



## **DC 37 Agrees to Defer Benefit-Fund Payments Under No-Layoff Deal**

### **Also Gets Mayor to Commit To Aid Early-Retirement Incentive Measure**

By RICHARD STEIER

District Council 37 approved the deferral of payments to its health-and-welfare and education funds until late next year in return for a no-layoff deal that could last until July 2022 and the de Blasio administration's agreement to support an early-retirement-incentive bill introduced in the State Legislature a few days earlier that's intended to significantly reduce the city payroll.

The union's executive director, Henry Garrido, said in an Oct. 28 phone interview, after his delegates accepted the terms the previous evening, that having the terms structured along the same lines as an earlier deferral of retroactive wages by the United Federation of Teachers and ensuring job security for his 120,000-plus members were the key components of the deal.

#### **A Uniformed Dilemma**

The way in which the retirement- incentive bill is structured, however, could have an impact on the administration's efforts to get unions representing Sanitation Workers and Correction Officers to sign off on their own potential deferrals to give the city budget relief in the current fiscal year, which runs through June 30, 2021.

Another potential obstacle presented itself when Correction Officers' Benevolent Association President Benny Boscio refused the city's demand for deferrals along the same lines as those made by the city's two-largest unions.

The bill introduced in the Assembly by Peter Abbate and in the State Senate by Andrew Gounardes would extend up to three years' additional pension credit to members of three of the city's five pension systems: the New York City Employees' Retirement System, the Teachers' Retirement Continued on Page 20



HENRY GARRIDO: 'Protected our members' jobs.'

Continued from Page 1

System and the Board of Education Retirement System. It does not offer the retirement incentive to members of the Fire and Police Pension Funds.

While city agencies can recommend that some job titles be declared ineligible for the retirement incentive, such decisions need final approval from the Mayor's Office. And it's not clear whether Mr. de Blasio would be willing to offer an improved early-retirement package for uniformed employees of the Correction and Sanitation departments that is not available to their counterparts in the Fire and Police Departments.

City Labor Commissioner Renee Campion said, "We're supporting an ERI bill" and had informed the UFT of that after concluding the DC 37 negotiations, in which Mr. Garrido made that a condition for consenting to the deferrals that are another piece of the labor savings the city has demanded to help cut a \$9-billion budget deficit.

'A Citywide Decision'

But she declined to comment on unresolved negotiations with any city union in response to a question about the potential disparity for uniformed employees, depending on which pension system they belong to.

And while agency heads have the authority to request that particular groups of employees be deemed ineligible for the retirement incentive based on the need to retain as many of them as possible rather than making it easier for them to leave service, Ms. Campion emphasized that the final decisions would come "not on an agency- by-agency basis. It would be a citywide decision."

She thanked Mr. Garrido for his cooperation in providing savings to avoid layoffs, which she said the city viewed "as a last resort" that could be "damaging for affected employees and their families, as well as for residents who rely on city services."

So far, the only uniformed union to agree to a deferral was the Uniformed Fire Officers Association. That union's president, James Lemonda, agreed that half of a \$39-million payment of retroactive wages under his current contract that had been due Oct. 30 would be put off until Nov. 13, with the remainder to be paid next July, shortly after the next fiscal year begins. While his agreement included a no-layoff clause spanning that period, he had not asked to be covered under the early-retirement incentive.

### COBA's Objections

It was not clear whether that issue was holding up discussions between the city and the Uniformed Sanitationmen's Association. That union's president, Harry Nespoli—who also chairs the Municipal Labor Committee— could not be reached for comment.

But Mr. Boscio, who is just four months into his tenure as COBA's leader, made clear he did not think the city was offering fair value in return for the deferrals it was seeking from Correction Officers.

In a letter to his rank and file that was obtained by this newspaper, he said he had requested expedited arbitration of the dispute, stating that the city's move to delay implementing payment of retroactive money that members had been scheduled to receive Oct. 30 from raises provided under a wage agreement ratified in June was an "egregious violation of our contract."

