

**GOVERNMENT OPERATIONS, PERSONNEL, HOUSING & CONSUMER PROTECTION
COMMITTEE**

OF THE

SUFFOLK COUNTY LEGISLATURE

MINUTES

A meeting of the Government Operations, Personnel, Housing & Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on December 10, 2014.

MEMBERS PRESENT:

Leg. Robert Calarco, Chairman
Leg. William J. Lindsay, III, Vice Chair
Leg. Jay Schneiderman, Deputy Presiding Officer
Leg. Thomas Cilmi
Leg. Kara Hahn
Leg. Kevin J. McCaffrey

ALSO IN ATTENDANCE:

George M. Nolan, Counsel to the Legislature
Jason Richberg, Chief Deputy Clerk of the Legislature
Robert Lipp, Director/Budget Review Office
John Ortiz, BRO
Benny Pernice, BRO
Tom Vaughn, County Executive's Office
Connie Corso, Budget Office
Tricia Saunders, Budget Office
Cynthia DiStefano, Director of Classification/Civil Service
Anne Rubenstrunk, Personnel Analyst/Civil Service
Jennifer McNamara, Director/Labor Relations
John Keary, PBA
William Shilling, Aide to Leg. Calarco
Jason Hann, Aide to Leg. Shilling
Alyssa Turano, Aide to Leg. Hahn
Sean Rogan, Aide to Leg. McCaffrey
Rick Brand, Newsday
And all other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

THE MEETING WAS CALLED TO ORDER AT 10:06 AM

CHAIRPERSON CALARCO:

Okay, if we could please rise for the Pledge of Allegiance led by Legislator McCaffrey.

SALUTATION

Okay, good morning everyone and welcome to Government Operations, Personnel, Housing and Consumer Protection. We have no correspondence this morning so we'll go right into the Public Portion. I do not have any cards. Are there anybody in the audience who would like to address the Committee? Anyone? Okay. Seeing none, we're going to move onto the agenda today. I have no Tabled Resolutions.

INTRODUCTORY RESOLUTIONS

Our Introductory Resolutions: **IR 2141, Requesting legislative approval of a contract award for Unemployment Insurance Administrative Services for the Department of Civil Service. (Co. Exec.)** Make a motion to approve.

LEG. LINDSAY:

Second.

CHAIRPERSON CALARCO:

Second by Legislator Lindsay.

LEG. CILMI:

I have a couple of questions.

CHAIRPERSON CALARCO:

Sure, Legislator Cilmi.

LEG. CILMI:

Yeah. I understand there may be somebody here from that area in Civil Service. Alan told me there would be -- hi, how are you? Could I ask -- through the Chair, could I ask --

CHAIRPERSON CALARCO:

Come on up, Cynthia. Just put your name on the record for the Clerk.

MS. DiSTEFANO:

Good morning. I'm Cynthia DiStefano. I'm the Director of Classification in the Civil Service Department. And this is Anne Rubenstrunk from my department who worked on the contract.

LEG. CILMI:

Good morning, ladies. How you doing today? I had a conversation with Alan Schneider yesterday about this, a general conversation. And he suggested that the both of you might have more details for me. I had wondered if this was something that we would ever do or have ever done inhouse. And he said, no, that we've always contracted out and that we've always -- or at least in recent years we've used this particular firm to do the work. But I wondered -- and he couldn't answer -- how many -- how many times we -- you know, this firm would go to bat for us, if you will, in the course of a year generally speaking. Maybe you could use this year or least year as an example.

MS. DiSTEFANO:

Well, I have figures on what they've saved us.

LEG. CILMI:

Well, that's not really what I need to know. Because we could -- I mean --

MS. RUBENSTRUNK:

Hi. They routinely answer us with anything that the State has a question on. So if the State raises a --

CHAIRPERSON CALARCO:

Could you just step up to the podium so we could get you -- hear you. The stenographer's having a hard time. Speak into the mic. You can pull it up if it's not --

MS. RUBENSTRUNK:

Hi.

CHAIRPERSON CALARCO:

Thank you.

MS. RUBENSTRUNK:

If the State has a question, they'll routinely answer any of the questions that the State has against any claim. And they also assist in the hearing process.

LEG. CILMI:

Yeah, so that's what -- that's what Alan told me. Basically -- correct me if I'm wrong -- but when there's a detachment from service from somebody in the County and somebody files, that person files for unemployment insurance, if there's a dispute, this firm will go and represent us with the State in that dispute; correct?

MS. DiSTEFANO:

Yes, they do. And we've been using this same firm since at least 1986. We pay them quarterly. They are the only bidders because they don't make a lot of money but they save the County a lot of money.

LEG. CILMI:

How much -- how much is this contract for?

MS. DiSTEFANO:

It is for --

LEG. CILMI:

How much does it cost us in a year?

MS. DiSTEFANO:

It will be \$21,600 in 2015. And there are very gradual increases over the four-year proposal. But in 19 -- in 2013, they saved us 123,689. And in 2014 year-to-date they've saved us 140,731.

