

Overview of Current Labor Situation

Table 18 summarizes the current status of the interest arbitration awards that have been issued for, and contract settlements reached with, the City's major labor organizations, as well as changes that have been made for exempt and non-represented employees. It also provides a brief summary of pension reforms that have occurred since 2009.

Table 18
Status of Arbitration Awards and Labor Contract Settlements

<u>Organization</u> FOP Lodge No. 5 (Police Department)	Authorized Number of Full- Time Citywide Employees <u>Represented</u> ⁽¹⁾ 6,375	Status of Arbitration Award <u>or Contract Settlement</u> Three-year contract effective July 1, 2014 through June 30, 2017 awarded by arbitration panel on July 30, 2014	<u>Wage Increases</u> • 3% pay increase for Fiscal Year 2015. • 3.25% pay increase for Fiscal Years 2016 and 2017.	<u>Pension Reforms</u> ⁽²⁾ • Employees in Plan 87 hired before 1/1/10 pay 5% of salary • Employees hired on or after 1/1/10 elect to either enter Plan 87 and pay 6% of salary or enter Plan 10
FOP Lodge No. 5 (Sheriff's Office and Register of Wills)	372	Three-year contract effective July 1, 2014 through June 30, 2017 awarded by arbitration panel on April 16, 2015	• 2.5% increase for Fiscal Year 2015. • 3.0% increase for Fiscal Year 2016. • 3.25% increase for Fiscal Year 2017. • Register of Wills employees receive same wage package as AFSCME DC 33.	• <u>Sheriff's Office</u> : • Employees in Plan 87 hired before 1/1/12 pay 30% of normal cost • Employees hired on or after 1/1/12 elect to enter Plan 87 and pay 30% of normal cost or enter Plan 10 • <u>Register of Wills</u> : • Employees in Plan 87 hired before 1/1/12 pay 30% of normal cost • Employees hired on or after 1/1/12 participate in Plan 10
IAFF Local 22	2,407	Four-year contract effective July 1, 2013 through June 30, 2017 awarded by arbitration panel on January 9, 2015	• 3% pay increase for Fiscal Year 2014 and 2015. • 3.25% pay increase for Fiscal Year 2016. • 3.25 % pay increase for Fiscal Year 2017.	• Employees in Plan 87 hired before 7/2/12 pay 5% of salary • Employees hired on or after 7/2/12 elect to enter Plan 87 and pay 6% of salary or enter Plan 10
AFSCME DC 33	7,372	Four-year contract term effective July 1, 2016 through June 30, 2020 (ratified on August 19, 2016)	• 3.0% pay increase effective July 1, 2016. • 3.0% pay increase for Fiscal Year 2018 • 2.5% pay increase for Fiscal Year 2019. • 3.0% pay increase for Fiscal Year 2020.	• Tiered contribution system for current employees under which employees who have higher salaries pay a higher percent of their salaries as contributions to the pension fund • Mandatory stacked hybrid plan for new hires under which employees receive a defined benefit pension for their first \$50,000 of earnings and a defined contribution pension for earnings above \$50,000 • Plan 10 closed to new enrollment for members of DC33 but remains unchanged for other employee groups • Once fully implemented, such employees in Plan 10 are expected to receive a letter indicating that they have 90 days to make an irrevocable election to opt into the stacked-hybrid • DROP (as defined below) interest rate decreases from 4.5% to the rate on the one year treasury effective January 1 of each year (currently 0.65%) for participants not currently enrolled or eligible to enroll

⁽¹⁾ From data provided by the Mayor's Office of Labor Relations as of June 30, 2016.

⁽²⁾ "Plan 87" and "Plan 10" referenced in this column are described in Table 19. Plan 10 is mandatory for newly-hired employees of the Register of Wills and was mandatory for employees covered by the Correctional Officers
arbitration award who are now covered by the same pension provisions as other employees of AFSCME DC 33.

