37,865	\$41,922	\$41,922	33.1%
START (AFTER 26 WEEKS)	\$36,120	\$41,538	\$36,481	\$41,953	\$36,846	\$42,373	\$37,215	\$42,797	\$37,773	\$43,439	\$37,773	\$43,439	\$48,093	\$48,093	33.1%
STEP 1 (AFTER 1 YEAR START SALARY)	\$37,286	\$42,879	\$37,659	\$43,308	\$38,036	\$43,741	\$38,416	\$44,178	\$38,992	\$44,841	\$38,992	\$44,841	\$49,645	\$49,645	33.1%
STEP 2 (AFTER 1 YEAR AT STEP 1)		\$45,563		\$46,019		\$46,479		\$46,944		\$47,648		\$47,648	\$52,753	\$52,753	15.8%
STEP 3 (AFTER 1 YEAR AT STEP 2)		\$48,249		\$48,731		\$49,218		\$49,710		\$50,456		\$50,456	\$55,862	\$55,862	15.8%
STEP 4 (AFTER 1 YEAR AT STEP 3)		\$50,932		\$51,441		\$51,955		\$52,475		\$53,262		\$53,262	\$58,969	\$58,969	15.8%
STEP 5 (AFTER 1 YEAR AT STEP 4)		\$53,616		\$54,152		\$54,694		\$55,241		\$56,070		\$56,070	\$62,078	\$62,078	15.8%
STEP 6 (AFTER 1 YEAR AT STEP 5)		\$54,958		\$55,508		\$56,063		\$56,624		\$57,473		\$57,473	\$63,631	\$63,631	17.2%
STEP 6 with 5 year RIP												\$57,973	\$64,131	\$66,218	20.5%
STEP 6 with 10 year RIP												\$59,868	\$66,026	\$69,488	26.4%
Plus 15 year longevity increment		\$55,258		\$55,808		\$56,363		\$56,924		\$57,773		\$60,168	\$66,326	\$69,788	26.3%
EPO LEVEL II	\$51,737	\$59,497	\$52,254	\$60,092	\$52,777	\$60,693	\$53,304	\$61,300	\$54,104	\$62,220	\$54,104	\$62,220	\$68,886	\$68,886	15.8%
EPO II with 5 year RIP												\$62,720	\$69,386	\$70,707	18.8%
EPO II with 10 year RIP												\$64,615	\$71,281	\$73,977	24.3%
Plus 15 year longevity increment		\$59,797		\$60,392		\$60,993		\$61,600		\$62,520		\$64,915	\$71,581	\$74,277	24.2%
EPO LEVEL III	\$57,883	\$66,566	\$58,463	\$67,232	\$59,047	\$67,904	\$59,637	\$68,583	\$60,532	\$69,612	\$60,532	\$69,612	\$77,070	\$77,070	15.8%
EPO III with 5 year RIP												\$70,112	\$77,570	\$78,891	18.5%
EPO III with 10 year RIP												\$72,007	\$79,465	\$82,161	23.4%
Plus 15 year longevity increment		\$66,866		\$67,532		\$68,204		\$68,883		\$69,912		\$72,307	\$79,765	\$82,461	23.3%
Recurring Increment Payment															
after 5 years												\$500	\$500	\$1,821	
after 10 years												\$1,895	\$1,895	\$3,270	
												add'l total 10 year	add'l total 10 year	add'l total 10 year	\$5,091

Additional provisions:

\$1470 Assignment Differential for 41 qualifiers effective 4/1/17 funded by a 4 month contract extension

\$100 Welfare Fund increase effective 10/1/16 (funded by part of credit for one less vacation day for all in unit)

One less vacation day for all in unit effective 4/1/16

Calculations based on leave hours remaining the same except for the reduction of one 9-hour annual leave day.

*Enhancement of EPO I basic max (Step 6) funded by an additional 2 month contract extension, 0.06% ATG funding, conversion of \$1000 lump sum ratification bonus to rate, no retro for non-retiree separations, and remainder of vacation day credit.

Appendix B

Recurring Increment Payment Eligibility Rules

The following rules shall govern the eligibility of Employees for the Recurring Increment Payment ("RIP") provided for in Section 2 of the 2010-2017 LEEBA MEA.

1. Only service in pay status shall be used to calculate the qualifying years of service. A continuous year of service shall be a full year of service without a break of more than 31 days. Where the regular and customary work year for a title is less than a twelve month year, such as a school year, such regular and customary year shall be credited as a continuous year of service counting towards the qualifying years of service. If the normal work year for an employee is less than the regular and customary work year for the employee's title, it shall be counted as a continuous year of service if the employee has customarily worked that length work year and the applicable agency verifies that information.
2. Service in pay status prior to a break in service of more than one year shall *not* be used to calculate the qualifying years of service.
3. The following time in which an Employee is not in pay status shall not constitute a break in service, but such time shall *not* be used to calculate the qualifying years of service:
 - a. time on a leave approved by the proper authority which is consistent with the Personnel Rules and Regulations of the City of New York or the appropriate personnel authority of a covered organization,
 - b. time prior to a reinstatement,
 - c. time on a preferred or recall list, and
 - d. time not in pay status of 31 days or less.
4. RIPs shall be considered a salary adjustment for the purposes of this Agreement and the maximum salary of an eligible title shall not constitute a bar to the payment thereof.
5. Once an Employee has qualified for a RIP and is receiving it, the RIP shall become part of the Employee's base rate and included in calculating all salary based payments. Any future negotiated general increases shall be applied to RIPs.
6. A RIP shall not become pensionable until two years after the Employee begins to receive such RIP.



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,

A handwritten signature in black ink, appearing to read "R. W. Linn", written over a horizontal line.

Robert W. Linn
Commissioner

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: 
Harry Nespoli, Chair