LEG. CILMI:

Okay. But that's not to say that we couldn't have done the same thing. So -- and I recognize this is not a lot of money here that we're talking about, but I'm just wondering again how many -- how much work they actually do for us and why this is not something that we could just do ourselves.

MS. DiSTEFANO:

They know the system. They know the State. They know the laws and the regulations. And they are really good representatives of the County's grace. We don't have anybody at present who is able to step in and do this.

LEG. CILMI:

Okay. Would you be able to -- given the amount of money that we're talking about and their record of success, I suppose, I'm willing to support this today, but I'd love to hear before Monday, if possible, exactly, you know, how much work they've done for us for that money. I hate to just -- writing a \$20,000 check every year to a firm that -- I mean let's say for example that they've only represented -- they've only answered a dozen or two dozen questions in the course of a year, and maybe they're simple questions, maybe they're just responding to letters or something like that, it's something, you know, we might be able to do. I just think even with expenses as relatively small as this, we need to question when we're just doing business as usual.

MS. DiSTEFANO:

Do you have any idea how many cases they deal with?

MS. RUBENSTRUNK:

I'm sure I can get that from the staff.

MS. DiSTEFANO:

All right, is that what you mean, how many cases and an estimate of time spent?

LEG. CILMI:

Exactly.

MS. DiSTEFANO:

Okay.

LEG. CILMI:

So, I mean it's -- like I said, it's not a large amount of money, but I want to make sure that we're actually getting value for that money and that that value exceeds what it would cost us to be able to replicate the services that they're providing to us.

MS. DiSTEFANO:

Okay.

LEG. CILMI:

Okay?

MS. DiSTEFANO:

I'll get that for you.

LEG. CILMI:

Thank you very much.

CHAIRPERSON CALARCO:

Okay. Cynthia, just one more question for you since you're up there and I'm not following Legislator Cilmi's line of questioning so I think I -- I understand what he's trying to get at. How many other municipalities does this entity represent doing this? Because what they do for us, right, is they help us navigate the unemployment -- right, unemployment insurance field that the State has out there. How many other people does this company represent out there, do we know? Do we have a background on them in terms of what they -- who else they represent? Municipalities, private business? I mean this must be their expertise, right?

MS. RUBENSTRUNK:

Yes. I know they do a couple of school districts and another city that's not on Long Island.

CHAIRPERSON CALARCO:

Okay. But it's all dealing with the State Unemployment Insurance Program.

MS. RUBENSTRUNK:

Correct.

CHAIRPERSON CALARCO:

Which is pretty complicated, correct?

MS. RUBENSTRUNK:

Correct.

CHAIRPERSON CALARCO:

So basically what we're doing is hiring a specialist with legal background and experience. And they take it upon themselves to make sure that they keep their employees trained and educated as to the differences that happen in the State Program from year to year; so that as we go forward, we're always -- they're always current and able to deal with whatever issues arise?

MS. DiSTEFANO:

Yes, they contest the claims on the County's behalf.

CHAIRPERSON CALARCO:

Okay. Are they actual, like, attorneys?

MS. DiSTEFANO:

The -- we deal primarily with Mark Schwarz, who is an attorney, yes.

CHAIRPERSON CALARCO:

So if we were to hire somebody with comparable experience or try to have somebody with comparable abilities in the County, what would that cost us?

MS. DiSTEFANO:

I don't know what a starting County Attorney would cost and whether that person would have expertise --

CHAIRPERSON CALARCO:

Eighty; 80,000, 90,000 plus benefits? Does BRO know what a starting County Attorney would make?

MR. PERNICE:

The salary is like 56 or 57,000 and then the benefit --

CHAIRPERSON CALARCO:

Fifty-six plus benefits so you're looking about 80 --

MR. PERNICE:

-- probably about 80,000.

CHAIRPERSON CALARCO:

Eighty thousand dollars for that person plus ongoing educational requirements to make sure that they're able to stay current with the insurance changes in the State Unemployment Insurance so that they're able to answer all the questions.

MR. VAUGHN:

Legislator Calarco, just because I randomly happened to look at it last night, a neighborhood aide,

which is a grade 13, is currently a \$32,000 position starting. So I mean -- and this person certainly sounds like they would have more expertise than a starting --

CHAIRPERSON CALARCO:

Yeah, what Benny just told me. A County Attorney's going to start at about 55, 56, which I'm surprised we get anybody who's an attorney want to work for that little. But we get a County Attorney for 55 or so and then we add in benefits and they're \$80,000 costs plus ongoing expenses throughout the year, so. You know, it might be a bargain to pay \$20,000 to retain an expert with a very specific field of expertise. But I think to get Legislator Cilmi that specific information how many cases they're actually dealing with -- because then it's -- you're talking billable hours, right? I mean how many billable hours are we --

LEG. CILMI:

Exactly. I'm not suggesting that we hire somebody or that we have somebody on staff that exclusively does unemployment cases for us. And having dealt with the State Unemployment system, I understand how complicated and -- I'll leave it at complicated it is. But, nevertheless, if it's only a handful of cases, we might be able to have an existing County Attorney doing it. I'm not saying that we should do that or shouldn't do that. I just want the information.

