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2000 LOCAL 237, INTERNATIONAL BROTHERHOOD OF TEAMSTERS
MEMORANDUM OF ECONOMIC AGREEMENT

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New York City Housing Authority

29,000
workers

6/11/02

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X-3/31/02

2000 LOCAL 237, INTERNATIONAL BROTHERHOOD OF TEAMSTERS

MEMORANDUM OF ECONOMIC AGREEMENT

MEMORANDUM OF ECONOMIC AGREEMENT made this 4th day of March, 2002, ("2000 IBT MEA") by and between the undersigned Local 237, International Brotherhood of Teamsters, AFL-CIO, except that Civil Service Bar Association shall not be covered by the provisions of this Agreement, (the "Union"); and the City of New York (the "City") and the undersigned employers (collectively the "Employers").

WITNESSETH

WHEREAS, the undersigned parties desire to enter into collective bargaining agreements, including this "2000 IBT MEA" and agreements successor to those terminating on December 31, 1999 ("*Successor Separate Unit Agreements*") to cover the employees represented by the Union ("Employees");

WHEREAS, the undersigned parties intend by this 2000 IBT MEA to cover all economic matters and to incorporate the terms of this 2000 IBT MEA into the *Successor Separate Unit Agreements*,

NOW, THEREFORE, it is jointly agreed as follows:

Section 1. Term.

- a. The term of each *Successor Separate Unit Agreement* shall be twenty-seven (27) months from the date of termination of the applicable existing separate unit agreement.
- b. The term of this 2000 IBT MEA shall be from the day following the termination of the applicable predecessor separate unit agreement to the date a *Successor Separate Unit Agreement* between the union and employer becomes final except as provided in Sections 11(a), 13 and 16, and except for Sections 10, 11(b, c, d and e), 12, 15, 17, 19, 20 ("*Appendix D*"), 21 and 22 which shall be coterminous with the applicable *Successor Separate Unit Agreement*.

Section 2. Continuation of Terms.

The terms of the predecessor separate unit agreements shall be continued except as modified pursuant to this 2000 IBT MEA and the *Appendices*.

6/14/02

Section 3. Prohibition of Further Economic Demands.

No Party to this agreement shall make additional economic demands during the term of the 2000 *IBT MEA* or during the negotiations for the applicable *Successor Separate Unit Agreement*, except as provided in Sections 4(d) and 6. Any disputes hereunder shall be promptly submitted and resolved.

Section 4. General Wage Increase.

- a. The general increases, effective as indicated, shall be:
 - i. Effective on the first day of the applicable *Successor Separate Unit Agreement*, Employees shall receive a general increase of 4 percent.
 - ii. Effective on the first day of the second year of the applicable *Successor Separate Unit Agreement*, Employees shall receive an additional general increase of 4 percent.
 - iii. Part-time per annum, per session, hourly paid and 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 subsections 4(a)(i) and 4(a)(ii) on the basis of computations heretofore utilized by the parties for all such Employees.
- b. The increases provided for in Section 4(a) shall be calculated as follows:
 - i. The general increase in Section 4(a)(i) shall be upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the applicable predecessor separate unit agreement;
 - ii. The general increase in Section 4(a)(ii) shall be based upon the base rates (including salary or increment salary schedules) of the applicable titles in effect on the last day of the first year of the applicable *Successor Separate Unit Agreement*.
- c.
 - i. The general increases provided for in Section 4(a) shall be applied to the base rates, incremental salary levels and the minimum and maximum rates (including levels) if any, fixed for the applicable titles, and 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, longevity increments, recurring increment payments, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening, or night shift differentials.
 - ii. Notwithstanding Section 4(c)(i) above, the total cost of the increase set forth in 4(c)(i) as it applies to "additions to gross" shall not exceed a cost of 0.11 percent of the December 31, 1999 payroll, including spinoffs and pensions. Recurring increment payments are excluded from this provision.

- d. The general increases provided for in the subsections 4(a), or 4(c) may be subject to revision or modification in the *Successor Separate Unit Agreements*, provided, however, that such revision or modification in wages or fringe benefits shall not result in any current or future cost increase or decrease as compared with the cost required to pay the increases provided for in this Section 4.

Section 5. New Hires.

- a. The appointment rate for a newly hired employee shall be the applicable "hiring rate" for said title that was in effect on the date of termination of the applicable *predecessor* separate unit agreement. The general increases provided for in subsections 4(a)(i) and 4(a)(ii) shall be applied to the "hiring rate."
- b. An employee who has less than one year of service shall continue to be paid at the hiring rate minimum. Upon completion of one year of service such employees shall be paid the indicated incumbent minimum for the applicable title that is in effect on the one year anniversary of their original date of appointment as set forth in the applicable *Successor Separate Unit Agreement*.
- c. For those employees hired between July 15, 1996 through December 31, 1999, upon completion of four (4) years of active or qualified inactive service, an employee in active pay status appointed pursuant to the provisions set forth in Section 5(b) of the 1995 MCMEA shall receive a one-time lump sum payment calculated by taking the difference between the "hiring rate" received by the employee and the indicated minimum for the applicable title set forth in the applicable *Successor Separate Unit Agreement* that was in effect on the one year anniversary of the employee's original date of appointment to their title. Such one-time lump sum payment shall be equivalent to the difference between the annual salary rate the employee would have actually earned during the employee's second year of service had the higher salary rate been in effect and the annual salary rate they did earn.
- d. "Qualified inactive service" is defined for the purposes of Section 5(c) to include the following employees:
 - i. those who are on preferred or recall lists; or
 - ii. those who are on an approved leave.

Section 6. Additional Compensation Funds.

Effective the last day of the *Successor Separate Unit Agreement*, each bargaining unit shall have available funds not to exceed 1.0 percent to purchase recurring benefits, mutually agreed to by the parties, other than to enhance the general wage increases set forth in Section 4 or the hiring rate for new employees set forth in Section 5. The funds available shall be based on the payroll, including spinoffs and pensions, as of the December 31, 1999 payroll.

Section 7. Performance Compensation.

The Union acknowledges the Employer's right to pay additional compensation for outstanding performance.

The Employer agrees to notify the Union of its intent to pay such additional compensation.

Section 8. Conditions of Payment.

If there is no unresolved dispute under Section 3, and the unit elects in writing not to pursue its rights under Section 4(d), the general increase provided in Section 4(a)(i) and 4(a)(ii) shall be payable when due based upon the execution of this *2000 IBT MEA*. If there is an unresolved dispute under Section 3 and/or the Union exercises its rights under Section 4(d), the payment provided in Section 4(a)(i) and/or 4(a)(ii) shall not be made until the certification of the *Successor Separate Unit Agreement*. Payments pursuant to Section 6 shall be made on or after certification of the *Successor Separate Unit Agreement*.

Section 9. Welfare Funds.

- a. Pursuant to the Health Benefits Agreement, effective the last day of the applicable *Successor Separate Unit Agreement*, the contribution paid on behalf of each full-time per annum Employee to each applicable welfare fund shall be increased by two hundred dollars (\$200) per annum.
- b. The per annum contribution rates paid on behalf of eligible part-time per annum, hourly paid, per session and per diem (including seasonal appointees) Employees and Employees whose normal work year is less than a full calendar year shall be adjusted in the same proportion heretofore utilized by the parties for all such Employees as the per annum contribution rates are adjusted in Section 9(a) for full-time Employees.
- c. The per annum contribution rates paid on behalf of employees separated from service to a welfare fund which covers such employees shall be adjusted in the same manner as the per annum contribution rates for other employees are adjusted pursuant to Section 9(a).
- d. The Unions agree to provide welfare fund benefits to domestic partners of covered employees in the same manner as those benefits are provided to spouses of married covered employees.
- e. Pursuant to the Health Benefits Agreement, each welfare fund shall provide welfare fund benefits equal to the benefits provided on behalf of an active employee to widow(ers), domestic partners and/or children of any employee who dies in the line of duty as that term is referenced in Section 12-126(b)(2) of the New York City Administrative Code. The cost of providing this benefit shall be funded by the Stabilization Fund.

Section 10. Labor-Management Committee on Pension Issues.

- a. Upon ratification of this *2000 IBT MEA*, the pension enhancements as agreed to in the attached Appendix A (“Agreement on Jointly Supported Pension Enhancements”) shall be implemented retroactive to the effective date of the legislation.
- b. There shall be a joint Labor Management Committee on Pensions. The committee shall analyze the actual costs and additional contribution rate(s) for members of the New York City Employees’ Retirement System (NYCERS) and the Board of Education Retirement System (BERS) associated with Chapter 96 of the Laws of 1995. Such analysis shall be based on, among other factors, the actual number of people who elected to participate under the provisions of said Chapter 96 of the Laws of 1995 as of September 26, 1995. The committee shall make recommendations regarding the establishment of revised additional contribution rate(s) and other remedies it deems appropriate so as to reflect the actual cost to members of NYCERS and BERS. Regardless of the comparison of actual costs to additional contributions for members of NYCERS and BERS, there shall be no adjustment to contributions under Chapter 96 without first considering the contributions by the employer to NYCERS and BERS on behalf of all employees, and the comparison of those contributions to actual costs.

Section 11. Privatization/Contracting-Out/Contracting-In.

- a. The parties have recognized appropriate processes and procedures involving privatization, contracting-out and contracting-in. During the period of this *2000 IBT MEA*, through March 31, 2002, unless an extension is mutually agreed to by the parties, when the job security provisions are in effect, no employee will be involuntarily displaced by the above, and it is not the City’s intention to utilize privatization as a means to involuntarily displace employees. This section shall be read consistent with Section 13(f) of this Agreement. In the event such circumstances do arise the Unions and the City reserve their rights.
- b. It is the Employer’s policy to have advance discussions with the Union to review its plans for letting a particular contract which may adversely affect employees covered by this *2000 IBT MEA*. The Union shall be advised as early as possible, but in no case later than 90 days in advance of the contract being let, of the nature, scope, and approximate dates of the contract and the reasons therefor.
- c. The Employer will provide the Union as soon as practicable with information, in sufficient detail, so that the Union may prepare a proposal designed to demonstrate the cost effectiveness of keeping the work in-house. Such information, consistent with the applicable provisions of Section 312(a) of the New York City Charter, shall include but not be limited to, applicable solicitations to vendors, winning bids, descriptions of services to be provided by vendors, cost comparison analyses, and the agency’s estimated direct operating and administrative costs of contracting out the work.
- d. Not less than 45 days prior to submission to the Comptroller of a recommendation for the award of the contract, the union shall have an opportunity to make a formal proposal to the employer demonstrating that it is cost effective or that it is in the best interest of the employer to continue to perform such work in house. The Employer agrees to

consider such proposal before making a final determination. Such final determination shall be made in writing and submitted to the Union as soon as practicable.

