

**PERSONNEL COMMITTEE MEETING
HELD IN ROOM 318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512**

Members: Chairwoman Nacerino, Legislators Castellano and Wright

Tuesday

February 16, 2016

The meeting was called to order at 6:30p.m. by Chairwoman Nacerino who requested Legislator Wright lead in the Pledge of Allegiance. Upon roll call, Chairwoman Nacerino and Legislators Castellano and Wright were present.

Item #3) Approval/Personnel Committee Meeting Minutes/January 19, 2016

Chairwoman Nacerino stated that the minutes were accepted as submitted.

Item #4) Presentation/2016 Retiree Health Insurance

Chairwoman Nacerino stated the Legislature was contacted by CSEA Labor Relations Specialist Glenn Blackman and CSEA Members requested the opportunity to give a presentation on the 2016 Retiree Health Insurance. She stated that she would like to remind and state for the record, since the 2016 Budget was approved by the Legislature (*Resolution # 239 of 2015*), any change would need to be initiated by the Administration. She stated out of respect she wanted to provide the CSEA the opportunity to give their presentation.

Chairwoman Nacerino made a motion to waive the rules and accept the additional; Seconded by Legislator Castellano. All in favor.

CSEA Labor Relations Specialist Glenn Blackman believed the Legislature does have the ability to make changes to the Retiree Health Insurance, because it is a budgetary issue. He stated he and several others have received phone calls regarding the changes to the retiree health insurance from retirees. He stated not all of the retirees are local; therefore they were not aware of the changes made. He stated former legislator and current Putnam Valley Supervisor Sam Oliverio believed that the Blue Ribbon Panel did make a promise to retirees on the health insurance premiums. He stated he understands the Administration feels promises were not made regarding the retiree health insurance. He stated the changes made have impacted retirees on a fixed income and believes the resolution passed regarding payment is extremely flawed. He stated it is appreciated that this resolution will be implemented on April 1, 2016 to “soften the blow” of the increase. He stated the retiree health insurance falls outside the CSEA Contract. He stated those who retired under the current CSEA Contract (*effective January 1, 2013*) have not been impacted by the changes in the retiree health insurance. He stated until the CSEA contract expires, which occurs at the end of the 2016 year, there cannot be a change to retiree health insurance. He referenced the chart in the presentation (*attached*) and stated his proposal would modify the premiums and recognize a retiree’s years of dedicated County service. He recommended increasing the buyout for the retirees. He continued his presentation regarding the Medicare eligible and a potential buyout. He stated in the future the County needs to look into alternatives that will save money on premiums. He provided various proposals that would save on health insurance premiums such as other insurance plans and a county-wide consortium. He stated

moving forward retiree health insurance language should be incorporated into the CSEA Collective Bargaining Agreement. He believed employees are being penalized for their longevity in the recent adopted retiree health insurance resolution.

Legislator Nacerino requested Legislative Counsel Clem Van Ross to speak to CSEA Labor Relations Specialist Blackman's statement of the Legislature's ability to negotiate the retiree health insurance.

Legislative Counsel Van Ross stated the Blue Ribbon Panel was a combination of the Administration, Legislature, and the Union. He stated currently any changes to the Budget have to be initiated by the County Executive.

Legislator Wright stated if the Legislature becomes aware of alternatives that should be looked at, it is within the power of this Legislature to discuss potential budgetary amendments with the Executive Branch. He stated the Administration frequently sends budgetary amendments to the Legislature for approval. He stated if it is the will of this Legislature to make changes, they would have to declare a moratorium on any/all budgetary amendments and fund transfers pending the discussion and resolution of these matters.

Legislator Nacerino stated she respectfully disagrees with Legislator Wright's statements. She stated an amendment made on the retiree health insurance at this time would create a significant fiscal impact. She stated the Legislature has gone through the process of having a public hearing and this matter has been spoken to in great length. She stated this matter could have been incorporated in a previous contract.

CSEA Labor Relations Specialist Blackman stated it has been proposed to include retiree health insurance in the CSEA Contract.

Legislator Castellano stated based of the last contract, it was his understanding if an employee has less than 25 years of service they could not receive benefits. He requested for clarification on the numbers reflected in the chart.

CSEA Labor Relations Specialist Blackman stated there are retirees who have benefits that have worked less than 25 years of service because they were "grandfathered in" from the previous contract. He stated his proposal would establish that those who have more years of public service would not have to contribute as much money towards their health insurance.