MS. DiSTEFANO:

We'll get that information.

LEG. CILMI:

All right, thanks.

CHAIRPERSON CALARCO:

Okay. Thank you very much. All right. So we a motion and a second. I lost another Legislator out of the room. Okay. I have a motion and a second. All those in favor? Opposed? Abstentions? **IR 2141 is approved. (VOTE: 4-0-0-2. LEGISLATORS SCHNEIDERMAN AND HAHN NOT PRESENT)**

IR 2149, Establishing a board to aid in the enforcement of Suffolk County's Pet Store Laws. (Spencer) I'll make a motion to approve; seconded by Legislator Lindsay. Maybe Counsel could give us an explanation quickly.

LEG. CILMI:

Thank you.

MR. NOLAN:

Well, the Legislators will recall that earlier this year we passed a bill where the County's going to be regulating the pet stores in the County. And the idea behind this resolution is to create an advisory board to assist the Department of Labor, Licensing and Consumer Affairs and the enforcement of that law; and also to advise them on other animal-related issues that the County may face. It's a seven-member board, which is laid out in the SECOND RESOLVE CLAUSE of the resolution.

CHAIRPERSON CALARCO:

Go ahead, Legislator Cilmi.

LEG. CILMI:

Thank you. So without the benefit of having the sponsor of this bill here, does anybody -- maybe the Chairman knows why we need a board to help us enforce --

CHAIRPERSON CALARCO:

Sure.

LEG. CILMI:

-- our laws.

CHAIRPERSON CALARCO:

I've worked on this a little bit with the sponsor because I've -- earlier this year we passed a resolution that I sponsored that created a rating board or gave this entity the ability or the authority to do voluntary ratings for actual pet grooming industry. But --

LEG. CILMI:

We already have a board?

CHAIRPERSON CALARCO:

We have a board. This board is existing -- it was created -- the Pet Advisory Board was created many years ago to actually do ratings for our pet stores. It was the compromise that was reached before the County had the authority to license these entities.

LEG. CILMI:

Just like three years ago or something like that?

CHAIRPERSON CALARCO:

Something like that, yeah. I think it was actually Legislator Spencer's predecessor who passed that resolution. So now that we are licensing them -- those entities ourselves, the board felt that they no longer really had the need to go out and do ratings anymore since the County was going to be actively licensing and regulating the industry in terms of pet stores. So the board has asked to become more of an advisory board to Consumer Affairs to help them in that process of coming up with the rules and regulations that are under their -- the Commissioner's purview to try to, you know, create in order to run the program.

So it adds the Commissioner to the board as a member of the board. And then they'll just be an advisory committee to them. They'll have some other responsibilities in terms of helping pet stores come up with evacuation plans and emergency-situation plans. And they are going to still -- they're going to create a sub-committee that will deal specifically with the pet groomers going forward as well so that we can still have a rating system for there. Because we really are not quite at a point where we feel that we want to get into licensing pet groomers; or at least I haven't gotten to that point yet.

LEG. CILMI:

So are we just reconstituting an existing board here?

CHAIRPERSON CALARCO:

We're repurposing their intent, their point, yeah. We're kind of directing them in a slightly different fashion.

LEG. CILMI:

And so -- is that right, George?

MR. NOLAN:

No, this is actually a new board. We're not repurposing the board. We talked about repurposing the current board, but it was determined by the sponsors they did not want to do that. They wanted to create a new board. We still have this other board which my suggestion is we would repeal the prior resolution. They didn't want to do that at this point. They just want to create this new board for these additional -- for these purposes that are outlined in the resolution. So that's what it does.

LEG. CILMI:

I mean -- it doesn't seem like we really need a second board here.

*{ *Legislator Schneiderman entered the auditorium* }*

CHAIRPERSON CALARCO:

I will reach out to the sponsor, but I think we need to dissolve -- I think the intension was to dissolve the first board and reconstitute under this new purview, but continue to have them do the ratings for the pet groomers. And I think that was the hesitancy by the sponsor to remove the old board in the first instance was because that old board had that rating responsibility for pet groomers still. But we're going to do that through a sub-committee of this committee -- of this new board. So I'll reach out to the sponsor about coming up with legislation to eliminate the prior constituted board.

MR. NOLAN:

The membership of the other board is very similar to this board as Legislator Calarco has mentioned. So it's really, you know, kind of how are we going to handle the housekeeping in terms of the, you know, are we trying to repurpose, are we trying to create a new board? I think the solution is to pass this and probably repeal the earlier resolutions that established the other board with a different purpose, but we're not there yet.

