



January 15, 2019

CONTRACT NEGOTIATIONS UPDATE
TO LOCAL 1181 ATU MEMBERS AT BORO, SNT, ANJ, BOBBY'S, GRANDPA'S, LORISSA, LOGAN & PIONEER

Brothers and Sisters:

Our negotiations with your employers are now at a critical point. While we have made significant progress toward a fair contract with gains in many areas, the most important issue, by far, concerns our medical plan. We are very proud of the benefits our members receive, thanks to many years of hard bargaining and the solidarity shown by our members. In today's challenging climate, we see all around us that people pay more and receive less for their medical benefits.

The companies recently gave us what they called a best and final offer. Despite their calling it that, we have since achieved additional monetary gains for our members. However, the companies have refused to budge on their medical proposal. The fund's actuaries have determined that that proposal would, in the next 2 years, cut the fund's reserves needed to pay your benefits to a level that would essentially put the fund out of business. That would mean the end of your medical benefits.

The companies claim that, in that event, the fund trustees can always deal with those deficits. Don't be fooled: that means cutting your benefits and/or increasing your costs since, under their proposal, there would not be sufficient money in the fund to maintain benefits. Essentially, the company proposal is designed to starve the fund and make you pay to keep your benefits.

That is unacceptable. We cannot and will not let that happen.

We have told the companies and the City Labor Commissioner, who has been mediating our negotiations, that this is an existential threat to our members and their families. Simply put, it is a strike issue. We have scheduled one more meeting with the companies and the New York City Commissioner of Labor next Thursday, January 24th to attempt to resolve this issue.

We have made a reasonable, common sense proposal that the fund actuaries have said will sufficiently maintain the fund's assets to ensure the continuation of our plan and our benefits.

The ball is now in the employers' hands. If they refuse to withdraw their proposal and to agree to steps to maintain our fund and benefits, the negotiating committee and executive board will move forward with strike preparations, consistent with the overwhelming strike authorization votes we received at all the affected properties.

We will not let our medical plan be destroyed and our benefits disappear so the employers can continue to reap windfall profits. If we stand together, as we have thus far, and show our unity and determination, we will win this fight.

We will, of course, keep you advised immediately of all developments moving forward.

In solidarity,

Michael Cordiello, the Executive Board
and Negotiating Committee
ATU Local 1181-1061