- e. The parties agree to set up a labor-management study committee to discuss and review processes for the contracting-in of public services. The study committee will consider:
 - i. the conditions under which "contracting in" should be considered and the method by which it should be determined that City services should be contracted in;
 - ii. the establishment of pilot projects in mutually agreed upon targeted areas to determine the feasibility of providing such services in-house; and
 - iii. if the parties mutually agree to the study committee's recommendations, the City will examine the feasibility of contracting-in services during the period covered by this *2000 IBT MEA*.

Section 12. Worker Empowerment.

- a. The parties recognized that during the term of this *2000 IBT MEA*, the City will continue to move forward toward a better organized, better trained, and, with the cooperation of the Union, an increasingly more productive and better paid work force.
- b. Toward these overall objectives, the parties agree to work in a cooperative fashion to facilitate increased productivity and provide for increased efficiency in the delivery of City services. This will include productivity through changes in the level, methods, personnel, organization and technology of City services. A joint effort in this regard requires a commitment by both parties to develop and assist in the implementation of work place redesign, worker empowerment, and quality improvement. To accomplish such fundamental work process redesign, the City has attempted and will continue to attempt to avoid involuntary loss of jobs by City employees and will make every effort to continue their employment.
- c. The work place participation process and work place redesign initiatives shall be consistent with the Citywide Contract and the terms of ongoing collective bargaining agreements.
- d. The parties further recognize the necessity of redesigning the work process so that it becomes more productive. They agree that costs must be reduced, performance improved and skill content of jobs enhanced. This will require substantial changes in how work is organized, the creation of opportunities for employees to solve operating problems and the upgrading of the skills of the work force.
- e. In order to manage change, the parties commit to ongoing consultation, problem solving, and discussion between management and the Union and among employees at all levels. As part of these consultations, management is committed to providing the Union and employees with the opportunity to participate in decisions related to these changes.
- f. In accordance with the worker empowerment provisions of this *2000 IBT MEA*, an oversight committee shall be created, and shall include representatives of the Union and

the City. Through this committee structure, the two sides shall review work reform proposals on a case-by-case basis.

- g.** The parties agree to the following objectives:
 - i.** Providing workers with greater input, accountability, and responsibility over day-to-day processes of their workplace.
 - ii.** Refining the organizational structure, so as to eliminate unnecessary layers of bureaucracy and reduce overhead costs.
 - iii.** Upgrading the skills of employees and providing employees with improved training.
 - iv.** Redesigning work locations to improve efficiency and promote safe working conditions (including identification of potential ergonomic hazards).
 - v.** Implementing improvements in productivity and quality based on working smarter, using better equipment and reducing waste.

Section 13. Job Security and Redeployment.

- a.** Except for cause, or due to the movement of civil service lists, no full-time per annum employee covered by this *2000 IBT MEA* shall be displaced or involuntarily separated (except as modified by side letters) from service during the term of this *2000 IBT MEA* through March 31, 2002, unless an extension is mutually agreed to by the parties.
- b.** Any part-time employee, who has two years continuous service and who works at least 20 hours per week, shall be governed by the job security provisions of this Section.
- c.** Any full-time per diem employee as defined in Article I, Section 5 of the 1995 Citywide Agreement shall be governed by the job security provisions of this Section.
- d.** The above provisions shall not apply in the event of a financial emergency in anticipation of the invocation of the applicable provisions of the Financial Emergency Act of 1975, Section 5402.
- e.** During the term of this *2000 IBT MEA* until March 31, 2002, unless an extension is mutually agreed to by the parties, the redeployment of affected City employees between City agencies shall be implemented in accordance with the terms of the Redeployment Agreement set forth in Appendix B. The City will use its best efforts to effectuate arrangements with non-Mayoral and covered agencies that are signatories to the *2000 IBT MEA* to participate in redeployment. These non-Mayoral and covered agencies will attempt to accept redeployed personnel if they identify surplus positions for redeployment.

Section 14. Expedited Arbitration Procedure.

- a.** The Union and the City of New York, through its Office of Labor Relations, agree that there is a need for an expedited arbitration process which would allow for the prompt adjudication of grievances as set forth below.
- b.** The parties voluntarily agree to submit matters to final and binding arbitration pursuant to the New York City Collective Bargaining Law and under the jurisdiction of the Office of Collective Bargaining. An arbitrator or panel of arbitrators, as agreed to by the parties, will act as the arbitrator of any issue submitted under the expedited procedure herein.
- c.** The selection of those matters which will be submitted shall include, but not be limited to, out-of-title cases concerning all titles, disciplinary cases wherein the proposed penalty is a monetary fine of one week or less or written reprimand, and other cases pursuant to mutual agreement by the parties. When the parties agree to submit a case to expedited arbitration, the following procedure shall apply:
 - i.** Each union and the Office of Labor Relations will designate one individual who will coordinate with the other:
 - (1)** the identification of cases deemed appropriate to submit to expedited arbitration and agreement by both parties on those cases; and
 - (2)** joint notification by letter to the designated arbitrator of those cases where both parties agree to submit them to expedited arbitration; and
 - (3)** in addition, each party shall send, to the other party by fax, a list of cases it deems appropriate for expedited arbitration. Upon confirmation of receipt of the notice, the recipient shall have ten business days to reply. After the tenth business day, a party shall submit the list of cases to the designated arbitrator for scheduling.
 - ii.** The arbitrator will reserve at least two days per month which will be designated for hearing expedited cases. The actual scheduling of cases shall be done by mutual agreement of the parties,
 - iii.** The hearings will be conducted in the following manner:
 - (1)** The presentation of the case, to the extent possible, shall be made in the narrative form. To the degree that witnesses are necessary, examination will be limited to questions of material fact and cross-examination will be similarly limited. Submission of relevant documents, etc., will not be unreasonably limited and may be submitted as a "packet" exhibit.
 - (2)** In the event either party is unable to proceed with hearing a particular case, the case shall be rescheduled. However, only one adjournment shall be permitted. In the event that either party is unable to proceed on a

second occasion, a default judgment may be entered against the adjourning party at the Arbitrator's discretion absent good cause shown.

- (3) The Arbitrator shall not be precluded from attempting to assist the parties in settling a particular case.
- (4) A decision will be issued by the Arbitrator within two weeks. It will not be necessary in the Award to recount any of the facts presented. However, a brief explanation of the Arbitrator's rationale may be included. Bench decisions may also be issued by the Arbitrator.
- (5) Decisions in this expedited procedure shall not be considered as precedent for any other case nor entered into evidence in any other forum or dispute except to enforce the Arbitrator's award.
- (6) The parties shall, whenever possible, exchange any documents intended to be offered in evidence at least one week in advance of the first hearing date and shall endeavor to stipulate to the issue in advance of the hearing date.

Section 15. Work Experience Program.

The parties have recognized appropriate processes and procedures for dealing with Work Experience Program participants (WEPs). It is not the City's intention to use WEPs to displace active City employees.

Section 16. Resolution of Disputes.

- a. Subject to the subsequent provisions of this Section 16(b), any dispute, controversy, or claim concerning or arising out of the execution, application, interpretation or performance of any of the terms or conditions of this *2000 IBT MEA* shall be submitted to arbitration upon written notice therefor by any of the parties to this *2000 IBT MEA* to the party with whom such dispute or controversy exists. The matter submitted for arbitration shall be submitted to an arbitration panel consisting of the three impartial members of the Board of Collective Bargaining pursuant to Title 61 of the Rules of the City of New York. Any award in such arbitration proceeding shall be final and binding and shall be enforceable pursuant to Article 75 of the CPLR.
- b. After incorporation of this *2000 IBT MEA* into an applicable *Successor Separate Unit Agreement*, any dispute, controversy or claim referred to in Section 16(a) which arises between the parties to such separate unit agreement shall be submitted in accordance with the dispute resolution provisions of such applicable *Successor Separate Unit Agreement* except that any dispute, controversy or claim arising under Sections 9 and 13(a), (b), (c) and (d) shall be resolved pursuant to the Citywide or other similar applicable agreements with the Employers, and except as provided in Sections 16(c) and 16(d) below.

- c. Any dispute, controversy or claim arising under Sections 10, 11, 13(e), and 17 shall continue to be submitted under Section 16(a) above.
- d. The provisions of Sections 16(a) and 16(b) shall not apply to any dispute, controversy or claim arising under Sections 12, 13(f), and 15. Any dispute, controversy or claim arising under Section 13(f) shall be resolved pursuant to Paragraph 8 of Appendix B.
- e. The term of this Section 16 shall be from the date of execution of this *2000 IBT MEA* to the date of execution of any successor agreement(s) to this *2000 IBT MEA*.

Section 17. Continuation of Certain Health Benefits.

The parties agree that the following provisions of the 1993 Municipal Coalition Agreement shall remain in full force and effect, except as otherwise modified by provisions of this *2000 IBT MEA* and the Appendices.

Health Care Flexible Spending Account.

- a. A flexible health care spending account shall be established pursuant to Section 125 of the IRS code after July 1993. Those employees eligible for New York City health plan coverage as defined on page 32, section 4(B) of the 1992 New York City Health Summary Program Description shall be eligible to participate in the account. Participating employees shall contribute at least 260 dollars per year up to a maximum of \$5,000 per year. Said contribution minimum and maximum levels may be modified by the MLC Health Advisory Committee based on experience of the plan. Any unfunded balance may be deducted from final salary payments due an employee.
- b. Expenses of the account shall include but not be limited to deductibles, co-insurance, co-payments, excess expenses beyond plan limits, physical exams and health related transportation costs for vision, dental, medical and prescription drug plans where the employee and dependents are covered. In no case will any of the above expenses include those non-deductible expenses as defined as non-deductible in IRS Publication 502.
- c. An administrative fee of \$1.00 per week for the first year shall be charged for participation in the program. An employee's participation in the account is irrevocable during a plan year. At the close of the plan year any excess balance in an employee's account will not be refunded.

Health Insurance.

- a. Effective April 1, 1995 and thereafter, the Employer's cost for each contract for each Employee and for each retiree (under age 65) shall be equalized at the community rated basic HIP/HMO plan payment rate as approved by the State Department of Insurance on a category basis of individual or family, (e.g. the payment for GHI-CBP/Blue Cross family coverage shall be equal to the payment for HIP/HMO family coverage).