LEG. CILMI:

We're not there yet. So this board would actually be, as the other board is, out in the field looking at pet stores, looking at pet groomers potentially and evaluating their, you know, standards and ethics, etcetera.

CHAIRPERSON CALARCO:

I think they're going to work with Consumer Affairs to help them develop the criteria for those inspections. But now Consumer Affairs has the authority and the responsibility to do inspections for pet stores.

LEG. CILMI:

Okay. I don't think we need another board at this point. I think we just use the board that already exists, repurpose it, as you suggested, and move forward. We just have too many people doing too many different things. It's just --

CHAIRPERSON CALARCO:

Well, we'll work with the sponsor to repeal the old board. There's no point in having two boards. That's agreed upon. Okay. Very good. I have a motion and a second. All those in favor? Opposed?

LEG. CILMI:

Opposed.

LEG. McCAFFREY:

Opposed.

CHAIRPERSON CALARCO:

Abstentions? **IR 2149 is approved. (VOTE: 4-2-0-0)**

IR 2150, Amending the hourly rate for temporary positions in the Suffolk County

Classification and Salary Plan. (Co. Exec.) I'm going to make a motion to discharge without recommendation.

LEG. LINDSAY:

Second.

CHAIRPERSON CALARCO:

Second by Legislator Lindsay. Cynthia, if you could come back up quickly, we -- I was told this morning from the County Exec's Office that there's going to be some amendments needed to be made to this. What this does, if I'm not mistaken, Cynthia, is it's basically bringing some of our positions inline with the new minimal wage that's starting in the new year so it's making those all adequate. And what we've done is failed to put in a couple of titles onto this resolution so it's going to come over as a CN on Monday; correct?

MS. DiSTEFANO:

That is correct.

CHAIRPERSON CALARCO:

Okay.

MS. DiSTEFANO:

This is administrative. The -- it -- minimum wage changes as of December 31st this year. And there will be another change next year on December 31st.

CHAIRPERSON CALARCO:

Okay. So we're all okay with that? So we'll do a discharge without recommendation, get it to the floor and the Administration will bring a CN on Monday. All those in favor? Opposed? Abstentions? **IR 2150 is approved. (VOTE: 6-0-0-0)**

IR 2164, Authorizing the County Executive to execute An Agreement with the Suffolk County Detective Investigators Police Benevolent Association (DIPBA) covering the terms and conditions of employment for the period of January 1, 2011 through December 31, 2018. (Co. Exec.) I'm going to make a motion to approve.

D.P.O. SCHNEIDERMAN:

Second.

CHAIRPERSON CALARCO:

Second by Legislator Schneiderman. If we could have Jen McNamara come up, our Director of Labor Relations, and maybe John Keary, President of the Detective Investigators PBA. And, John, if you could for us, please, maybe give us a brief rundown of what this contract entails. My understanding is this was a negotiated contract.

MS. McNAMARA:

Good morning. Thank you. Yes, this was a negotiated contract. And I just want to first off thank Mr. Keary for working so closely with me in order to get this contract done.

MR. KEARY:

You, too.

MS. McNAMARA:

It's -- I'll just give you some of the highlights. It's an eight-year term beginning on 1/1 of 2011 and ending on 12/31 of 2018. It is consistent with all the other previous police contracts. It conforms with the police pattern. Raises of zero percent in 2011, '12 and '13; raises in '14, '15, '16, '17 and '18 which conform, again, with the previous police patterns.

Old hires are going to now be on a seven-step system. They previously were on a six-step system. New employees are going to have a new ten-step salary scale. Percentages there are also based

upon the previous -- the previous contracts and the police pattern. There's a no-layoff provision similar to all the other contracts that we've seen. There are longevity increases included. Those increases are deferred. And all the other pieces of the contract, again, are consistent and conform with all the other previous contracts ratified by this body.

CHAIRPERSON CALARCO:

Okay. John, did you want to add anything?

MR. KEARY:

Yeah, I just would like to thank Jen for working hard on this to get this done. I think -- I think the contract is good for us and it's also good for the County.

CHAIRPERSON CALARCO:

Okay, great. Thank you. Okay, we'll start with Legislator Hahn.

LEG. HAHN:

Just a quick question for my edification really. I thought that the other contracts had 12 steps for new hires. Is this -- you said 10. So is this different in that it's 10 or is it 12 like the others? Or am I wrong, the others had 12?

MS. McNAMARA:

No, the others had 12; you are right. This contract is a little different just because of the size of the unit. The unit is so much smaller than the others.

CHAIRPERSON CALARCO:

Well, I think it's also -- typically this unit has membership that is -- typically have already served out many years in service, had to retire and have come back to working here. And so they don't usually stay as long as other units seen membership stay; is that accurate?

MR. KEARY:

I believe we have a higher turnover rate. We generally don't have people staying for 30 years. The average is probably between, I will say, maybe -- probably between 10 and 15 years, closer to 12 years. So we're going to get new employees into the new pattern quicker.

