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1. Term - 9 years 11/1/09 - 10/31/18

2. 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 day of ratification.

3. 2009-2011 Round -

Salaries and rates of pay as customarily done:

- i. 5/1/15: 2%
- ii. 5/1/16: 2%
- iii. 5/1/17: 2%
- iv. 5/1/18: 2%

4. Structured Retiree Claims Settlement Fund

Upon ratification, the City shall establish a Structured Retiree Claims Settlement Fund in the total amount of \$180 million to settle all claims by retirees who have retired between November 1, 2009 through June 30, 2014 concerning wage increases arising out of the 2009-2011 round of bargaining. The Fund will be distributed based upon an agreed upon formula.

5. Retirements after 6/30/14 shall receive lump sum payments based on the same schedule as actives as set forth below in paragraph 6.
6. Lump Sum Payments stemming from the 2009-2011 Round and schedule for actives for those continuously employed as of the day of payout.

- i. 10/1/15 - 12.5%
- ii. 10/1/17 - 12.5%
- iii. 10/1/18 - 25%
- iv. 10/1/19 -- 25%
- v. 10/1/20 - 25%

7. General Wage Increases

Salaries and rates of pay as customarily done:

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- i. 5/1/13: 1%
- ii. 5/1/14: 1%
- iii. 5/1/15: 1%
- iv. 5/1/16: 1.5%
- v. 5/1/17: 2.5%
- vi. 5/1/18: 3%

8. Entry Level Salary Schedule

- a. A joint labor-management committee shall be established to discuss increases to the entry level steps on the salary schedule for the pedagogues, physical therapist, hearing officers (Per Session), nurses, and occupational therapist titles.
- b. A fund in the amount of \$20 million shall be established for these purposes.

9. Healthcare Savings.

- a. The UFT and the City/DOE agree the UFT will exercise its best efforts to have the MLC agree to the following:
 - i. for fiscal year 2015 (July 1, 2014-June 30, 2015), there shall be \$400 million in savings on a citywide basis in health care costs in the NYC health care program.
 - ii. for fiscal year 2016 (July 1, 2015-June 30, 2016), there shall be \$700 million in savings on a citywide basis in health care costs in the NYC health care program.
 - iii. for fiscal year 2017 (July 1, 2016-June 30, 2017), there shall be \$1 billion in savings on a citywide basis in health care costs in the NYC health care program.
 - iv. for fiscal year 2018 (July 1, 2017-June 30, 2018), there shall be \$1.3 billion in savings on a citywide basis in health care costs in the NYC health care program.
 - v. for every fiscal year thereafter, the savings on a citywide basis in health care costs shall continue on a recurring basis.
 - vi. The parties agree that the above savings to be achieved on a citywide basis are a material term of this agreement.
 - vii. In the event the MLC does not agree to the above citywide targets, the arbitrator shall determine the UFT's proportional share of the savings target and, absent an agreement by these parties, shall implement the process for the satisfaction of these savings targets.
 - viii. Stabilization Fund: (1) Effective July 1, 2014, the Stabilization Fund shall convey \$1 billion to the City of New York to be used in support of the pro rata funding of this agreement. (2) Commencing on July 1, 2014, \$200 million from the



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Stabilization Fund shall be made available per year to pay for ongoing programs (such as \$65 welfare fund contribution, PICA payments, budget relief). In the event the MLC does not agree to provide the funds specified in this paragraph, the arbitrator shall determine the UFT's proportional share of the Stabilization Fund monies required to be paid under this paragraph.

10. Dispute resolution regarding paragraph 9.

- a. In the event of any dispute, 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. The parties shall meet and confer to select and retain an impartial health care actuary. If the parties are unable to agree, 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.

11. Any disputes arising under this memorandum of agreement shall be determined by Martin F. Scheinman. The parties shall share the costs of his services.

RM
RW