- b. The Employers shall continue to contribute on a City employee benefits program-wide basis the additional annual amount of \$35 million to maintain the health insurance stabilization reserve fund created in Section 7 of the 1984-87 Municipal Coalition Economic Agreement. Said funds shall be paid in two installments of seventeen million five hundred thousand in January and July of each year.
- c. Pursuant to paragraph 7 of MLC Health Benefits Agreement, notwithstanding the above, in each of the fiscal years 2001 and 2002, the City shall not make the annual \$35 million contributions to the health insurance stabilization fund.
- d. In the event that there is a citywide or program-wide health insurance package which exceeds the cost of the equalization and stabilization fund described above, the parties may negotiate a reconfiguration of this package which in no event will provide for costs in excess of the total costs of this *2000 IBT MEA* as set forth herein. However, it is understood that no union will be treated any better or any worse than any other union participating in the citywide or program-wide Health Program with regard to increased health insurance costs.

Section 18. Retroactivity.

In the event that any payment is not paid on the date due under this *2000 IBT MEA*, such payment when made shall be paid retroactive to such date due.

Section 19. Approval of Agreements.

This *2000 IBT MEA* and the separate unit agreements are subject to approval in accordance with applicable law.

Section 20. Pension Benefits Agreement, Redeployment Agreement, Health Benefits Agreement, and Letter Agreements.

The Pension Benefits Agreement, attached hereto as Appendix A, the Redeployment Agreement, attached hereto as Appendix B, and the Health Benefits Agreement, attached hereto as Appendix C, and the executed letter agreements, attached hereto collectively as Appendix D, are deemed to be part of this *2000 IBT MEA*.

Section 21. Incorporation of Certain Provisions into Other Agreements.

Section 9 shall be incorporated into the *Citywide Agreement* and all other similar agreements with the Employers or into the applicable *Separate Unit Agreement*, whichever contains the subject matter. All other provisions of this *2000 IBT MEA* shall be incorporated into the *Successor Separate Unit Agreements* except for Sections 10, 11, 12, 13, 15, 16, 17, 19, 20 (Appendices A, B, C), 21 and 22.

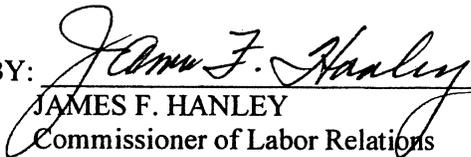
Section 22. Savings Clause.

In the event that any provision of this *2000 IBT MEA* is found to be invalid, such invalidity shall not impair the validity and enforceability of the remaining provisions of this *2000 IBT MEA*.

WHEREFORE, we have hereunto set our hands and seals this 4th day of March, 2002.

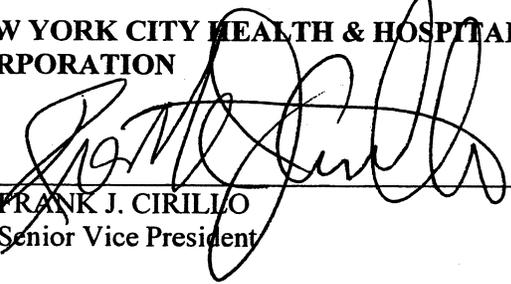
FOR THE CITY OF NEW YORK

FOR LOCAL 237, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AFL-CIO

BY: 
JAMES F. HANLEY
Commissioner of Labor Relations

BY: 
CARROLL E. HAYNES
President

NEW YORK CITY HEALTH & HOSPITALS CORPORATION

BY: 
FRANK J. CIRILIO
Senior Vice President

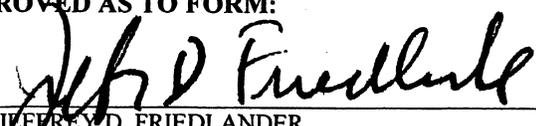
NEW YORK CITY BOARD OF EDUCATION

BY: 
NINF SEGARRA
President

CITY UNIVERSITY OF NEW YORK

BY: _____

APPROVED AS TO FORM:

BY: 
JEFFREY D. FRIEDLANDER
Counseling Corporation Counsel

SUBMITTED TO THE FINANCIAL CONTROL BOARD: _____, 2002

APPENDIX B

Redeployment Process and Procedure

Section 1. Applicability:

The parties agree that during the period covered by the 2000 IBT MEA, the redeployment of affected City employees between City agencies shall be implemented in accordance with the terms set forth in this Appendix B.

Section 2. General Redeployment Rules:

- a. Agencies with authority to fill vacancies through redeployment shall be designated a "receiving agency."
- b. Agencies with surplus positions will be designated as a "sending agency."
- c. The Department of Citywide Administrative Services/Division of Citywide Personnel Services ("DCAS/DCPS") will match available redeployment vacancies in receiving agencies with surplus positions in sending agencies with appropriate notification.
- d. DCAS/DCPS will first attempt to match positions with the same civil service title. If DCAS/DCPS is unable to match vacancies in receiving agencies with positions in the same civil service title from sending agencies, pursuant to Paragraph 5(a) of this Appendix B, DCAS/DCPS shall make a determination whether to designate certain titles in the sending agencies as "similar titles." The term "similar title" shall mean titles whose qualifications and skill requirements are comparable, as determined by DCAS/DCPS, and where the minimum salary of position in a receiving agency is within an 8 percent range of the minimum salary of the position in a sending agency.
- e. Affected employees who volunteer for redeployment shall be redeployed first. If there are insufficient volunteers, redeployment shall be on an involuntary basis. Participants in redeployment shall be selected in accordance with the procedures set forth in Paragraphs 3, 4 and 5 of this Appendix B.
- f. The redeployment process shall not be used to prevent the timely movement of appropriate civil service lists.
- g. Redeployment shall not be used for disciplinary purposes.
- h. All redeployment shall be accomplished without loss to the redeployed employee in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title and/or the receiving agency's leave and holiday schedule.

- i. In the event a redeployed employee, other than a provisional employee, is targeted for layoff within thirty-six (36) months from the date of that affected employee's redeployment, that redeployed employee shall be deemed to have been returned to the affected employee's original agency and treated as part of the original agency's layoff unit(s).
- j. For purposes of the disciplinary procedures for provisional employees set forth in the applicable collective bargaining agreements, time served by an affected employee in either the sending agency or the receiving agency shall count towards meeting the two year eligibility requirement (i.e. shall be considered time served in the "same" agency), provided all other terms of such provisions are met and that the collective bargaining agreements applicable to the receiving agency contain such disciplinary procedures.
- k. The parties agree that during the period of this 2000 IBT MEA, the redeployment of affected City employees between City agencies shall be implemented in accordance with the terms of the Redeployment Agreement set forth in Appendix B. The City will use its best efforts to effectuate arrangement with non-Mayoral and covered agencies that are signatories to the 2000 IBT MEA to participate in redeployment. These non-Mayoral and covered agencies will attempt to accept redeployed personnel if they identify surplus positions for redeployment. Personnel will be redeployed to and from non-mayoral and covered agencies without loss in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title and/or the receiving agency's leave and holiday schedules.

Section 3. Seniority/Juniority:

- a. Unless otherwise specified, seniority/juniority will be determined by City Start Date which shall mean an employee's original start date to a classified position of the City, regardless of jurisdiction class or civil service status. In the event that two or more employees have the same City Start Date, the employee with the earliest start date in an affected title shall be deemed to have the greater seniority.
- b. "Seniority," where utilized in this Appendix B, shall be applied in the following order:
 - i. first, among permanent employees;
 - ii. second, among probationary employees;
 - iii. third, among "step-up" provisionals serving in competitive class positions; and
 - iv. fourth, among "pure" provisionals serving in competitive class positions.

- c. Non-Competitive and Labor Class employees shall follow the same seniority rules as in Paragraphs 3(b)(i) and 3(b)(ii) above.
- d. "Juniority," where utilized in this Appendix B, shall be applied in the following order:
 - i. first, "pure" provisionals serving in competitive class positions, regardless of seniority/juniority;
 - ii. second, "step-up" provisionals serving in competitive class positions, regardless of seniority/juniority;
 - iii. third, among probationary employees in juniority order; and
 - iv. fourth, among permanent employees in juniority order.
- e. Non-Competitive and Labor Class employees shall follow the same seniority rules as in Paragraphs 3(d)(iii) and 3(d)(iv) above.

Section 4. Redeployment to Positions in the Same Title:

- a. Employees, in a sending agency, who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraphs 3(b) and 3(c), above. For the purposes of determining seniority, each sending agency shall be a redeployment unit, except if more than one sending agency has surplus positions in a redeployment eligible title, the individual agency redeployment units shall be merged into one citywide seniority list. The most senior volunteers shall be redeployed first.
- b. If there are insufficient volunteers, redeployment shall be on an involuntary basis. After volunteers are redeployed, the City may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending agencies in juniority order pursuant to Paragraphs 3(d) and 3(e), above. For the purposes of determining juniority, each sending agency shall be a redeployment unit, except if more than one sending agency has surplus positions in a redeployment eligible title, the individual agency redeployment units shall be merged into one citywide juniority list. The most junior non-volunteers shall be redeployed first.

Section 5. Redeployment to Positions in Similar Titles:

- a. If, after the procedures set forth in Paragraph 4 have been utilized, redeployment of employees in similar titles becomes necessary, the City will first confer with Local 237, International Brotherhood of Teamsters regarding the proposed redeployment. Should the City and Local 237, International Brotherhood of Teamsters fail to agree that titles are similar, the parties shall submit the issue to

an impartial agreed upon by the parties, within five (5) business days. The impartial shall issue a final and binding award within five (5) business days. The award shall not be subject to appeal in any forum.

- b. Employees, in sending agencies, who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraphs 3(b) and 3(c), above. For the purposes of determining seniority, each sending agency shall be a redeployment unit, except if more than one sending agency has surplus positions in a redeployment eligible title, the individual agency redeployment units shall be merged into one citywide seniority list. The most senior volunteers shall be redeployed first.
- c. If there are insufficient volunteers, redeployment shall be on an involuntary basis. After volunteers are redeployed, the City may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending agencies in juniority order pursuant to Paragraphs 3(d) and 3(e), above. For the purposes of determining juniority, each sending agency shall be a redeployment unit, except if more than one sending agency has surplus positions in a redeployment eligible title, the individual agency redeployment units shall be merged into one citywide juniority list. The most junior non-volunteers shall be redeployed first.