CHAIRPERSON CALARCO:

Okay. Legislator Cilmi.

LEG. CILMI:

Through the Chair, I guess this is more of a question for Tom Vaughn. And Tom may have to defer to somebody else. But I see that we have raises built into this contract for 2014 and for 2015. Obviously we're operating on a 2014 budget as we speak. And we've already adopted a 2015 budget. I just want to make sure that we have funds in both of those budgets to account for those raises.

MR. VAUGHN:

I'm going to defer for our Budget Director Connie Corso on that.

MS. CORSO:

Good morning.

LEG. CILMI:

Hey, Connie.

MS. CORSO:

As I've spoken about most of the agreements, at this point it would be more costly for us to go to

interest arbitration so with a fiscal impact as it's -- I think it's like \$700,000, very de minimis, we are more than able to cover that at this time. Part of what we would use would be some of the additional turnover savings since the budget was adopted. We've had probably 100 or more people off the payroll than when we originally did our projections. And we also had that very successful real estate auction which brought in 7 million more than what we budgeted over the two years. So I think we have a good cushion to cover this.

LEG. CILMI:

Okay. Could I ask you, from a procedural point of view, do we need to -- do we need to amend the budget in any way? Or does there need to be a stated offset for the additional cost, particularly in 2014 now that we're already in 2014?

MS. CORSO:

No, because what happens -- this happens with all -- most of our agreements, Tom, that are -- most of them don't get negotiated and approved in a year that they are, you know --

LEG. CILMI:

Right.

MS. CORSO:

-- that's it's up. So what happens is we do an accrual so it does go back to the previous year. But as I stated, we already have -- with collective bargaining, you don't need that. You have to bargain in good faith. So you don't really need that contingent. Like with payroll, payroll can run in the negative but no other expense can. And that allows us to make adjustments for this. And at the end of year like you know like we -- we pass the housekeeping, part of passing that housekeeping gives us the ability to transfer from other appropriations to cover -- I think we are covered in this case, but if we had to, we could make a budget transfer.

LEG. CILMI:

Okay. So thank you for that. And if I could just ask, again, through the Chair for Budget Review's perspective, do we have to amend our 2015 or 2014 budgets to account for this increase?

MR. LIPP:

Not really. We would, as Connie's saying, we could do a housekeeping resolution in 2015.

LEG. CILMI:

Excellent. Okay, thanks very much. Thanks, Connie.

MS. CORSO:

You're welcome.

CHAIRPERSON CALARCO:

Okay, thank you. Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

Yes, first question is for John. Did your membership vote yet or --

MR. KEARY:

No, our membership is going to vote to ratify tonight.

D.P.O. SCHNEIDERMAN:

You're anticipating they will support this?

MR. KEARY:

Yes, I'm anticipating they will support it.

D.P.O. SCHNEIDERMAN:

Okay. And to Jen, you had mentioned one way with the steps that it's different than the PBA. Any other things that jump out that differ from the other contract we approved?

MS. McNAMARA:

No, there's really nothing else that's in any way different. It very much is a a pattern as they all have been. You know, you start with the PBA and then you go down and everything is a variation of the PBA. This unit is a little different only that their models come from the SOA and SDA. But the SOA and the SDA, of course, are based on PBA as well. So there's really nothing that's outstanding.

D.P.O. SCHNEIDERMAN:

I guess my last question maybe is to Robert. I'm not really sure. I mean I know there's three years, I guess, where there's zero percent, '11, '12, '13, which is great because we have no retro. But then -- and I think we did this with the PBA, too, there are multiple increases, even during the course of a single year. So you'd have like a 1.5% increase in '14, January 1st. And then June is another 1.5 and then December 1st is another 1.5. Then we get into '15 where you have two, one of 1.5 and one of 1.75. So there's a bit of a compounding effect. Do we know what the actual, on a yearly basis, what that raise amounts to? Because it's not simply -- you can't just simply add the percentages you had.

MR. LIPP:

No. So there are other, for instance, dollar increases for -- two productivity dollar increase, first two items under deferrals are dollar increases also. At the risk of stating the obvious -- there's also an education increase on top of -- so all of those dollar increases are on top of the percentage raises. And so at the end of the day -- we just recently received the agreement and we're working on trying to calculate it, but we do not have a number yet. It's very -- how shall I put it -- detailed, the agreement. It's not a simple agreement. If you're just looking at the percentage increases under item two of the memorandum, you're not going to get what the increases are.

D.P.O. SCHNEIDERMAN:

Will you be able to calculate --

MR. LIPP:

We are going to try.

D.P.O. SCHNEIDERMAN:

-- salary increases?

MR. LIPP:

It takes quite a while to calculate these things. You need -- some of the increases are dollar increases based upon pay amounts. It's also difficult to determine what the impact of the deferrals are. We'd have to make some assumptions there. And in particular if you look at the Executive's Fiscal Impact Statement, they have savings, which I assume -- there isn't any backup -- I assume it's related to deferrals, but at the end of the day, those savings become costs when a person separates or retires.

