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MAYOR DE BLASIO, SEIU LOCAL 300, UPOA ANNOUNCE TENTATIVE CONTRACT AGREEMENTS

Fiscally responsible agreements follow established pattern, including unprecedented health care savings and requiring no new funds

NEW YORK—Mayor Bill de Blasio announced today that the City of New York has reached tentative contract agreements with SEIU Local 300 and the United Probation Officers Association (UPOA), marking two more fiscally responsible settlements with employees who have worked under expired contracts for years. Over 60 percent of the City’s workforce has now reached contract agreements or tentative contract agreements.

The pattern of the two tentative agreements is consistent with the City’s now-ratified contracts with the United Federation of Teachers, 1199 SEIU United Healthcare Workers East, New York State Nurses Association, and District Council 37, and requires no new funding over previous budgetary projections. The agreements also include the unprecedented health care savings agreed upon with the Municipal Labor Committee (MLC), which—along with cost offsets from the joint City-MLC Health Insurance Premium Stabilization Fund—make these raises affordable and responsible. Even after the City’s budget factored in the pattern settlement for the first time since the contracts were left open in 2009, out-year gaps remain well below the historical average under prior administrations.

Local 300 employees covered by this agreement include procurement analysts, associate fingerprint technicians, and forensic mortuary technicians, among other titles. UPOA employees covered by this agreement include probation officers, probation officer trainees, and supervising probation officers.

As part of this agreement, the City, Local 300, and UPOA have agreed to continue to identify, review, recommend, and develop gain-sharing initiatives that will generate workplace savings, maximize the potential of the City workforce, and ensure the provision of essential services, while also allowing for increased compensation for the workforce. The parties will conclude discussions on this issue no later than 24 months after the date of contract ratification, unless the parties mutually agree to extend the deadline. The City will also make a good faith effort to ensure similar due process protections for Local 300 provisional employees at the Department of Education and the NYC Health and Hospitals Corporation that all other provisional employees have had since the 1980s.

The proposed seven-year, four-month contract with Local 300 would begin, retroactively, on February 23, 2011 and expire on June 22, 2018. The proposed seven-year, four-month contract with UPOA would begin retroactively on December 28, 2009 and expire on April 27, 2017.

“Two more contracts mean two more steps toward restoring a productive and respectful dynamic between the City and our workforce,” said **Mayor de Blasio**. “Today’s tentative agreements with Local 300 and UPOA mean contracts for workers who have been working without them for years—providing raises that are consistent with the established pattern and including unprecedented, guaranteed health care savings, while keeping out-

year gaps below average. By continuing to work together, we'll find additional workplace savings that benefit our City and workers alike.”

“I would like to thank Mayor de Blasio and the Office of Labor Relations for creating an atmosphere of cooperation and respect in the negotiations that led up to this agreement. Myself and our negotiating committee of Joe Key (Vice-President) and Mary Walker (Secretary Treasurer) realized that this administration appreciated the hard work that all the members of SEIU LOCAL 300 do for The City of New York. We knew that we were in a partnership with the Mayor and his team in the creation of a fair New York, where everyone has a seat at the table. This was how we were able to come together with a fair and equitable agreement during these tough economic times,” said **James (Jimmy) Golden, President of SEIU Local 300.**

“The United Probation Officers Association is pleased to have finally reached a contract agreement with the City of New York. We were without a contract since 2009. Although we were unable to get what we wanted, we did get what we needed. Mayor de Blasio was able to reach an agreement that strikes a fair balance for the taxpayers of the city and its Probation Officers, who also happen to be taxpayers. Job well done,” said **Dominic Coluccio, President of the United Probation Officers Association.**

In total, the MLC and the City have agreed to secure \$3.4 billion in health care savings through Fiscal Year 2018, and \$1.3 billion in savings every year thereafter. The City and the municipal unions will secure cost-cutting measures, aimed at bending the curve of rising health care costs for the first time. These savings are guaranteed and enforceable by arbitration.

After the guaranteed health care savings and funds from the stabilization fund, the net cost of the tentative Local 300 settlement will be \$7.11 million through FY2018. The net cost of the tentative UPOA settlement will be \$11.56 million through FY2018. This will require no new funding beyond budgetary projections.

Local 300 and UPOA both agreed to extend their contracts by four months—a value of 0.52 percent—to pay for additional benefits.

The terms of the agreements must be approved by the unions’ membership.

Local 300’s 775 employees and UPOA’s 691 employees have worked without a contract since 2011 and 2009, respectively.

Fair Wages

Local 300 and UPOA employees will receive compounded increases based on the final seven years of the UFT pattern, with the four-month contract extension:

Local 300 –

August 23, 2012: 1.00%

August 23, 2013: 1.00%

August 23, 2014: 1.00%

August 23, 2015: 1.50%

August 23, 2016: 2.50%

August 23, 2017: 3.00%

February 23, 2018 (Additional Compensation Fund): 0.52%

UPOA –

June 28, 2011: 1.00%

June 28, 2012: 1.00%

June 28, 2013: 1.00%

June 28, 2014: 1.50%

June 28, 2015: 2.50%

June 28, 2016: 3.00%

December 28, 2016 (Additional Compensation Fund): 0.52%

The agreements also include a one-time \$1,000 ratification payment.

Affordable Costs

The total costs of the tentative agreements are covered by the pattern settlement established by the UFT contract. Even after factoring in this agreement and the pattern settlement across all unions, the City's out-year budget gaps remain at manageable levels that are well below historical averages.

The cost of today's agreements over the FY2014-2018 Financial Plan is as follows:

Local 300 –

Gross Cost: \$14.43 million

Health Savings: \$7.32 million

Net Cost: \$7.11 million

UPOA –

Gross Cost: \$18.09 million

Health Savings: \$6.53 million

Net Cost: \$11.56 million

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