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MAYOR DE BLASIO ANNOUNCES TENTATIVE CONTRACT AGREEMENT WITH SERGEANTS BENEVOLENT ASSOCIATION

Four out of five police unions now under contract

NEW YORK—Mayor de Blasio today announced that the City of New York has reached a tentative contract agreement with the Sergeants Benevolent Association, which covers 4,602 full-time sergeants of the NYPD.

With today's agreement, the de Blasio administration has reached contract agreements with more than 76 percent of the City workforce—including four out of five police unions—and eight uniformed unions have are now ratified.

This agreement is pattern-conforming with the Uniformed Superior Officers Coalition agreement negotiated in December 2014. The agreement also incorporates the unprecedented health care savings agreed upon with the Municipal Labor Committee, ensuring that these raises are affordable and responsible for the City and its taxpayers.

The proposed seven-year contract would begin, retroactively, on August 30, 2011 and expire on August 29, 2018.

“Sergeants risk their lives every single day to keep the city safe, and this agreement recognizes and honors the difficult and dangerous work they do day in and day out,” said **Mayor de Blasio**. “I’m proud of the progress we’ve made over the past year to settle contracts with more than 76 percent of the city’s workforce and establish a respectful dynamic between the City and its employees. And with today’s agreement, four out of five police unions have agreed to contracts that have delivered fair wages for these men and women who protect all of us each day, while protecting the City’s long-term financial health.”

“I am grateful we have been able to reach a contract agreement. As a result of the last administration, NYPD Sergeants have been working with no contract agreement for nearly three and half years. Mayor de Blasio has been understanding and receptive to the concerns and needs of these NYPD Sergeants, and I thank him for his time and effort in helping to reach this agreement,” said **Sergeants Benevolent Association President Ed Mullins**.

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 work to 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 settlement will be \$252.1 million through FY2019. This agreement will not require any additional funds be added to the financial plan.

Fair Wages

The contract is based on existing labor patterns in place for all other City unions, with the addition of a 1 percent raise in Year One—consistent with the pattern established with the Uniformed Superior Officers Coalition in December 2014.

Wage increases will constitute 11 percent over seven years, on the following dates:

- 1% – Effective 8/30/11
- 1% – Effective 2/28/13
- 1% – Effective 2/28/14
- 1% – Effective 2/28/15
- 1.5% – Effective 2/29/16
- 2.5% – Effective 3/30/17
- 3.0% – Effective 3/30/18

Like the agreement reached with the Uniformed Superior Officers Coalition, this contract does not include the one-time \$1,000 ratification bonus and includes a change in terminal leave policy in allowing employees to opt for a one-time lump sum payment in lieu of taking all leave time prior to retiring. Additionally, this agreement provides for increases in longevity payments. The cost of these provisions and the payment of the first wage increase on the first day of the agreement is offset by savings from a reduced welfare fund contribution, a one month delay in the last two wage increases, and an agreement to amend the existing work rules and practices to reduce overtime costs for the City.

Affordable costs

The costs of today's tentative agreement, across the Financial Plan from FY2015 through FY 2019 are as follows:

Gross Cost: \$326.2 million
Health Savings and Stabilization Fund: (\$74.1 million)
Net Cost: \$252.1 million

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