

January 2016 **MEMORANDUM OF AGREEMENT** (the 'Agreement') entered into on this 24 day of ~~November 2015~~ by and between the Organization of Staff Analysts (the "Union") and the City of New York (the "City").

WHEREAS, the undersigned parties desire to enter into a collective bargaining agreement, including this *2008-2017 OSA School Security/Traffic MOA* and the agreement successor to the one terminating on December 12, 2008 ("*Successor Separate Unit Agreement*") to cover the employees represented by the Union ("Employees");

WHEREAS, the undersigned parties intend by this *2008-2017 OSA School Security/Traffic MOA* to cover all economic and non-economic matters and to incorporate the terms of this *OSA School Security/Traffic 2008-2017 MOA* into the *Successor Separate Unit Agreement*, covering the period from December 13, 2008 through December 12, 2017;

WHEREAS, the undersigned parties intend by this *OSA School Security/Traffic 2008-2017 MOA* to continue all of the same terms and conditions specified in the *Separate Unit Agreement*, including applicable side letters, terminating on December 12, 2008, except as modified or amended below,

NOW, THEREFORE, it is mutually agreed as follows:

1. The term of the Agreement shall be from December 13, 2008 through May 11, 2018.

2. 2008-2010 Round

General Wage Increases

a. The general increases, effective as indicated, shall be:

- i. Effective June 13, 2014 said Employees in the units described above shall receive a general increase of 2.00%.
- ii. Effective June 13, 2015, said Employees shall receive an additional general increase of 1.961%.
- iii. Effective June 13, 2016, said Employees shall receive an additional general increase of 2.00%.
- iv. Effective June 13, 2017, said Employees shall receive an additional general increase of 1.9605%.
- v. 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 2.a.i., 2.a.ii, 2.a.iii, and 2.a.iv. on the basis of computations heretofore utilized by the parties for all such Employees.

- b. The increases provided for in Section 2.a. above shall be calculated as follows:
 - i. The general increase in Section 2.a. i. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2014.
 - ii. The general increase in Section 2.a. ii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2015.
 - iii. The general increase in Section 2.a. iii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2016.
 - iv. The general increase in Section 2.a. iv. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June, 12, 2017.

3. Structured Retiree Claims Settlement Fund

Upon ratification, the City shall establish a Structured Retiree Claims Settlement fund in the total amount of \$88,619 to settle all claims by retirees who have retired between December 13, 2008 and the date up to and including August 12, 2013, concerning wage increases arising out of the 2008-2010 round of bargaining.

The parties acknowledge a shortfall in the structured retiree fund to settle all claims for retirees between December 12, 2008 and the date up to and including August 12, 2013.

The parties have agreed to extend the contract 4 months and 29 days to fund the shortfall.

The parties have agreed to the following formula to compensate these employees: a general wage increase of 4%, effective December 13, 2008 and a general wage increase of 4% (compounded), effective December 13, 2009.

4. Employees who retire after August 12, 2013 shall receive lump sum payments based on the same schedule as actives as set forth below in paragraph 5.

5. Lump Sum Payments stemming from the 2009-2011 Round and schedule for actives for those continuously employed as of the date of payout.

- i. 7/1/15 ----- 12.50% (1/8 of the balance as of this date)
- ii. 7/1/17 ----- 12.50% (1/7 of the balance as of this date)
- iii. 7/1/18 ----- 25.00% (1/3 of the balance as of this date)
- iv. 7/1/19 ----- 25.00% (1/2 of the balance as of this date)

v. 7/1/20 ----- 25.00% (representing the remainder of the balance)

6. General Wage Increases

a.

- i. Effective June 13, 2012, Employees shall receive a general increase of 1.00%.
- ii. Effective, June 13, 2013, Employees shall receive a general increase of 1.00%.
- iii. Effective June 13, 2014, Employees shall receive a general increase of 1.00%.
- iv. Effective June 13, 2015, Employees shall receive a general increase of 1.50%.
- v. Effective June 13, 2016, Employees shall receive a general increase of 2.50%.
- vi. Effective June 13, 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 6.a. on the basis of computations heretofore utilized by the parties for all such Employees.

c. The increases provided for in Section 6 a. above shall be calculated as follows:

i. The general increase in Section 6 a. i. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2012.

ii. The general increase in Section 6 a. ii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2013.

iii. The general increase in Section 6 a. iii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2014.

iv. The general increase in Section 6 a. iv. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2015.

v. The general increase in Section 6 a. v. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2016.

vi. The general increase in Section 6 a. vi. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect June 12, 2017.

7. Additions to Gross

Effective June 13, 2017 the general increase provided for in Section 6a.vi above shall be applied to "additions to gross." "Additions-to- gross" shall be defined to include uniform allowances, equipment allowances, transportation allowances, uniform maintenance allowance, assignment differentials, service increments, longevity differentials, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening, or night shift differentials.

Section 7. does not apply to longevity increments.

8. 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.

- a. Full-time per annum and full-time per diem Employees shall receive a pro-rata lump sum cash payment in accordance with Interpretive Memorandum No., 102, dated August 26, 2014. .
- b. Part-time per annum, part-time per diem (including seasonal appointees), per session, hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours and the hours in a full calendar year.
- c. The lump sum cash payments shall not become part of the Employee's basic salary rate nor be added to the Employee's basic salary for the calculation of any salary based benefits including the calculation of future collective bargaining increases.
- d. For circumstances that were not anticipated by the parties, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the application of Section 8 of the *School Security/Traffic 2008-2017 MOA*. Such case-by-case interpretations shall not be subject to any dispute resolution procedures as per past practice of the parties.