Noting that the city had also failed to pay \$9.45 million in health-and-welfare fund benefits negotiated under that deal that were retroactive to Feb. 1, he said during an Oct. 29 phone interview that he had told Ms. Champion that "we would not willingly agree to any deal that further delays the monies the city owes us, nor will we divide our membership by agreeing to a provision that prevents layoffs only until June 2021."

He said it was his understanding that his predecessor, Elias Husamudeen, had been assured by Ms. Champion that the health-and-welfare increases would be implemented at the same time that the retroactive wages were Oct. 30. But Mr. Boscio said that during an Oct. 23 discussion, he was given a list of deferrals that included both those items and a delay in a scheduled 3-percent raise from next June 1 to Jan. 1, 2022.

"They told me they needed a quick decision by Monday [Oct. 26]," which was logistically impossible given the union's procedures, beyond the city demands being unacceptable, the COBA president said.

Ms. Champion could not immediately be reached for a response to his letter and comments.

## Nurses Indispensable?

There are other employee groups that could find themselves excluded from the early-retirement incentive based on the needs of their agencies. One of them is the New York State Nurses Association, which like the UFT has a particularly large amount of back pay to use as a bargaining chip as the result of then-Mayor Michael Bloomberg refusing to give those unions two 4-percent raises he had negotiated by 2008 with 60 percent of the city workforce, including DC 37's members, before leaving office at the end of 2013.

In that case, the issue would not be equal treatment of uniformed workers but rather whether NYC Health + Hospitals believed it could suffer the loss of a large contingent of Nurses who might take a pension sweetener at a time when there were concerns about a second wave of the coronavirus developing.

The DC 37 deferral deal involves \$164 million in savings for the city this fiscal year by delaying payments due to its health-and-welfare and education funds, as well as smaller amounts to a severance fund for members of School Employees Local 372 and one for retirees of Social Service Employees Local 371 for up to seven months, Mr. Garrido said. Those payments will be made in two installments over the first half of fiscal 2022: the first next September and the final one in November 2021.

The DC 37 leader said that the union has created a "team of audit and reconciliation" to ensure that the appropriate amounts are eventually paid to those funds.

DC 37 members will be shielded from layoffs through next June 30, and will have that protection extended for an additional year if the city is given additional borrowing authority by Albany or Federal aid to help it close the looming budget gap.

## 'Protected Their Jobs'

Mr. Garrido, who had reportedly been unhappy with an earlier city offer that he believed offered DC 37 lesser treatment than was afforded the UFT for its deferral of \$900 million in retroactive wages under an arbitrator's award, sounded both relieved and elated with the agreement he was able to reach Oct. 24 and presented to union delegates three nights later.

"One of our most-important responsibilities is to protect our members' jobs," he said. "The process was not ideal, but I want to thank the Mayor for listening to our concerns, and we got it through."

He said that one bright spot of struggling with the coronavirus was that the work done by some usually- unheralded members of his union had established them as “essential workers.” In that light, he continued, “A layoff notice would not have been an appropriate reward for them.”



‘PROCESS NOT IDEAL BUT GOT WHAT WE NEEDED’: Members of District Council 37 got both a no-layoff guarantee at least through next June and the city’s support for an early- retirement incentive bill that could significantly reduce the payroll in return for agreeing to defer \$164 million in benefit-fund payments into the next fiscal year. Union Executive Director Henry Garrido said that given his members’ efforts during the pandemic, ‘A layoff notice would not have been an appropriate reward.’

Photo courtesy of Clarence Elie Rivera/DC37



Powered by TECNAVIACopyright(c)2020 The New York Civil Service Employees Pub. Co. Inc., Edition 11/06/2020



**[Click here to see this page in the eEdition:](#)**  
**[\(Login Required\)](#)**