Legislator Castellano questioned what the cost savings would be with the proposal provided to the Legislature tonight.

CSEA Labor Relations Specialist Blackman stated he has been unable to secure the information needed to calculate the numbers.

Legislator Castellano requested clarification on the 50% buyout proposal.

CSEA Labor Relations Specialist Blackman stated if a retired employee opts out of the current health insurance plan, they would receive an annual payment based on their premium.

Legislator Castellano stated he agrees with Legislator Wright's statement that the retiree health insurance resolution can be amended. He stated the changes made created a cost savings for the County. He stated he would like to look at the numbers to see if the proposal presented to the Committee would create a cost savings.

Legislator Wright stated there is a disincentive for older Americans to stay in the workforce. He believed that Resolution #239 of 2015 supports this notion.

Legislator Nacerino stated an employee has a choice to stay longer and receive a high salary versus retire earlier and not pay as much in benefits. She stated she does not believe there is a target for older Americans to retire earlier. She stated the Legislature needs the supporting statistics with what was proposed tonight in order to move forward.

Legislator Wright requested for the Finance Department to supply the fiscal impact of CSEA's health insurance proposal.

It was agreed by the Committee Members to have the Finance Department supply the Legislature with the fiscal impact on the CSEA's proposal.

CSEA Putnam County Unit 8150 President Janet Canaday stated she has received numerous phone calls from retirees regarding their health insurance bills. She stated the CSEA does not represent the retirees. She stated the retiree health insurance really created a hardship on the retirees as the premium has increased dramatically. She believed this item was not reviewed properly during the Budget Process.

Carolyn, County Retiree, stated she was employed by the County for 38 years. She stated when she was an employee she did not have a high paying job; however her longevity allowed her salary increase over the years. She stated her health insurance contribution has gone from approximately \$600 a year to \$3,000 a year. She believed that it was implied that she would only have to contribute 5% towards her health insurance. She understood the need for the increase, but disagreed with the formula used. She stated there are several plans offered such as the Pop-up Plan that creates a difference in contribution; she believes the Legislature did not consider how the premium increase would affect individuals.

Legislator Nacerino stated there is a consequence with a retirees' choice in plan; such as the Pop-up Plan. She stated the Legislature needs to consider all of the residents that live in Putnam County.

Ms. Carolyn stated when a person retired they did not predict the premiums would change.

Legislator Wright stated years ago the pay scale for the public sector was inferior to the private sector. He believed a public sector employee would be rewarded with their longevity with benefits after their years of service.

Jane Meunier-Gorman, Putnam County CSEA President, stated she has been working for the County for 30 years. She stated she was not planning on paying a significant amount of health insurance premium when she retired. She stated the increase in health insurance contribution has created a significant burden on retirees, especially those on a fixed income. She stated this proposal was passed through without due diligence. She stated the Legislature should look to see what the Blue Ribbon Panel established and use that as guidance.

Karen Delduco, Putnam County employee, stated she has worked for the County for 33 years. She stated around 2004 the Legislature created a blended statement that date of hire, age, and length of service would be considered with the health insurance contribution.

Phil Cameron, Putnam County retiree, stated he contributed 38 years of service to the County. He stated he hopes that the Resolution is reconsidered.

Jane Lamberston, Putnam County employee, stated it was her understanding that it was a blanket promise that the health insurance premiums for the retirees would not change.

Chairwoman Nacerino stated the significant escalating costs dictated for the Legislature to act. She stated this matter is occurring in other municipalities and not just the County. She stated the Legislature will continue to review this matter.

Item #5) Discussion/Seeking Guidance and Support on Office of IT/GIS Position

Director of IT/GIS Thomas Lannon stated every year an IT consultant is used from an outside company. He stated for a County employee to fill the IT consultant position it would cost approximately \$80,000 to \$90,000; this position would be filled with “a low grade person.” He stated this position is a very important position. He stated in the agenda backup a chart was provided to show the cost analysis and the pros and cons of having an outside consultant or a County employee. He stated it is important to consider the cons such as legacy costs for a County employee or lack of loyalty with an outside consultant. He stated if an outside consultant leaves, it generally takes approximately two (2) months to replace and train a new person.

Chairwoman Nacerino questioned if the cost for an outside consultant continues to escalate because the company raises their rates.

Director Lannon stated yes, the cost is contingent upon the company. He facilitated the discussion further by providing examples of the type of individuals hired at a low level by the company.