Section 6. Hardship:

In the event that an employee selected for redeployment claims a hardship exemption based on extraordinary circumstance, such employee may file such claim with DCAS/DCPS within three (3) business days of receipt of notice of redeployment. The Labor-Management Committee set forth in Paragraph 8 of this Appendix B shall render its decision within five (5) business days of receipt of the request and prior to redeployment of the employee.

Section 7. Removal from Redeployment Eligibility:

Upon failure by a volunteer to accept a position, the City may remove the volunteer from eligibility for voluntary redeployment. Employees who file for a hardship exemption as set forth in Paragraph 6 of this Appendix B, shall again be eligible to volunteer for redeployment provided that the Labor-Management Committee determines that a hardship does in fact exist.

Section 8. Labor Management Committee:

- a. A joint Labor-Management Committee shall be established to confer on, review and discuss vacancy control procedures, information on hiring, redeployment, and attrition rates.
- b. In addition to reviewing hardship claims as described above in Paragraph 6, the City reserves the right to make application to the Labor-Management Committee

described herein based on extraordinary circumstance for variations from the redeployment rules as set forth herein.

- c. Decisions rendered by the Labor-Management Committee shall be final and binding and shall not be subject to appeal in any forum.

Section 9. Probationary Period:

- a. Upon redeployment to a position in the same title, probationary employees will be required to serve the balance of the probationary period in the new agency.
- b. Employees who have not completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve either the balance of the employee's original probationary period or the probationary period set forth in Paragraph 9(c), whichever is greater. The probationary period may be waived by the Agency head with the approval of the Deputy Commissioner of DCAS/DCPS.
- c. Employees who have completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve a four (4) month probationary period in said similar title. In the event that an employee with significant City experience who is redeployed to a position in a similar title is rated unsatisfactory during the probationary period, the failure of probation shall be reviewed by the Deputy Commissioner of DCAS/DCPS, or the Deputy Commissioner's designee. The Deputy Commissioner of DCAS/DCPS, or the Deputy Commissioner's designee, shall have the authority to modify or vacate the agency's assessment. If the Deputy Commissioner of DCAS/DCPS, or the Deputy Commissioner's designee, concurs with the agency's assessment, the employee shall revert to the employee's previous agency. The probationary period may be waived by the Agency head with the approval of the Deputy Commissioner of DCAS/DCPS.

Section 10. Savings Clause:

If any of the provisions of this Appendix B are found to be in conflict with the Civil Service Law, or any other applicable rules and regulations, it is understood by the parties that Civil Service Law, or the applicable rules and regulations, shall govern. Such conflict shall not impair the validity and enforceability of the remaining provisions of this Appendix B.

Section 11. Term:

This Appendix B to the 2000 IBT MEA shall remain in full force and effect, except as otherwise specified in Paragraph 2(i), until March 31, 2002.

APPENDIX B1

Board of Education

Redeployment Process and Procedure

1. Applicability:

The parties agree that during the period covered by the 2000 Local 237, IBT, MEA, the redeployment of affected Board employees between boroughs/districts/schools shall be implemented in accordance with the terms set forth in this Appendix B1. For purposes of this Appendix B1, a district shall mean: a High School Superintendency, Chancellor's District, Central Headquarters Offices, Community School District or Citywide Special Education.

2. General Redeployment Rules:

- a. Districts with authority to fill vacancies through redeployment shall be designated a "receiving district."
- b. Districts with surplus positions will be designated as a "sending district."
- c. The Division of Human Resources (BOE/DHR) will match available redeployment vacancies in receiving districts with surplus positions in sending districts with appropriate notification.
- d. DHR will first attempt to match positions with the same civil service title. If DHR is unable to match vacancies in receiving districts with positions in the same civil service title from sending districts, pursuant to Paragraph 5(a) of this Appendix B1, DHR shall make a determination whether to designate certain titles in the sending district as "similar titles." The term "similar title" shall mean titles whose qualifications and skill requirements are comparable, as determined by DHR, and where the minimum salary of a position in a receiving district is within an 8 percent range of the minimum salary of the position in a sending district.
- e. Affected employees who volunteer for redeployment shall be redeployed first. If there are insufficient volunteers, redeployment shall be on an involuntary basis. Participants in redeployment shall be selected in accordance with the procedures set forth in Paragraphs 3, 4 and 5 of this Appendix B1.
- f. The redeployment process shall not be used to prevent the timely movement of appropriate civil service lists.
- g. Redeployment shall not be used for disciplinary purposes.

- h. All redeployment shall be accomplished without loss to the redeployed employee in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title.
- i. In the event a redeployed employee, other than a provisional employee, is targeted for layoff within 36 months from the date of that affected employee's redeployment, that redeployed employee shall be deemed to have been returned to the affected employee's original school/district and treated as part of the original borough/district's layoff unit(s).
- j. The City and the Board will use their best efforts to effectuate an arrangement with non-mayoral and mayoral agencies to accept redeployed personnel, without loss in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title and/or the receiving agencies' leave and holiday schedules.

3. Seniority/Juniority:

- a. Unless otherwise specified, seniority/juniority will be determined by the Board Start Date (BOE start date) which shall mean an employee's original start date to a classified position of the Board of Education regardless of jurisdiction class or civil service status. In the event that two or more employees have the same Board Start Date, the employee with the earliest start date in an affected title shall be deemed to have the greater seniority.
- b. "Seniority," where utilized in this Appendix B1, shall be applied in the following order:
 - i. first, among permanent employees;
 - ii. second, among probationary employees;
 - iii. third, among "step-up" provisionals serving in competitive class positions; and
 - iv. fourth, among "pure" provisionals serving in competitive class positions.
- c. Labor Class employees shall follow the same seniority rules as in Paragraphs 3(b)(i) and 3(b)(ii) above.
- d. Non-competitive employees shall follow the same seniority rules as in Paragraphs 3(b)(i) and 3(b)(ii) above, except that their seniority will be determined by the BOE start date.

- e. "Juniority," where utilized in this Appendix B1, shall be applied in the following order:
 - i. first, "pure" provisionals serving in competitive class positions, regardless of seniority/juniority;
 - ii. second, "step-up" provisionals serving in competitive class positions, regardless of seniority/juniority;
 - iii. third, among probationary employees in juniority order; and
 - iv. fourth, among permanent employees in juniority order.
- f. Labor Class employees shall follow the same seniority rules as in Paragraphs 3(d)(iii) and 3(d)(iv) above.
- g. Non-competitive employees shall follow the same seniority rules as in Paragraphs 3(b)(I) and 3(b)(ii) above, except that their seniority will be determined by the BOE start date.

4. Redeployment to Positions in the Same Title:

- a. Employees, in a sending district, who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraph 3(b), 3(c) and 3(d), above. For the purposes of determining seniority, each sending district shall be a redeployment unit, except if more than one sending district has surplus positions in a redeployment eligible title, the individual district redeployment units shall be merged into one boardwide seniority list. The most senior volunteers shall be redeployed first.
- b. If there are insufficient volunteers, redeployment shall be on an involuntary basis. After volunteers are redeployed, the Board may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending districts in juniority order pursuant to Paragraphs 3(e), 3(f) and 3(g), above. For the purposes of determining juniority, each sending district shall be a redeployment unit, except if more than one sending district has surplus positions in a redeployment eligible title, the individual borough/district redeployment units shall be merged into one boardwide juniority list. The most junior non-volunteers shall be redeployed first.

5. Redeployment to Positions in Similar Titles:

- a. If, after the procedures set forth in Paragraph 4 have been utilized, redeployment of employees in similar titles becomes necessary, the Board will first confer with Local 237, IBT, regarding the proposed redeployment. Should the Board and Local 237, IBT, fail to agree that titles are similar, the parties shall submit the issue to an impartial agreed upon by the parties, within five (5) business days.

The impartial shall issue a final and binding award within five (5) business days. The award shall not be subject to appeal in any forum.

- b. Employees, in sending districts, who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraphs 3(b), 3(c) and 3(d), above. For the purposes of determining seniority, each sending borough/district shall be a redeployment unit, except if more than one sending district has surplus positions in a redeployment eligible title, the individual borough/district redeployment units shall be merged into one boardwide seniority list. The most senior volunteers shall be redeployed first.
- c. If there are insufficient volunteers, redeployment shall be on an involuntary basis. After volunteers are redeployed, the Board may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending districts in juniority order pursuant to Paragraphs 3(e), 3(f) and 3(g), above. For the purposes of determining juniority, each sending borough/sending district shall be a redeployment unit, except if more than one sending district has surplus positions in a redeployment eligible title, the individual district redeployment units shall be merged into one boardwide juniority list. The most junior non-volunteers shall be redeployed first.

6. Hardship:

In the event that an employee selected for redeployment claims a hardship exemption based on extraordinary circumstance, such employee may file such claim with DHR within three (3) business days of receipt of notice of redeployment. The Labor-Management Committee set forth in Paragraph 8 of this Appendix B1 shall render its decision within five (5) business days of receipt of the request and prior to redeployment of the employee.

7. Removal from Redeployment Eligibility:

Upon failure by a volunteer to accept a position, the Board may remove the volunteer from eligibility for voluntary redeployment. Employees who file for a hardship exemption as set forth in Paragraph 6 of this Appendix B1, shall again be eligible to volunteer for redeployment provided that the Labor-Management Committee determines that a hardship does in fact exist.

8. Labor Management Committee:

- a. A joint Labor-Management Committee shall be established to confer on, review and discuss vacancy control procedures information on hiring, redeployment, and attrition rates.
- b. In addition to reviewing hardship claims as described above in Paragraph 6, the Board reserves the right to make application to the Labor-Management Committee described herein based on extraordinary circumstance for variations from the redeployment rules as set forth herein.

- c. Decisions rendered by the Labor Management Committee shall be final and binding and shall not be subject to appeal in any forum.

9. Probationary Period:

- a. Upon redeployment to a position in the same title, probationary employees will be required to serve the balance of the probationary period in the new district.
- b. Employees who have not completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve either the balance of the employee's original probationary period or the probationary period set forth in Paragraph 9(c), whichever is greater. The probationary period may be waived by the District with the approval of the Executive Director of the Division of Human Resources.
- c. Employees who have completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve a four (4) month probationary period in said similar title. In the event that an employee with significant City/Board experience who is redeployed to a position in a similar title is rated unsatisfactory during the probationary period, the failure of the probation shall be reviewed by the Executive Director of the Division of Human Resources, or the Executive Director's designee. The Executive Director of the Division of Human Resources, or the Executive Director's designee, shall have the authority to modify or vacate the school's assessment. If the Executive Director of the Division of Human Resources, or the Executive Director's designee, concurs with the district's assessment, the employee shall revert to the employee's previous district. The probationary period may be waived by the District with the approval of the Executive Director of the Division of Human Resources.