Organization	Authorized Number of Full-Time Citywide Employees Represented ⁽¹⁾	Status of Arbitration Award or Contract Settlement	Wage Increases	Pension Reforms ⁽²⁾
AFSCME DC 33, Local 159 Correctional Officers	2,220	Three-year contract effective July 1, 2014 through June 30, 2017 awarded by arbitration panel on March 23, 2015	<ul style="list-style-type: none"> 3% pay increase for Fiscal Year 2015. 3.25% pay increase for Fiscal Years 2016 and 2017. \$600 equity adjustment to base wages on January 1, 2016. 	<ul style="list-style-type: none"> Tiered contribution system for current employees under which employees who have higher salaries pay a higher percent of their salaries as contributions to the pension fund Mandatory stacked hybrid plan for new hires under which employees receive a defined benefit pension for their first \$50,000 of earnings and a defined contribution pension for earnings above \$50,000 Plan 10 closed to new enrollment for members of DC33 but remains unchanged for other employee groups Once fully implemented, such employees in Plan 10 are expected to receive a letter indicating that they have 90 days to make an irrevocable election to opt into the stacked-hybrid DROP interest rate decreases from 4.5% to the rate on the one year treasury effective January 1 of each year (currently 0.65%) for participants not currently enrolled or eligible to enroll
AFSCME DC 47	3,566	Contract term from July 1, 2009 through June 30, 2017 ratified on March 5, 2014	<ul style="list-style-type: none"> 3.5% pay increase effective April 4, 2014. 2.5% pay increase for Fiscal Year 2016. 3% pay increase for Fiscal Year 2017. 	<ul style="list-style-type: none"> Employees in Plan 87 hired before 3/5/14 pay 30% of normal cost plus an additional 0.5% of pay in 2015 and an additional 0.5% of pay in 2016 (for a total of an additional 1% of pay by 1/1/16) Employees hired on or after 3/5/14 may elect to enter Plan 87 and pay an additional 1% of pay over what others in Plan 87 pay or enter Plan 10 DROP interest rate decreases from 4.5% to the rate on the one year treasury effective January 1 of each year (currently 0.65%) for participants not currently enrolled or eligible to enroll
AFSCME DC 47 Local 810 Court Employees	477	Agreement ratified August 13, 2014 on economic terms for July 1, 2014 through June 30, 2016; a one-year agreement for July 1, 2016-June 30, 2017 was also ratified in Fiscal Year 2017	<ul style="list-style-type: none"> 2.5% pay increase for Fiscal Year 2015. 2.5% pay increase for Fiscal Year 2016. 3% pay increase for Fiscal Year 2017. 	<ul style="list-style-type: none"> Employees in Plan 87 hired before 3/5/14 pay 30% of normal cost plus an additional 0.5% of pay in 2015 and an additional 0.5% of pay in 2016 (for a total of an additional 1% of pay by 1/1/16) Employees hired on or after 11/14/14 may elect to enter Plan 87 and pay an additional 1% of pay over what others in Plan 87 pay or enter Plan 10 DROP interest rate decreases from 4.5% to the rate on the one year treasury effective January 1 of each year (currently 0.65%) for participants not currently enrolled or eligible to enroll
Exempt and Non-Represented Employees	3,752	Changes for exempt and non-represented employees	<ul style="list-style-type: none"> 2.5% pay increase effective October 1, 2012. 3.5% exempt pay increase effective September 1, 2014. 3.5% non-represented pay increase effective April 1, 2014. 2.5% non-represented pay increase for Fiscal Year 2016. 	<ul style="list-style-type: none"> Employees in Plan 87 hired before 5/14/14 for non-represented civil service and before 11/14/14 for non-represented non-civil service pay 30% of normal cost plus an additional 0.5% of pay in 2015 and an additional 0.5% of pay in 2016 (for a total of an additional 1% of pay by 1/1/16) Employees hired on or after dates above may elect to enter Plan 87 and pay an additional 1% of pay over what others in Plan 87 pay or enter Plan 10 DROP interest rate decreases from 4.5% to the rate on the one year treasury effective January 1 of each year (currently 0.65%) for participants not currently enrolled or eligible to enroll

⁽¹⁾ From data provided by the Mayor's Office of Labor Relations as of June 30, 2016.

⁽²⁾ "Plan 87" and "Plan 10" referenced in this column are described in Table 19. Plan 10 is mandatory for newly-hired employees of the Register of Wills and was mandatory for employees covered by the Correctional Officers arbitration award who are now covered by the same pension provisions as other employees of AFSCME DC 33.