D.P.O. SCHNEIDERMAN:

And Connie also had answered a question of budgetary impacts. I think she was referring to this year, 2014. Or maybe she was referring to next year's budget. I'm not sure, but there's an impact in both. So we have an approved budget for next year. Did we anticipate the amount of money we'd have to spend --

MR. LIPP:

We had in our review there was no money for any of the -- I believe it's four bargaining units that did not have contracts since the end of 2010. So, I believe, I don't want to put words in anyone's

mouth, I believe what Connie was saying is that there's -- the budget's large enough that they could move money around to account for the additional cost, additional appropriations. They would have to just manage a budget.

D.P.O. SCHNEIDERMAN:

Over '14 and '15?

MR. LIPP:

Correct.

D.P.O. SCHNEIDERMAN:

So I mean it would help to have a better -- slightly better sense of what the financial impact is.

MR. LIPP:

Yes, so there's -- there is -- the Executive's Office has a Fiscal Impact Statement. It's just a -- it's a small table that summarizes -- they don't have a detail. Since we have not done our own due diligence while we're in the middle of doing it, but since we haven't completed it, we couldn't say to what extent the numbers are -- we agree with or not because we haven't finished that process. But if you're asking specifically about percentages, we would have to convert several items that are included in the contract in addition to the percentage increases to come up with a total percentage increase, which will -- clearly be higher.

D.P.O. SCHNEIDERMAN:

But total percentage yearly would --

MR. LIPP:

Right. We would -- we would likely -- we endeavor to do that increase for each year.

D.P.O. SCHNEIDERMAN:

For those, like, nonmathematically-oriented people, if you do a one-and-a-half percent increase on January 1st and again midyear, it does not add up to a 3% increase for the year. It's slightly over 3%. I have it calculated --

MR. LIPP:

Well, you see you wind up with -- compounding would be more, but since they're different points in time for that initial year, it'll be clearly less, you know, if you're -- so for instance if you're getting --

D.P.O. SCHNEIDERMAN:

Right.

MR. LIPP:

-- your increase in December, that's only 1/12th of that increase as an example. That being said if you have -- say one-and-a-half and one-and-a-half at different times during the year, which adds to three, that would increase your base by the full 3%, though, in the next year. And then, of course, we have to do the calculations on these various dollar amounts, productivity, education, etcetera, to convert them into what the percentages are based upon existing salaries and increases in salaries. So there's quite a bit of calculations. It's not a simplistic agreement which says *here are the increases such as in item two*. There are several other increases in the agreement.

D.P.O. SCHNEIDERMAN:

It would be helpful, I believe.

MR. LIPP:

Oh, most definitely. So basically we will endeavor to try to have something for Monday. I'm not sure if we'd be able to in this short period of time that we've been given the contract, it's not a simple

calculation. In a perfect world I'd say we should just table the whole thing, but we don't live in a perfect world.

D.P.O. SCHNEIDERMAN:

Well, you know, I'm willing to see this discharged with a positive recommendation. It would be helpful, though, to rather than discharging without a recommendation, you know, based on the information I have so far, it seems like a pretty well negotiated contract, a good contract. But it would be nice before it comes up to a floor vote to have that additional detail if you can.

MR. LIPP:

Agreed.

CHAIRPERSON CALARCO:

Okay, I got a couple more people. But before I go there, I'm just going to follow up because I don't think I've heard the number actually put out there; though, we've danced around it a couple times. What is the fiscal impact to this contract whether it's Connie from the Budget Office or Budget Review, who can tell us what the actual projected cost is to us over the four years or eight years or whatever the situation may be? I think we, for edification, need to put that on the record.

MS. CORSO:

Do you want that over the term; over the full-time?

CHAIRPERSON CALARCO:

Yeah, give us what -- you know, whatever you have it as per year. Obviously the first three years there is no fiscal impact because they're taking zeroes for those past three years but then moving forward from that.

MS. CORSO:

Okay. So through 2018 the total fiscal impact is 4.47 million. So we did in our analysis include the, you know, what the -- even though there are deferrals in '14, '15, '16, we did, you know, as those -- as we estimate the attriting out, we did include those costs as part of the fiscal impact so that number is in there. So in the first year, 2014, \$689,000 is the fiscal impact; 284 --

CHAIRPERSON CALARCO:

The first year is 2011, '12 and '13.

MS. CORSO:

But the fiscal impact on 2014 -- I'm giving you the actual impact on the budget.

CHAIRPERSON CALARCO:

Okay.

MS. CORSO:

689,000; 2015 284,000; 2016 264,000; and 2017 328,000. And the difference there is because we have the deferrals. So that's the net -- the net impact. The gross impact -- I know, George, you're looking like that, it doesn't add to four point -- I know what you're thinking. (Laughter) It's 1.4 million gross -- okay, so that's the -- what Tricia's telling me, is that's the year-over-year difference.