10. Savings Clause:

If any of the provisions of the Appendix B1 are found to be in conflict with the Civil Service Law, or any other applicable rules and regulations, it is understood by the parties that Civil Service Law, or the applicable rules and regulations, shall govern. Such conflict shall not impair the validity and enforceability of the remaining provisions of this Appendix B1.

11. Term:

This Appendix B1 shall remain in full force and effect, except as otherwise specified in Paragraph 2(i), 10(a), 10(b), until March 31, 2002.

Appendix B-2 Health and Hospitals Corporation

Redeployment Process and Procedure

1. Applicability:

The parties agree that during the period of redeployment covered by the 2000 LOCAL 237, IBT, MEA, the redeployment of HHC employees between Corporation networks shall be implemented in accordance with the terms set forth in this Appendix B-2.

2. General Redeployment Rules:

- a. Networks with authority to fill vacancies through redeployment shall be designated a "receiving network."
- b. Networks with surplus positions will be designated as a "sending network."
- c. HHC through its regional Networks, or centrally, if necessary, will match available redeployment vacancies in receiving networks with surplus positions in sending networks with appropriate notification.
- d. Each Network shall compile a list of unmatched positions by seniority date and vacancies remaining in a Network and submit this to the Division of Human Resources, which will attempt to match positions with the same title from sending to receiving networks on a Corporate-wide basis.
- e. Affected employees who volunteer for redeployment shall be redeployed first. If there are insufficient volunteers, redeployment shall be on an involuntary basis. Participants in redeployment shall be selected in accordance with the procedures set forth in Paragraphs 3, 4, and 5 of this Appendix B-2.
- f. If HHC is unable to match vacancies in its receiving networks with positions in the same civil service title from its sending networks, pursuant to Paragraph 5(a) of this Appendix B-2, the HHC Human Resources, in consultation with the Networks, shall make a determination whether to designate certain titles in the sending networks as "similar titles." The term "similar title" shall mean titles whose qualifications and skill requirements are comparable as determined by HHC's Division of Corporate Affairs, and where the minimum salary of the position in a receiving network is within an 8 percent range of the minimum salary of the position in a sending network.
- g. The redeployment process shall not be used to prevent the timely movement of appropriate civil service lists.

- h. Redeployment shall not be used for disciplinary purposes.
- i. All redeployment shall be accomplished without loss to the redeployed employee in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title.
- j. In the event that a redeployed employee, other than a provisional employee, is targeted for layoff within 36 months from the date of that affected employee's redeployment, that redeployed employee shall be deemed to have been returned to the affected employee's original facility and treated as part of the original layoff unit.
- k. For purposes of the disciplinary procedures for provisional employees set forth in the applicable collective bargaining agreements, time served by an affected employee in either the sending network or the receiving network shall count towards meeting the two year eligibility requirement (i.e. shall be considered time served in the same network), provided all other terms of such provisions are met and the collective bargaining agreements applicable to the receiving network contains such disciplinary procedures.
- l. The City and HHC will use their best efforts to effectuate an arrangement with non-mayoral and mayoral agencies to accept redeployed personnel, without loss in compensation, civil service seniority or benefits, except that upon an affected employee's redeployment, that employee shall accrue leave and holidays in accordance with the affected employee's new title and/or the receiving agencies leave and holiday schedules.

3. Seniority /Juniority:

- a. Unless otherwise specified, seniority/juniority will be determined by City/HHC Start Date which shall mean an employee's original start date to a classified position, regardless of jurisdiction class or civil service status. In the event that two or more employees have the same City/HHC Start Date the tie will be broken by a sequence of the number derived from the last five digits of the social security number with the lowest five digit number receiving the greatest seniority.
- b. "Seniority," where utilized in this Appendix B-2, shall be applied in the following order:
 - i. first, among permanent employees;
 - ii. second, among probationary employees;

- iii. third, among “step-up” provisionals serving in competitive class positions; and
 - iv. fourth, among “pure” provisionals serving in competitive class positions.
 - c. Non-Competitive and Labor Class employees shall follow the same seniority rules as in Paragraphs 3(b)(i) and 3(b)(ii) above.
 - d. “Juniority,” where utilized in this Appendix B-2, shall be applied in the following order:
 - i. first, “pure” provisionals serving in competitive class positions regardless of seniority/juniority:
 - ii. second, “step-up” provisionals serving in competitive class positions regardless of seniority/juniority;
 - iii. third, among probationary employees in juniority order; and
 - iv. fourth, among permanent employees in juniority order.
 - e. Non-Competitive and Labor Class employees shall follow the same seniority rules as in Paragraphs 3 (d)(iii) and 3 (d)(iv) above.

4. Redeployment to Positions in the Same Title:

- a. Employees, in a sending network, who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraphs 3(b) and 3(c), above. For the purposes of determining seniority, each sending network shall be a redeployment unit. If more than one Network has surplus positions in a redeployment eligible title, then the Network-wide lists shall be merged into a Corporate-wide seniority list. The most senior volunteers shall be redeployed first.
- b. If there are insufficient volunteers at the Network level, redeployment shall be conducted on an involuntary basis within the Network in juniority order pursuant to 3(d) and 3(e), above. If after this process is completed, more than one Network has remaining vacancies and surplus positions, Corporate-wide voluntary redeployment will be conducted. After volunteers are redeployed, the HHC may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending networks in juniority order pursuant to Paragraphs 3(d) and 3(e), above. For the purposes of determining juniority, each sending network shall be a redeployment unit, except if more than one sending network has surplus positions in a redeployment eligible

title, these shall be merged into a Corporate-wide juniority list. The most junior non-volunteers shall be redeployed first.

5. Redeployment to Positions in Similar Titles:

- a. If, after the procedures set forth in Paragraph 4 have been utilized, redeployment of employees in similar titles becomes necessary, HHC will first confer with Local 237, IBT, regarding the proposed redeployment. Should HHC and Local 237, IBT, fail to agree that titles are similar, the parties shall submit the issue to an impartial agreed upon by the parties within five (5) business days. The impartial shall issue a final and binding award within five (5) business days. The award shall not be subject to appeal in any forum.
- b. Employees in sending networks who volunteer for redeployment shall be redeployed first. Volunteers will be accepted in seniority order pursuant to Paragraphs 3(b) and 3(c), above. For the purposes of determining seniority, each sending network shall be a redeployment unit, except if more than one sending network has surplus positions in a redeployment eligible title, the individual network redeployment units shall be merged into a corporate-wide seniority list. The most senior volunteers shall be redeployed first.
- c. If there are insufficient volunteers, redeployment shall be on an involuntary basis. After volunteers are redeployed, the Network or HHC may involuntarily redeploy employees. For involuntary redeployment, employees shall be selected for the redeployment positions from sending networks in juniority order pursuant to Paragraphs 3(d) and 3(e), above. For purposes of determining juniority, each sending network shall be a redeployment unit, except if more than one sending network has surplus positions in a redeployment eligible title, the individual network redeployment units shall be merged into one Corporate-wide juniority list. The most junior non-volunteers shall be redeployed first.

6. Hardship:

In the event that an employee selected for redeployment claims a hardship exemption based on extraordinary circumstance, such employee may file such claim with the Corporate Officer designated by the President of HHC to be responsible for personnel and labor relations within three (3) business days of receipt of notice of redeployment. The Labor Management Committee set forth in Section 8 of this Appendix shall render a decision within five (5) business days of receipt of the request and prior to redeployment of the employee.

7. Removal from Redeployment Eligibility:

Upon failure by a volunteer to accept a position, HHC may remove the volunteer from eligibility for voluntary redeployment. Employees who file for a hardship exemption as set forth in Paragraph 6 of this Appendix B-2, shall again be eligible to volunteer for redeployment provided that the Labor-Management Committee determines that a hardship does in fact exist.

8. Labor Management Committee:

- a. A joint Labor-Management Committee shall be established to confer, review and discuss vacancy control procedures, information on hiring, redeployment and attrition rates.
- b. In addition to reviewing hardship claims as described above in Paragraph 6, HHC reserves the right to make application to the Labor-Management Committee described herein based on extraordinary circumstances for variations from the redeployment rules as set forth herein.
- c. Decisions rendered by the Labor-Management Committee shall be final and binding and shall not be subject to appeal in any forum.

9. Probationary Period:

- a. Upon redeployment to a position in the same title, probationary employees will be required to serve the balance of the probationary period in the new facility.
- b. Employees who have not completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve either the balance of the employee's original probationary period or the probationary period set forth in Paragraph 9 (c), whichever is greater. The probationary period may be waived by the facility head with the approval of the Senior Vice President of the Network.
- c. Employees who have completed their probationary period in their original title and who are redeployed to a position in a similar title will be required to serve a four (4) month probationary period in said similar title. In the event that an employee with significant HHC experience who is redeployed to a position in a similar title is rated unsatisfactory during the probationary period, the failure of probation shall be reviewed by the Senior Vice President of the Network and or his/her designee. The Network Senior Vice President or designee, shall have the authority to modify or vacate the facility's assessment. If the facility's assessment is upheld, the employee shall revert to the employee's previous

facility. The probationary period may be waived by the facility head with the approval of the Senior Vice President of the Network.

10. Savings Clause:

If any of the provisions of this Appendix B-2 are found to be in conflict with the Civil Service Law, or any other applicable rules and regulations, it is understood by the parties that Civil Service Law, or the applicable rules and regulations, shall govern. Such conflict shall not impair the validity and enforceability of the remaining provisions of this Appendix B-2.

11. Term:

This Appendix B-2 to the 2000 LOCAL 237, IBT, MEA shall remain in full force and effect, except as otherwise specified in Paragraph 2 herein until March 31, 2002.

*The
City
of
New York*



OFFICE OF LABOR RELATIONS
40 Rector Street, New York, New York 10006

JAMES F. HANLEY
Commissioner

June 6, 2000

Randi Weingarten
Chair
Municipal Labor Committee
c/o United Federation of Teachers
260 Park Avenue South
New York, New York 10010

Re: **Agreement on Jointly Supported Pension Enhancements**

Dear Ms. Weingarten:

By this letter, the parties agree to the following. The unions agree to support the recommendations of the City Actuary for various actuarial assumptions and methods for the New York City Retirement Systems, as set forth in his reports to the various Boards of Trustees, to be effective fiscal year 2000. Savings from these changes shall be used as a funding source for pension improvements reflected in the legislative bills recited below, as modified pursuant to this agreement, each of which shall be jointly supported by the City of New York and the Municipal Labor Committee.