Chairwoman Nacerino questioned since they are not County employees, if the County is not authorized to do background checks on the employee.

Director Lannon stated the County requires a background check be conducted; however their background check does not go in depth like the County.

Chairwoman Nacerino stated when the Brewster High School developed their IT department it was outsourced from Putnam/Northern Westchester BOCES. She stated the growing use of technology creates the need for the Brewster High School's IT department to grow; consequently the outsourced employees became Brewster High School employees. She stated she is inclined to hiring a County employee to ensure there is the proper person, training and familiarity with their role.

Legislator Wright questioned what County Executive Odell's recommendation is regarding this matter.

Director Lannon stated the County Executive's opinion was to seek the Legislature's opinion on this item.

Legislator Wright stated in the past the Legislature has not been encouraged or asked to partake in County Administrative matters such as this topic. He believed Director Lannon should provide a presentation to the County Executive and then the Administration's recommendation should be presented to the Legislature.

Legislator Albano questioned what the cost is for the current consultant.

Director Lannon stated approximately \$80,000 a year for the consultant. He stated there is a need to replace the outside consultant with a County employee. He stated approximately \$129,000 is spent on outside consulting, server maintenance, and server upgrades. He stated it is anticipated to cost \$67,000 a year for a County employee, including benefits.

Chairwoman Nacerino concurred with Legislator Wright's opinion in how in the past a decision is not under the purview of the Legislature.

Legislator Castellano questioned if the cost will increase incrementally in the future.

Director Lannon stated yes, the position salary can be increased by \$7,000.

Legislative Counsel Clem Van Ross stated an IT Department needs to be added into the County Charter. He stated at one point the IT Department was under the Purchasing Department.

Legislator Addonizio stated \$129,000 is budgeted for the outside consultant. She questioned if the IT Department will need additional funding for a County employee.

Director Lannon stated no, the \$80,000 that is dedicated for an outside consultant will be continued to be used for that purpose or use that funding for a County employee.

Chairwoman Nacerino questioned why the Personnel Committee was asked to form an opinion on the IT/GIS position, when it is under the purview of the County Executive.

Deputy County Executive Bruce Walker stated if a person is to be added to the personnel line that is under the purview of the Legislature.

Legislator Wright questioned if it was the recommendation of the County Executive to add an additional IT/GIS position.

Deputy County Executive Walker stated it is the recommendation of the County Executive to add the position. He stated there are pros and cons with having a contract employee. He stated it is the recommendation of the Administration to replace the contract employee with a County employee because the County has more control of the personnel especially when the IT/GIS Department is a critical department.

Chairwoman Nacerino restated her support for replacing the outside employee with a County employee because the County will have an employee to depend on.

Legislator Wright stated technology is constantly changing therefore; he believes it may be beneficial to have an outside consultant who is aware of the changes. He stated he does not see the benefit in the County trying to stay abreast of changes with full-time County employees.

Chairwoman Nacerino stated for professional development there are resources to learn about the changes with technology.

Director Lannon stated the IT/GIS Department keeps up with the changes in technology. He commended County IT/GIS employee Thomas Vargas' work and stated he stays updated on the changes. He stated the advantage of the employees in the IT/GIS Department is their knowledge of county government and they have the understanding of new technology that would benefit the County.

Legislator Albano stated based upon the conversation tonight; he is in support of creating a county employee position in lieu of an outside consultant position. He stated he is concerned with the future expenses.

Chairwoman Nacerino stated the County cannot predict potential increases with the outside consultant company.

Legislator Castellano questioned if a job title for this position has been established.

Director Lannon stated no, he is working with the Personnel Department on that.

Legislator Castellano questioned if this potential position would be a civil service position.

Director Lannon stated as of now, it would be a civil service position.

Item #6) Discussion/2016 Monthly Department Head Meeting-Legislators Attend

Chairwoman Nacerino stated to create better communication between the Legislative Branch and the Executive Branch approximately two (2) years ago Legislators were welcomed to attend the monthly department head meetings. She stated she believes there needs to be better attendance

from the Legislature. She questioned if there is still an interest among the Legislature to attend these meetings.

Legislator Castellano stated he is interested.

Item #7) Other Business-None

Item #8) Adjournment

There being no further business, at 8:05P.M. Chairwoman Nacerino made a motion to adjourn; Seconded by Legislator Castellano. All in favor.

Respectfully submitted by Lisa Sommers, Administrative Assistant.