

THE CITY OF NEW YORK

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MAYOR DE BLASIO, UNIFORMED SUPERIOR OFFICERS COALITION ANNOUNCE TENTATIVE CONTRACT AGREEMENT

Agreement takes the established pattern—including unprecedented health care savings—and adds 1 percent raise in Year One

Marks first contract with uniformed unions; 71 percent of City workforce now settled

NEW YORK–Mayor Bill de Blasio today announced that the City of New York has reached a tentative contract agreement with the Uniformed Superior Officers Coalition, marking the administration's first contracts with uniformed unions. Today's agreement means that the administration has now reached agreements with 71 percent of the City workforce that had previously been working under expired contracts.

The USOC represents eight unions: the Detectives Endowment Association, Uniformed Fire Officers Association, Lieutenants Benevolent Association, Sanitation Officers Association, Correction Captains Association, Captains Endowment Association, Assistant Deputy Wardens/Deputy Warden Association and Uniformed Sanitation Chiefs Association. The approximately 11,900 employees they represent have worked without a contract since either 2011 or 2012. The terms of the agreements must be approved by the unions' full in-service membership.

The pattern of the tentative agreement takes the established pattern of the administration's prior contracts and adds a 1 percent raise in Year One. The agreement also cements 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 dates ranging from March 2011 for the UFOA to July 2012 for the SOA, and expire seven years thereafter, respectively.

"These uniformed officers serve and protect us every day. They watch over our families and our neighborhoods—and they deserve a contract that delivers fair wages while protecting the City's long-term fiscal health," said **Mayor de Blasio**. "We set out earlier this year to restore a productive and respectful dynamic between the City and its employees. And today, 71 percent of our workforce is working under contract agreements, including the unprecedented and guaranteed health care savings. Above all, this is an agreement that respects the difficult and often dangerous work our uniformed officers perform."

"I would like to thank Mayor de Blasio for his willingness to listen to the concerns of the members of my organization and our desire to enter in an agreement that is both fair and respects the special contribution we make to the vibrancy of New York City," said **Roy T. Richter, President of the Captains Endowment Association**.

"This agreement addresses many issues for my membership. It also allows each supervisory union to work collaboratively with their respective commissioner to address working conditions," said **Sid Schwartzbaum**, **President of the Assistant Deputy Wardens/Deputy Wardens 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 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 labor reserve and stabilization fund, the net cost of the tentative settlement will be \$413.7 million through FY2018.

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. Because USOC covers eight separate unions whose contracts expired at different intervals between 2011 and 2012, each contract will extend a period of seven years from the end of the previous contract. Wage increases will constitute 11 percent over seven years, on the following pattern:

 1% 1st day of 12th month

 1% 1st day of 19th month

 1% 1st day of 31st month

 1% 1st day of 43rd month

 1% 1st day of 55th month

 1.5% 1st day of 55th month

 2.5% 1st day of 67th month

3% - 1st day of 79th month

The contract does not include the one-time \$1,000 ratification bonus previously included in the pattern. This is part of an agreement adjusting terminal leave policy and allowing employees to opt for a one-time lump sum payment in lieu of taking all leave time prior to retiring. Those costs are estimated as 0.6 percent of salary, which will be funded by a combination of forgoing the \$1,000 signing bonus, 0.36 percent in union savings (from the following options: annuity fund/401a contributions, welfare fund uniform allowance, an additional workday, or a delay in wage increases), and a City contribution of 0.12 percent. In the event the union does not provide the required 0.36 percent in savings, the terminal leave lump sum payment will not be implemented for that unit and the parties will meet to agree to a benefit that is equal to the amount funded.

Affordable Costs

The costs of today's tentative agreement, across the Financial Plan from FY2015 through FY2018, are as follows:

Gross Cost: \$559.1 million

Health Savings and Stabilization Fund: (\$145.4 million)

Net Cost: \$413.7 million

The City will adjust its financial plan to accommodate the \$145 million in costs over the course of the financial plan that are above previous budgetary projections.

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