Each of the following bills shall be effective as noted below¹ as to each bargaining unit, contingent upon ratification of a successor contract to their agreements or Comptroller's Determination that expired or will expire after June 1, 1999 or a final and binding impasse award covering that period:

¹ There shall be no liability for interest on any retroactive payment, refund or award of benefit.

Police and Fire Pension Systems

With an effective date of October 1, 2000:

ITHP S.5624-a/A.8362-a

(This bill changes the ITHP rate from 2.5% to 5%.)

With an effective date of July 1, 2000:

Final Average Salary

(The current Tier II FAS calculation is the average wages earned during any three consecutive calendar year period or the final 36 months immediately preceding the date of retirement, whichever is greater. This bill would allow current employees to choose either a three year or one year FAS and future employees, a one year FAS.)

Teachers Retirement System/ NYCERS/BERS (except that "Transit Operating Employees" of the New York City Transit Authority shall not be covered).

Each with an effective date of October 1, 2000, except as modified below:

1. Retirement benefit enhancements contained in the agreement between the State of New York and CSEA.

(This bill is to cover the three retirement systems, including uniform members of the New York City Department of Sanitation and the New York City Department of Correction. CSEA reached an agreement with New York State as part of their overall contract settlement to eliminate the 3% employee pension contribution for employees in Tiers III and IV with 10 years of system membership, and to provide Tier I and II members (including uniform members of the New York City Department of Sanitation and the New York City Department of Correction) with one month of additional retirement service credit per year worked up to a maximum of 24 months. The bill shall also provide that with respect to the New York City TRS, an eligible employee who is a member of the teachers' retirement system (i) with a date of membership prior to July 27, 1976 and (ii) who was in active service as of October 1, 2000, and (A) continued in active service up to and including June 30, 2001 shall receive one-twelfth of a year of additional retirement credit for each year of active service for service rendered as of the date of retirement or death, if applicable, up to a maximum of one year of retirement credit or (B) continued in active service up to and including June 30, 2002 shall receive one-twelfth of a year of additional retirement credit for each year of active service for service rendered as of the date of retirement or death, if applicable, up to a maximum of two years of retirement credit.)

2. Tier Equity bills, S.7303/A.9875

(This bill would create an option for NYCERS Tier IV members to begin receiving pension benefits at less than 62 years of age. It would impose on those selecting this option the same early retirement benefit reductions as in Tier II. For Tier IV members of TRS it would equalize the existing early retirement benefit reductions with those in Tier II.)

3. Service Credit, S. 5781-a and A.8309-a

(Current law permits members to purchase credit for prior service with the same employer. They can not purchase other service with a different employer. This bill would allow public employees to purchase credit for service with any public employer that predates membership in a retirement system if the service would have been creditable at the time the service was rendered. It also reduces the amount of service that must be completed from five years to two years before the prior service could be credited)

4. Death Benefit Option, S. 6542/A. 9530

(Current law provides for two death benefit options, one of which must be selected upon joining the retirement system. Once selected, that choice is irrevocable. Generally, Option 2 is more generous. This bill would allow beneficiaries of members who chose Option 1 to choose Option 2. Future members will be covered by Option 2.)

In the event that the legislation needed to adopt the actuary's recommendations is not enacted by the end of FY 2000, this agreement shall be null and void. If that legislation is enacted, then this shall be a binding and valid agreement for both parties. If the agreed upon pension benefit changes are not enacted into law for any reason, then the parties shall immediately reopen this agreement to decide on acceptable alternatives of equivalent costs.

The parties agree that within 45 days of enactment of the above bills, the following shall occur:

A. The Boards of Trustees of each New York City retirement system shall convene to adopt a resolution electing coverage under the election mechanism in the bills listed above.

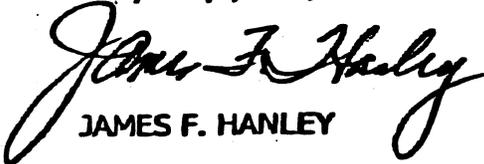
B. The resolution will be constructed so that the implementation date for each group represented in collective bargaining shall be the date upon which they ratify a collective bargaining agreement which is a successor to their agreement or Comptroller's Determination that expired or will expire after June 1, 1999 or a final and binding impasses award covering that period.

C. The resolution shall provide that upon the occurrence of B, above, the benefit provisions will be retroactive to the date specified as the effective date in each law.

D. The unions and the City shall use their best efforts to have their members of the Board of Trustees support such a resolution and against any resolution that would alter this result.

If you concur with the contents set forth herein, please execute the signature line provided below.

Very truly yours,



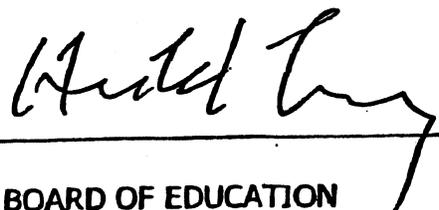
JAMES F. HANLEY

AGREED AND ACCEPTED
ON BEHALF OF THE MUNICIPAL LABOR COMMITTEE



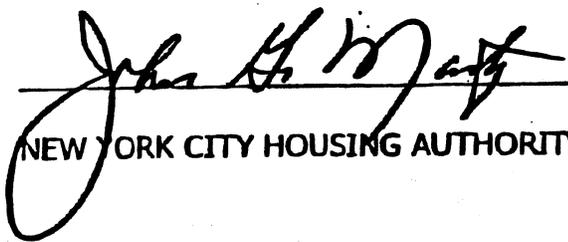
RANDI WEINGARTEN
CHAIR

AGREED AND ACCEPTED



BOARD OF EDUCATION

AGREED AND ACCEPTED



NEW YORK CITY HOUSING AUTHORITY

AGREED AND ACCEPTED



CITY UNIVERSITY OF NEW YORK

AGREED AND ACCEPTED



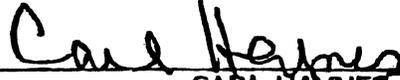
OFF TRACK BETTING

AGREED AND ACCEPTED



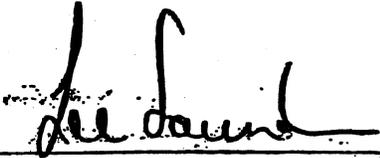
PETER SCARLATOS
CO-CHAIR, MLC
LOCAL 831, I.B.T. UNIFORMED
SANITATIONMEN'S ASSOCIATION, AFL-CIO

AGREED AND ACCEPTED



CARL HAYNES
EXECUTIVE VICE CHAIR, MLC
LOCAL 237, CITY EMPLOYEES UNION, I.B.T.,
AFL-CIO

AGREED AND ACCEPTED



LEE SAUNDERS
SECRETARY, MLC
DISTRICT COUNCIL 37, AFSCME, AFL-CIO

AGREED AND ACCEPTED



KEVIN GALLAGHER
TREASURER, MLC
LOCAL 94, UNIFORMED FIREFIGHTERS
ASSOCIATION OF GREATER NEW YORK

AGREED AND ACCEPTED



MELVYN AARONSON
CO-CHAIR, MLC PENSION COMMITTEE
MEMBER, TEACHER'S RETIREMENT BOARD

AGREED AND ACCEPTED



JOHN DRISCOLL
CO-CHAIR, MLC PENSION COMMITTEE
TRUSTEE, POLICE PENSION FUND
THE CAPTAINS ENDOWMENT ASSOCIATION



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY
Commissioner
PAMELA S. SILVERBLATT
First Deputy Commissioner

January 2, 2002

Carroll E. Haynes
President
Local 237, International Brotherhood of Teamsters, AFL-CIO
216 West 14th Street
New York, New York 10011

Re: 2000 IBT MEA - Board of Education Part Time Employees

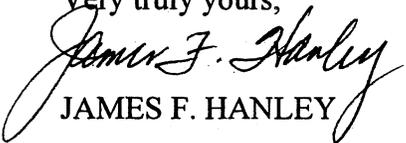
Dear Mr. Haynes:

This is to confirm certain mutual understandings and agreements regarding the above captioned Agreement.

It is the parties' understanding that pursuant to discussions with the Chancellor and the Board of Education, all part-time employees represented by IBT at the Board of Education, will not be subject to the two year continuous service limitation set forth in Section 13(b) of the 2000 IBT MEA.

If the above accords with your understanding, please execute the signature line provided below.

Very truly yours,


JAMES F. HANLEY

AGREED AND ACCEPTED ON BEHALF OF
Local 237, International Brotherhood of Teamsters,
AFL-CIO
BY: 
CARROLL E. HAYNES
President

AGREED AND ACCEPTED ON BEHALF OF THE
BOARD OF EDUCATION

BY: 
NIRMALA SEGARRA
President

BY: 
HAROLD O. LEVY
Chancellor



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006
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JAMES F. HANLEY
Commissioner
PAMELA S. SILVERBLATT
First Deputy Commissioner

January 2, 2002

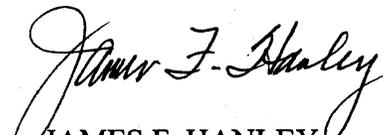
Carroll E. Haynes
President
District Council 37, AFL-CIO
216 West 14th Street
New York, New York 10011

Re: 2000 Local 237, International Brotherhood of Teamsters Memorandum of Economic Agreement

Dear Mr. Haynes:

The parties agree to establish a labor-management committee to discuss health insurance coverage for those provisional employees, temporary employees, and non-competitive employees for whom there is no experience or education requirement for employment.

Very truly yours,


JAMES F. HANLEY

**AGREED AND ACCEPTED ON BEHALF
OF Local 237, International Brotherhood of
Teamsters, AFL-CIO**

BY: 
CARROLL E. HAYNES
President



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY
Commissioner
PAMELA S. SILVERBLATT
First Deputy Commissioner

January 2, 2002

Carroll E. Haynes
President
Local 237, International Brotherhood of Teamsters, AFL-CIO
216 West 14th Street
New York, New York 10011

Re: 2000 IBT MEA – Section 9 (“Welfare Funds”)

Dear Mr. Haynes:

Pursuant to Section 9 of the 2000 IBT MEA, the parties agree that there shall be an increase in the welfare fund contribution of \$200 per annum, effective on the last day of the 27th month.

For purposes of implementing this rate increase to the Retiree Welfare Funds, the following shall apply:

- ◆ The monthly contribution for February 2002, the 26th month, shall be \$106.25
- ◆ The monthly contribution for March 2002, the 27th month, shall be \$106.80
- ◆ The monthly contribution for each month thereafter shall be \$122.9167

The contribution rates herein covering part-time employees will be based on the existing methods.

