

## Pension reform dogs labor deal between Bloomberg and Municipal Labor Committee

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Last week, [Mayor Bloomberg](#) and the Municipal Labor Committee struck a tentative deal to reduce some health benefits for active and retired city employees.

In return, layoffs were put on hold for several months and the city received some savings to help fill its gaping budget hole.

This was a crucial first step in what will likely be ongoing talks (or battles) between the city and its unions over benefits for years to come.

And for the first time, Bloomberg said he was open to the idea of unpaid furloughs as a way to save money.

The mayor lauded the deal and said the plan "will continue to serve the long-term interests of our hardworking municipal employees."

And [MLC Chairman Harry Nespoli](#) said the plan lets people work and pay their bills for another three months.

But the announcement at District Council 37's headquarters in lower [Manhattan](#) was quickly drowned out by the constant drumbeat for pension reform.

At the press conference, Bloomberg said the city still needs a new pension tier, with diminished benefits for future civil servants. Nespoli said the unions would continue to wage battle against the proposed Tier 5 plan.

"We're not interested in sitting down to negotiate a Tier 5," he said.

The next day, [Gov. Paterson](#) shocked labor leaders and legislators alike by vetoing a bill that would have continued current pension benefits for newly hired city cops and firefighters. The bill has been routinely extended since 1981.

"Police officers and firefighters have earned [New York's](#) gratitude, and they deserve to have strong pension benefits when they retire," Paterson said in a statement. "That does not mean we should continue enacting legislation that does nothing to fix the present and unaffordable pension system without measures to reduce costs."

And later in the week, Paterson announced a deal with two large state unions - the [Civil Service Employee Association](#) (CSEA) and the [Public Employees Federation](#) (PEF).

The unions agreed to support the Tier 5 plan. In return, they cobbled together a deal to avoid layoffs. Instead, certain state employees will be offered buyouts and about 2,500 vacant positions will be abolished.

The wild card in all this is the state Legislature. And Monday night's bloodless coup in the state Senate has made it really unclear what will happen in the coming weeks up in [Albany](#).

But the drumbeat continues.

The [Citizens Budget Commission](#), a fiscal watchdog, has pledged to start a "scorecard" to track legislative action on pension costs and report back to the public.

The CBC has been complaining loudly about the cost of health benefits and pension costs for city workers. For the record, the CBC board is filled with the top managers of real estate and development firms as well as banking and financial companies.

But back to the deal between Bloomberg and the MLC: that plan is expected to save the city \$200 million in Fiscal

Year 2010, \$200 million in FY 2011 and \$150 million the following years.

Layoffs for about 1,000 employees will be deferred for 90 days by tapping into the union's Health Insurance Stabilization Fund. That rainy-day fund was created in the 1980s as part of contract agreements.

For the first time, workers who participate in certain city-funded health plans will have new co-pays.

Here are some specifics: City workers who participate in the HIP/HMO program will have a \$50 co-payment for a hospital emergency room visit, which will be waived if the patient is admitted.

In addition, there will be a \$100 co-payment upon admission to in-patient facilities as well as a \$50 co-payment for an ambulatory surgery facility treatment or service.

The preventive dental rider will be eliminated from the base program.

There are additional changes, including a \$50 emergency room co-pay for workers in the GHI-CBP/Blue Cross and GHI/Blue Cross/Senior Care program.

-The [NYPD Columbia Association](#) honored several members of the department at its annual awards dinner last month.

-The honorees included: Chief Michael Scagnelli as Man of the Year; [Police Officer Shane Farina](#) of Transit District 20 received the Lt.Mario Biaggi Award for Valor; [Detective Dennis Canale](#) of ESU Truck 5 received the Police Officer Michael Melchiona Award for Valor, and [Police Officer Susan Porcello](#) of the 68th Precinct received the Police Officer Arthur Pelo Award for Valor.

-The organization offers high school and college scholarships. For more information, go to the group's Web site at [www.nypdcolumbia.org](http://www.nypdcolumbia.org).

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