D.P.O. SCHNEIDERMAN:

You have to add the earlier numbers to that.

CHAIRPERSON CALARCO:

Yeah, I'm looking at your fiscal impact. And it looks like it's saying 380,000 in '14; 310,000 in '15; 970,000 in '16; 1.24 million in '17; 1.57 million in '18 which totals up to 4.7.

MS. CORSO:

Okay, so in budget speak, what I gave you is the year-over-year what I'm going to need to add into the budget. So, you're right, point -- it's 380,000 in '14; 310,000 in '15; over current. Why don't you do it? This is Tricia Saunders. She actually -- she actually did the fiscal impact so --

D.P.O. SCHNEIDERMAN:

Say that again.

CHAIRPERSON CALARCO:

Okay. We'll let Tricia -- we'll let Tricia give it to us.

MS. CORSO:

It looks like this (indicating). It has many, many lines.

CHAIRPERSON CALARCO:

Go ahead, Tricia.

MS. CORSO:

I grabbed the wrong line so she's going to give you the right line.

MS. SAUNDERS:

Sorry. Tricia Saunders. So, yeah, based on the Fiscal Impact Statement, over the current budget we would be basically exactly what you said; it's 380; then 310; then a little close to a million; then 1.2 million; then 1.6. But as you know in the budget if you include 380,000 in one year, then the next year you only need to increase from the previous year. So that's what she was giving you originally.

CHAIRPERSON CALARCO:

Okay. Very good. Legislator Lindsay has some questions.

LEG. LINDSAY:

Good morning. John, my question's just real brief. How many active members do you have currently?

MR. KEARY:

We have 47 active members.

LEG. LINDSAY:

Thank you.

CHAIRPERSON CALARCO:

Legislator McCaffrey?

LEG. McCAFFREY:

My question is how did the County Executive come up with a Financial Impact Statement and which we believe to be accurate but BRO is -- are you doing a different kind of math on this, Robert? Or --

MR. LIPP:

We just got it on Monday. So we haven't had the opportunity. I was out for Monday and half of Tuesday for some personal stuff; didn't know that it was coming in. So we haven't had time. They've had time to look at it. How much time, I don't know. But normally this takes -- because of all of the specifics in here, as I was sort of alluding to, it takes quite a bit of time to do those calculations.

LEG. McCAFFREY:

Mr. Chairman, can I ask Connie to come back up one more time? Or whoever did the calculations? So Robert explained the intricacies in calculating the course of this contract. Did you calculate all those things that he's going to need to do into your assumptions?

MS. SAUNDERS:

Yes.

LEG. McCAFFREY:

Okay. So at the end of the day -- what was the final number? Because we were talking about the compounding and everything else. So what we need to add was the base year of -- the first year was 689,000; then 2015 was 284,000; but then you add those together and we have to add those all up together; correct?

MS. SAUNDERS:

The numbers you just quoted were -- are based on a year-over-year cost. If you want to -- if you look at the current year and how much we'd have to come up with from now, you're looking at the \$4.47 million number. And that includes all of your costs and all of your savings. So it's in that number.

LEG. McCAFFREY:

So that's the compounded effect year-over-year in there when you add the previous year total into the next one and --

MS. SAUNDERS:

Correct.

LEG. McCAFFREY:

Okay. And all these -- all the deferrals and all these other things you've calculated and we should come up with the same number that Robert does when he gives that to us on Monday; correct?

MS. SAUNDERS:

Should be, yeah. Close, you know. Never exact.

LEG. McCAFFREY:

Okay. I hope so. Thank you.

CHAIRPERSON CALARCO:

Okay, Legislator Schneiderman.

D.P.O. SCHNEIDERMAN:

I need the budget people to stay there for one second, Trish or Connie. So the one number -- I'm understanding the 4.7 million. That's like, I think, 2018, if you added up all the costs for what we pay now to run the department salary-wise until 2018; correct?

MS. SAUNDERS:

Yes, that's '14 through '18.

D.P.O. SCHNEIDERMAN:

'14 through '18. So what is the base number of salaries now so I can at it as -- what percentage increase this actually amounts to.

MS. SAUNDERS:

What is the base number that this is based off of?

D.P.O. SCHNEIDERMAN:

No. So, if I looked at the total cost of payroll benefits, etcetera, what -- you know, for this unit, what is that?

MS. SAUNDERS:

I don't -- go ahead.

MR. LIPP:

So there --

D.P.O. SCHNEIDERMAN:

I can look at the growth. I'm trying to look at the growth and the cost of operation.

MR. LIPP:

Their base pay is about 5.4 million with overtime, I guess, 5.7 million. That being said, I don't want to -- I don't know exactly the calculations they made so I don't want to trip over anybody's feet here, but there is some impact associated with benefits, too. So it's bit of an apples and oranges comparison. That being said, you're talking 5.4 million in change in base pay including overtime 5.7 million as an approximation for --

D.P.O. SCHNEIDERMAN:

And then by 2018 it's about ten million; correct?