These contribution rates shall only apply to those unit agreements that cover the term January 1, 2000 through March 31, 2002, and whose current annual contribution rate is \$1,275. For those unit agreements covering a different term and/or with a different annual contribution rate, the parties shall agree upon a similar cost-neutral rate schedule.

If the above accords with your understanding, please execute the signature line below.

Very truly yours,


JAMES F. HANLEY

**AGREED AND ACCEPTED ON BEHALF OF
LOCAL 237, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AFL-CIO**

BY: 
CARROLL E. HAYNES
President



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY
Commissioner
PAMELA S. SILVERBLATT
First Deputy Commissioner

January 2, 2002

Carroll E. Haynes
President
Local 237, International Brotherhood of Teamsters, AFL-CIO
216 West 14th Street
New York, New York 10011

Re: 2000 Local 237, International Brotherhood of Teamsters Memorandum of Economic Agreement Funding Issues

Dear Mr. Haynes:

This is to confirm our mutual understanding and agreements regarding the above captioned Agreement.

1. The Union has provided or shall provide the funding necessary to effectuate the application of the general increases to the additions to gross set forth in Section 4(c). The value of this advance is 0.03%, which is to be charged against the entire compensation package of the 2000 IBT MEA,
2. Funding was not provided to permit the application of the general increases to the 15 year longevity increments provided in various separate unit agreements. Therefore, the provisions of Section 4(c)(i) of the 2000 IBT MEA shall not apply to such longevity increments.
3. The three month delay of the effective date of the Additional Compensation Fund (from January 1, 2002 to March 31, 2002) generates a savings of 0.04%. This savings is credited to the entire compensation package of the 2000 IBT MEA.

If the above accords with your understanding, please execute the signature line provided below.

Very truly yours,


JAMES F. HANLEY

**AGREED AND ACCEPTED ON BEHALF OF
LOCAL 237, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AFL-CIO**

BY: 
CARROLL E. HAYNES
President



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY

Commissioner

PAMELA S. SILVERBLATT

First Deputy Commissioner

January 2, 2002

Carroll E. Haynes
President
Local 237, International Brotherhood of Teamsters, AFL-CIO
216 West 14th Street
New York, New York 10011

Re: 2000 IBT MEA – Application of Section 5

Dear Mr. Haynes:

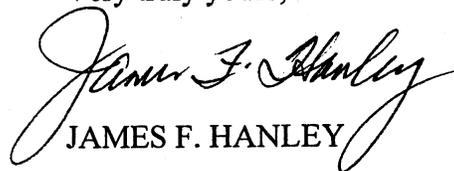
This is to confirm certain mutual understandings and agreements regarding the above captioned Agreement.

1. The First Deputy Commissioner of Labor Relations may, after notification to the affected union(s), exempt certain hard to recruit titles, as defined in relevant cases by DCAS and by HHC, from the provisions of Section 5 of the *2000 IBT MEA*.
2. For the purposes of Section 5 of the *2000 IBT MEA*, employees who were in active pay status prior to the date of execution of the *2000 IBT MEA* who are affected by the following personnel actions after said date shall not be treated as “newly hired” employees and shall be entitled to receive the minimum salary rate set forth in Section 4 on the dates indicated therein.
 - a. Employees who return to active pay status from an approved leave of absence.
 - b. Employees in active pay status (whether full or part-time) appointed to permanent status from a civil service list or to a new title (regardless of jurisdictional class or civil service status) without a break in service of more than 31 days.
 - c. Employees who were laid off or terminated for economic reasons who are appointed from a recall/preferred list or who were subject to involuntary redeployment.

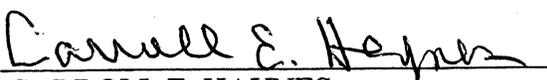
- d. Provisional employees who were terminated due to a civil service list who are appointed from a civil service list within one year of such termination.
 - e. Permanent employees who resign and are reinstated within one year of such resignation.
 - f. Employees (regardless of jurisdictional class or civil service status) who resign and return within 31 days of such resignation.
 - g. A provisional employee who is appointed directly from one provisional appointment to another.
 - h. 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 5 of the *2000 IBT MEA*. Such interpretations shall not be subject to the dispute resolution procedures set forth in Section 16 of the *2000 IBT MEA*.
3. For the purposes of Section 5(d), "approved leaves" is further defined to include:
- a. maternity/childcare leave
 - b. military leave
 - c. unpaid time while on jury duty
 - d. unpaid leave for union business pursuant to Executive Order 75
 - e. unpaid leave pending workers' compensation determination
 - f. unpaid leave while on workers' compensation option 2
 - g. approved unpaid time off due to illness or exhaustion of paid sick leave
 - h. approved unpaid time off due to family illness
 - i. other pre-approved leaves without pay

If the above accords with your understanding, please execute the signature line provided below.

Very truly yours,


JAMES F. HANLEY

**AGREED AND ACCEPTED ON BEHALF
OF Local 237, International Brotherhood of
Teamsters, AFL-CIO**

BY: 
CARROLL E. HAYNES
President

Health Benefit Agreement between the City of New York and the Municipal Labor Committee

Memorandum of Agreement as to Health Benefits (hereinafter, "Agreement")

entered into this 11 day of JANUARY, 2001, by and between the City of

New York, including all employers whose employees and retirees are covered by the New York City Employees Health Benefit Program (collectively the "City") and the Municipal Labor Committee for Health Benefits Bargaining (hereinafter the "Unions").

WHEREAS, the parties have fully negotiated and achieved agreement as to certain benefits and/or modifications to benefits which shall apply to employers, employees and retirees covered by the New York City Employees Health Benefit Program;

WHEREAS, the parties have entered into this Health Benefit Agreement in anticipation of separate successor unit collective bargaining agreements, Comptrollers' Determinations and/or wage indentures in lieu of a Comptroller's Determination with an effective date on or after June 1, 1999;

WHEREAS, the Stabilization Fund was established by the parties pursuant to § 7 of the 1984 – 1987 Municipal Coalition Agreement dated June 16, 1986;

WHEREAS, the parties agreed in the 1995 Municipal Coalition Memorandum of Agreement and in similar agreements to continue the currently applicable terms of the Stabilization Fund as modified therein;

WHEREAS, the parties achieved agreement as set forth below as to those matters related to health benefits and other benefits which are common to all of the Unions;

NOW, THEREFORE, it is jointly agreed as follows:

1. PARTIES COVERED BY THIS AGREEMENT

a) This agreement represents the completion of bargaining by the City and the members of the MLC on the issues covered by this agreement, including but not limited to all issues related to welfare funds. Notwithstanding the above, this agreement does not preclude the parties from bargaining welfare funds issues provided such bargaining results in no additional cost to the City consistent with past practice, if both parties agree.

b) It is the intent of the City to pursue productivity savings and merit pay in the context of unit negotiations. However, the City shall withdraw from separate unit bargaining the demand that each union agree to a package of productivity measures or fringe benefit cost containment which will produce on a Citywide basis a City funds savings of \$250 million in FY 2001, \$265 million in FY 2002, \$280 million in FY 2003, and \$300 million in FY 2004.

2. TERM OF THIS AGREEMENT, PAYMENT OF WELFARE FUND PAYMENTS AND IMPLEMENTATION

a) The term of this agreement shall be July 1, 2000 through June 30, 2002, except that the effective date of paragraph 5 of this agreement shall be consistent with the effective date of a successor unit collective bargaining agreement, a final and binding impasse award, or a Comptroller's Determination

and/or wage indentures in lieu of a Comptroller's Determination with an effective date on or after June 1, 1999, or as otherwise set forth therein.

b) The amounts to be contributed pursuant to paragraphs 4, 5, and 6, herein shall be subject to a side letter amending the current, effective, existing welfare fund agreements, attached hereto.

c) A Labor-Management Committee shall be established to resolve implementation issues arising out of this agreement.

d) The parties agree that all currently applicable prior pertinent agreements including but not limited to, the 1986 MCA, the 1995 MEA, and other applicable agreements regarding the Stabilization Fund shall continue and remain in full force and effect unless modified herein. Furthermore, all provisions of this agreement and the aforementioned agreements shall be continued in effect in accordance with the status quo provisions of applicable law.

3. RETIREE HEALTH INSURANCE COVERAGE

a) The parties shall jointly take whatever action is necessary, including joint support of legislation, to modify retiree eligibility for health insurance coverage so that vested retirement and service retirement retirees with less than ten years of credited service as a member of such retirement or pension system shall no longer be eligible for health insurance and welfare benefit coverage, although they may remain vested for pension purposes.

b) The provisions in § 3.a. shall apply only to employees hired after the effective date of the legislation.

c) In the event that the legislation is not passed by June 30, 2001, the parties shall reconvene to discuss alternate solutions.

4. WELFARE FUND CONTRIBUTIONS – ONE-TIME PAYMENTS

a) Upon the execution of this agreement, by the City and the Municipal Labor Committee, there shall be a one hundred twenty five (\$125.00) one-time lump sum payment to each welfare fund on behalf of each full time per annum employee and retiree or other applicable equivalent for other than full time per annum employee or retiree who is eligible for welfare fund benefits on the date of execution of this agreement. For other than full time per annum employees and retirees, payment shall be in accordance with an applicable welfare fund agreement. The Stabilization Fund shall fund this payment.

b) On July 1, 2001, there shall be a one hundred dollar (\$100.00) one-time lump sum payment to each welfare fund on behalf of each full time per annum employee and retiree or other applicable equivalent for other than full time per annum employee or retiree who is eligible for welfare fund benefits on July 1, 2001. For other than full time per annum employees and retirees, payment shall be in accordance with an applicable welfare fund agreement. The Stabilization Fund shall fund this payment.

5. WELFARE FUND CONTRIBUTIONS – INCREASE

On the last day of the applicable successor separate unit agreement, a final and binding impasse award, Comptroller Determination and/or wage indenture in lieu of a Comptroller Determination, there shall be an annual rate increase of \$200 in the employers' contribution paid on behalf of each full time per annum employee and retiree or other applicable equivalent for other than full time per annum employee or retiree who is eligible for welfare fund benefits on that date. For other than full time per annum employees and retirees, payment shall be in accordance with an applicable welfare fund

agreement. The parties may mutually agree in separate unit bargaining to apply the value of this increase elsewhere in the overall package provided it results in no additional cost to the City, consistent with past practice.