9. Conditions of Payment

- a. The lump sum cash payment pursuant to Section 8. of this *2008-2017 MOA* shall be payable as soon as practicable upon ratification of this *School Security/Traffic 2008-2017 MOA*.
- b. The general increases pursuant to Sections 6 a. i, ii., iii., and .iv. of this *2008-2017 MOA* shall be payable as soon as practicable upon execution of this *School Security/Traffic 2008-2017 MOA*.
- c. The general increases pursuant to Section 6 a. v. of this *School Security/Traffic 2008-2017 MOA* shall be payable as soon as practicable after the effective date of such increases.
- d. The general increases pursuant to Sections 6 a. vi. of this *School Security/Traffic 2008-2017 MOA* shall be payable as soon as practicable upon the execution of the successor unit agreement.

10. Citywide Agreement

A committee shall be established to jointly incorporate the current applicable Citywide provisions into the new School Security/Traffic Unit Agreement. All provisions must mutually agreed to by the parties.

11. Nothing contained in this current Agreement 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 the Agreement 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 Agreement as stated in Section 6a.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.

12. Prohibition of Further Economic Demands

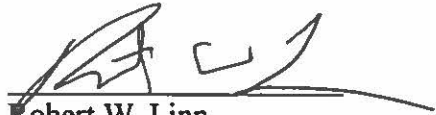
Except as provided for in Section 11, no party to this agreement shall make additional economic demands during the term of the *2008-2017 MOA* or during the negotiations for the *Successor Unit Agreement*.

13. 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 *2008-2017 MOA*.

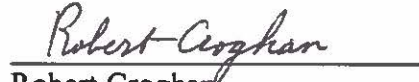
14. The final general wage increase in this Agreement as specified in Section 6a.vi shall not be paid unless and until there is a signed separate unit agreement.
15. This Memorandum of Agreement is subject to union ratification.

For the City of New York



Robert W. Linn
Commissioner of Labor Relations

For the Organization of Staff Analysts



Robert Croghan
President



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 dark 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



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

MAYRA E. BELL
General Counsel

CHRIS BERNER
Chief of Staff

GEORGETTE GESTELY
Director, Employee Benefits Program

INTERPRETIVE MEMORANDUM No. 102

TO: All Affected Agencies
FROM: Renee Campion, First Deputy Commissioner
DATE: August 26, 2014
RE: Lump Sum Ratification Bonus

This interpretive memorandum is to provide guidance regarding the payment of the lump sum ratification bonus provided in Section 2 of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, and subsequent collective bargaining agreements as applicable.

The language of the agreement reads:

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.

A. Eligibility Guidelines

To be eligible for the lump sum payment, an employee must be serving in active payroll status in a title covered by the applicable collective bargaining agreement on the date of ratification of the agreement. Any questions regarding the date of ratification should be directed to the Office of Labor Relations. In the case of the 2010-2017 Memorandum of Agreement between District Council 37 and the City of New York, the ratification date was August 5, 2014.

Active payroll status is defined as being in payroll status "B" (active) or "K" (military leave with pay).

Employees who were terminated for cause, resigned, retired, or otherwise separated from service prior to the date of ratification of the agreement shall not be eligible for the lump sum cash payment.

B. Lump Sum Cash Payment for Full-Time Per Annum and Full-Time Per Diem Employees

All full-time per annum and full-time per diem employees who were in active paid status on the date of ratification are entitled to receive the lump sum cash payment of \$1,000.

C. Proration of Lump Sum Cash Payment for other than Full-Time and Full-Time Per Diem Employees

Part-time per annum, part-time per diem (including seasonal appointees), per session, hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours between July 1, 2013 and June 30, 2014.

- i. Part-time employees who were in active pay status the entire period from July 1, 2013 through June 30, 2014, and on the date of ratification, shall receive a pro-rata lump sum cash payment not to exceed \$1,000.
 - *For example:* An employee in a 40-hour title works 20 hours per week for the entire time period from July 1, 2013 through June 30, 2014. This employee would receive a lump sum ratification bonus of \$500
- ii. Employees who were in active pay status on the date of ratification, and for a portion of the period July 1, 2013 through June 30, 2014, shall receive a pro-rata lump sum cash payment not to exceed \$1,000 based upon the portion of time that they were in active pay status.
 - *For example:* A seasonal employee in a 40-hour title works 10 weeks during the period July 1, 2013 through June 30, 2014, an average of 48 scheduled hours per week. This employee would receive a lump sum ratification bonus of \$229.89¹.
- iii. School Year Based Employees:
Where the regular and customary work year for a title is less than a twelve-month year, such as a school year, such computations provided for in Section C a. i. and a. ii. shall be based on service during the period from September 5, 2013 through June 26, 2014 or other applicable dates for other school-based employees.

¹ $\frac{480 \text{ Scheduled Hours Worked}}{2088 \text{ Scheduled Hours Per Year}} \times \$1000 = \$229.89$

D. Effect of Lump Sum Ratification Bonus

The lump sum cash payments shall not become part of the Employee's basic salary rate nor be added to the Employee's basic salary for the calculation of any salary based benefits including the calculation of future collective bargaining increases.

E. Timing of Payment

The lump sum cash payment shall be paid as soon as practicable upon ratification of the applicable agreement.

F. Additional Determinations

For unique circumstances that are not covered by this memorandum, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the payment of the lump sum ratification bonus. Such case-by-case interpretations are not subject to any dispute resolution procedures.