MR. LIPP:

Well, if you do the math on the numbers in their Fiscal Impact Statement.

D.P.O. SCHNEIDERMAN:

They're wrong? If it's 4 point -- if it's 4.47 more in 20 --

MS. SAUNDERS:

It's not 4 point --

D.P.O. SCHNEIDERMAN:

Oh, accumulatively. It's accumulatively.

MR. LIPP:

Right.

D.P.O. SCHNEIDERMAN:

Okay. So what --

MS. SAUNDERS:

You're looking at 1.5 million over -- over current --

D.P.O. SCHNEIDERMAN:

1.5 million.

MR. LIPP:

Yeah. And just -- just so we understand each other, I would be surprised if -- we should come with -- assuming that we're in agreement, that the calculations are done, you know, basically the same way, we should be pretty close to what their number is assuming that that's the case. But there are some assumptions that need to be made. There's a lot of stuff going on here that I don't understand how we could possibly be making literally the same assumptions unless we do sit down with them and talk about all the assumptions. So we're not going --

D.P.O. SCHNEIDERMAN:

So I guess the number I'm kind of interested in would be in kind of the growth rate of the expenses in salaries in this department over the course of this contract.

MR. LIPP:

Right. As you were saying before, you were interested in the percentages.

D.P.O. SCHNEIDERMAN:

Right.

MR. LIPP:

This one doesn't have that. We would have to make that calculation.

D.P.O. SCHNEIDERMAN:

Well to kind of translate that into an average growth rate would be helpful. Over the course of the contract.

MR. LIPP:

Yeah. And as we were saying before, we will endeavor to have that for Monday.

D.P.O. SCHNEIDERMAN:

Okay.

CHAIRPERSON CALARCO:

Okay. And I think it's important, too, when you talk about these growth rates and the cost of this that, you know, we also take into consideration it's not a contract that's running '14 to '18. It's a contract that's running '11 to '18. And so there are three years of zeroes. So while it may seem loaded for the back years, reality is they're giving us three zeroes before they even get started into their contract for current -- for the current year that we're in.

MR. LIPP:

Yeah, we can calculate that part now.

CHAIRPERSON CALARCO:

(Laughter) Well, I think those zeroes have to get added in when you look at overall length of the contract, the overall increases while -- you know, those average it out a little bit lower when you think about them taking zeroes for three years.

D.P.O. SCHNEIDERMAN:

2011 to 2018 is a long period of time.

CHAIRPERSON CALARCO:

Correct, correct. Okay. And, John, just one more quick question for you just so we put it on the -- on the record. Of your 47 members, how many of them are currently -- are we paying into the pension system for?

MR. KEARY:

I don't have the exact number. Paying into the pension system?

CHAIRPERSON CALARCO:

Or not paying into the pension system, whichever question's easier for you to answer.

MR. KEARY:

We're probably paying into the system -- probably around 15.

CHAIRPERSON CALARCO:

About 15 guys. Yeah, that's my thought. So primarily your membership is already, as I spoke earlier, they kind have already done their terms of service in another department; they've retired; they're collecting a pension; they're working either on a waiver or they're old enough that they don't need the waiver. And so we have a savings on the County end in that we're not contributing whatever the pension contribution is for those folks.

MR. KEARY:

Yeah, that's correct. And something I'd like to add with the health care agreement 2012, a lot of the people who come in are bringing in health insurance from their prior employer. And since we did that agreement, the guys who aren't in the pension system anymore, none of them are utilizing the County health care either.

CHAIRPERSON CALARCO:

So basically with your membership, we actually save pretty significantly on the benefit end of things because they're coming in and they are bringing their own health insurance and they already in the pension -- you know, collecting a pension so we don't have to lay out those costs, which is a significant amount of money.

MR. KEARY:

Correct.

CHAIRPERSON CALARCO:

Okay. Legislator Lindsay, you had a follow-up?

LEG. LINDSAY:

Yeah, just to Connie or to Robert, are we -- I just want to make sure we're factoring that in to our numbers when we're looking at the total fiscal impact.

MR. LIPP:

Yeah, we will make sure definitely. We don't want to make any mistakes.

CHAIRPERSON CALARCO:

Okay. Great. Any other questions for any of the people up at the table here? Okay, seeing none, we do have a motion and a second. BRO, I hope we do have your report by Monday. I know it's cutting it close, but -- I hope -- I hope you don't have to work too late over the weekend. Thank you very much everyone.

I have a motion and a second. All those in favor? Opposed? Abstentions? **IR 2164 is approved. (VOTE: 6-0-0-0)**

I have no other items on my agenda this morning. Seeing nothing else, I'll make a motion to adjourn. We are adjourned.

**THE MEETING CONCLUDED AT 11:53 AM
{ } DENOTES SPELLED PHONETICALLY**