6. DRUG PREMIUM SUBSIDY-ONE TIME PAYMENTS

a) Upon execution of this agreement, there shall be a fifty dollar (\$50.00) one-time lump sum payment from the trust and agency accounts to each welfare fund on behalf of each full time per annum employee and retiree or other applicable equivalent for other than full time per annum employee or retiree who is eligible for coverage by a welfare fund that provides a prescription drug benefit. For other than full time per annum employees and retirees, payment shall be in accordance with an applicable welfare fund agreement.

b) Upon execution of this agreement, for those employees and retirees covered by a welfare fund that does not provide a prescription drug benefit to them there shall be a one-time fifty dollar (\$50.00) credit applied to the cost of each individual's rider. Payment for the credit shall come from the trust and agency accounts. Employees and retirees are eligible for this one-time credit only if they are covered by an optional prescription drug rider offered by a New York City Health Plan on January 1, 2001. For other than full time per annum employees and retirees, the credit shall be given in accordance with an applicable welfare fund agreement.

c) On July 1, 2001, there shall be a seventy five dollar (\$75.00) one-time lump sum payment from the trust and agency accounts to each welfare fund on behalf of each full time per annum employee and retiree or other applicable equivalent for other than full time per annum employee or retiree who is eligible

for coverage by a welfare fund that provides a prescription drug benefit. For other than full time per annum employees and retirees, payment shall be in accordance with an applicable welfare fund agreement.

d) On July 1, 2001, for those employees and retirees covered by a welfare fund that does not provide a prescription drug benefit, there shall be a one-time seventy-five (\$75.00) credit applied to the cost of each individual's rider. Payment for this credit shall come from the trust and agency account. Employees and retirees are eligible for this one-time credit only if they are covered by an optional prescription drug rider offered by a New York City Health Plan on July 1, 2001. For other than full time per annum employees and retirees, the credit shall be given in accordance with an applicable welfare fund agreement.

7. STABILIZATION FUND CONTRIBUTIONS

a) In each of the fiscal years 2001 and 2002, the City shall not make the annual \$35 million contributions to the health insurance stabilization reserve fund created by Section 7 of the 1984-87 Municipal Coalition Economic Agreement.

b) The following transfers shall be made from the Stabilization Fund to the City's General Fund:

January 1, 2001: \$35,000,000

June 30, 2001: \$40,000,000

8. INCURRED BUT NOT REPORTED (IBNR) RESERVES

a) For purposes of this agreement only, the interest on the Incurred But Not Reported (IBNR) Reserves of the Stabilization Fund shall be deemed equal to ten

million dollars (\$10,000,000.00) for the first year of this agreement and ten million dollars (\$10,000,000.00) for the second year of this agreement.

b) Payment of ten million dollars (\$10,000,000.00) for the first year shall be made from the Stabilization Fund to the City's general fund on June 30, 2001.

c) Payment of ten million dollars (\$10,000,000.00) for the second year shall be made from the Stabilization Fund to the City's General Fund on January 1, 2002.

9. EARLY RETIREMENT

Pursuant to the parties' agreement, the City has implemented an early retirement incentive program, pursuant to Chapter 86 of the laws of 2000, amending Chapter 41 of the Laws of 1997.

10. EXPANSION OF 401K PLAN

The City shall apply to the IRS to expand its existing 401 K plan. Assuming all appropriate approvals, including the IRS, are received, a 401 K plan will be expanded consistent with those approvals. All costs related to the administration of this program shall be charged to the participants. The City shall make good faith efforts to make this program effective upon execution of this agreement subject to all necessary approvals.

11. ESTABLISHMENT OF COLLEGE SPENDING ACCOUNTS

A College Spending Account program pursuant to § 529(c) of the IRC will be developed by the City. Employees who elect to participate in the program shall be able to contribute their own funds to the program through payroll deductions. All costs related to the administration of the program shall be charged to the participants. The City shall make good faith efforts to make this program effective upon execution of this agreement subject to all necessary approvals.

12. HEALTH BENEFIT IMPROVEMENTS

The following new benefits shall be funded solely from the Health Insurance Stabilization Fund and the Trust and Agency Account Fund:

- a) Effective July 1, 2001, the following prescription drug benefits shall be provided for all employees and non-Medicare retirees but shall not be added to any of the basic plans provided by the City's Health Benefits Program:
 - i) Approved Injectable and Psychotropic medications. For Injectable and Psychotropic medications, there shall be a co-payment of \$0 for all generic prescriptions and a co-payment of \$6 for all brand-name prescriptions.
 - ii) Asthma and Chemotherapy drugs including adjunctive therapies and antiemetics, there shall be no co-pay.
- b) Effective January 1, 2001, the GHI BMP basic program will provide unlimited network visits. Effective March 1, 2001, the optional rider benefits will consist of a one-hundred dollar (\$100) deductible, reimbursement of up to fifty percent (50%) of the network allowance and a maximum of thirty (30) visits per year.
- c) Effective July 1, 2001, the HIP-HMO non-Medicare program shall provide:
 - i) In-patient Alcohol and Substance Abuse Rehabilitation treatments for up to 30 days. There shall be no co-pay.
 - ii) The Out-Patient Mental Health Program shall increase the visit limit from 20 to 60. The co-payment for each visit shall be increased from five dollars (\$5.00) to ten dollars (\$10.00).

d) Effective July 1, 2001, the GHI Manhattan Participating Schedule shall be increased up to a level to be determined by the parties.

e) A labor-management committee shall be convened for the purpose of determining additional geographic areas where there will be additions to the GHI Participating Network. The cost of such additions shall be limited to \$3,000,000 which shall be provided from the Stabilization Fund.

f) Each welfare fund shall provide welfare fund benefits equal to the benefits provided on behalf of an active employee to widows(ers), domestic partners, and/or children of any employee who dies in the line-of-duty as that term is referenced in section 12-126(b)(2) of the New York City Administrative Code. The cost of providing this benefit shall be funded by the Stabilization Fund.

13. EXPANSION OF TRANSIT CHECK PROGRAM

The City's current Transit Check program shall be extended to all City employees including employees of the Board of Education. Administrative costs shall be borne by the participants. The City shall make good faith efforts to make this program effective upon execution of this agreement subject to all necessary approvals.

14. MERCHANT DISCOUNTS

A Labor - Management Committee will be established to develop a program that provides merchant discounts for employees covered by this agreement. The committee will seek offers of merchant discounts for home computer packages, among other things. The City shall make good faith efforts to make this program effective upon execution of this agreement subject to all necessary approvals.

15. WITHDRAWAL OF REQUEST FOR ARBITRATION IN OCB DOCKET

NUMBER A- 7997-99

District Council 37 shall withdraw with prejudice the Request for Arbitration docketed as A-7997-99 by the Office of Collective Bargaining.

16. HEALTH BENEFIT COST CONTAINMENT COMMITTEE

a) A labor-management committee shall identify modifications to the current method for funding health benefits for City employees and non-medicare retirees. The committee shall consider cost containment measures from several sources, one of which is the use of the medical CPI.

b) If the modifications agreed to pursuant to § 16a require enabling legislation, the parties shall jointly take whatever action is necessary for the passage of such legislation.

c) The modifications agreed to in § 16a shall achieve a one-time guaranteed savings to the City of one hundred million dollars (\$100,000,000) in fiscal year 2003 and a one-time guaranteed savings of one hundred million dollars (\$100,000,000) in fiscal year 2004.

d) If the City or the MLC determines that the savings specified in paragraph 16c are not realized in either fiscal year 2003 or 2004, then the MLC shall provide alternative funding sources to achieve the specified savings for each fiscal year.

17. DISPUTE RESOLUTION

The parties hereby incorporate the dispute resolution mechanism set forth in paragraph 16 of the 1995 MCMEA, that is any dispute, controversy, or claim concerning or arising out of the execution, application, interpretation or performance of any of the terms or

conditions of this Health Benefits Agreement shall be submitted to arbitration upon written notice therefor by any of the parties to this Health Benefits Agreement to the party with whom such dispute or controversy exists. The matter submitted for arbitration shall be submitted to an arbitration panel consisting of the three impartial members of the Board of Collective Bargaining pursuant to Title 61 of the Rules of the City of New York. Any award in such arbitration shall be final and binding and shall be enforceable pursuant to Article 75 of the CPLR.

WHEREFORE, we have set our hands and seals this _____ day of _____, 2001.

FOR THE CITY OF NEW YORK: _____

FOR THE MUNICIPAL LABOR COMMITTEE:

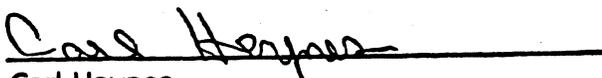

James F. Hanley

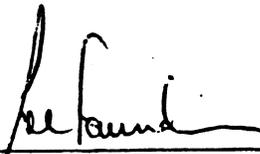

Randi Weingarten
Chairperson

FOR THE BOARD OF EDUCATION:

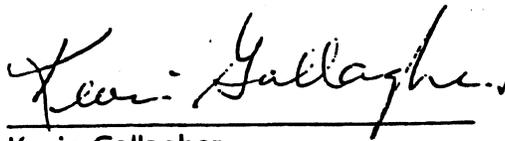

William C. Thompson, Jr.


Peter Scarlatos
Co-Chairperson


Carl Haynes
Executive Vice-Chair



Lee Saunders
Secretary



Kevin Gallagher
Treasurer



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, N.Y. 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY
Commissioner

Randi Weingarten
Chairperson
Municipal Labor Committee
260 Park Avenue South
New York, NY 10010

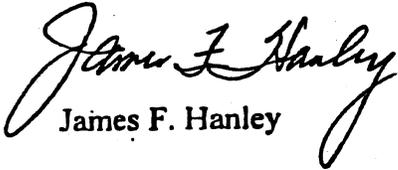
Re: Health Benefit Agreement

Dear Ms. Weingarten:

This side-letter amends all current existing Welfare Fund Agreements to include the payments referenced in paragraphs 4, 5 and 6 of the Health Benefit Agreement between the City of New York and the Municipal Labor Committee.

A replica of this letter will be executed by each Union for each Welfare Fund.

Very truly yours,


James F. Hanley


Randi Weingarten



THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, N.Y. 10006
<http://nyc.gov/html/olr>

JAMES F. HANLEY
Commissioner

Randi Weingarten
Chairperson
Municipal Labor Committee
260 Park Avenue South
New York, NY 10010

Re: Health Benefits Agreement

Dear Ms. Weingarten:

Please be advised that it is not the intent of the City to release the affected Unions from the side-letter agreement reached during the previous round of bargaining regarding equalizing contributions to the Welfare Funds.

Very truly yours,


James F. Hanley