

SUFFOLK COUNTY LEGISLATURE



BUDGET REVIEW OFFICE

January 31, 2020

To: Robert Calarco, Presiding Officer and
All Suffolk County Legislators

From: Lance Reinheimer, Director
Budget Review Office

Subject: **Analysis of Introductory Resolution No. 1028-2020, Authorizing the County Executive to Execute an Agreement with the Suffolk County Detectives Association Covering the Terms and Conditions of Employment for the Period January 1, 2019 through December 31, 2024**

This memo provides the Legislature with an analysis of the cost and fiscal impact of the agreement between the County Executive and the Suffolk County Detectives Association (SDA) signed on January 14, 2020 representing a new labor contract for the period of January 1, 2019 to December 31, 2024.

Summary

To project the salary costs associated with the proposed agreement we used the 1-12-20 biweekly payroll, which included 345 Detectives, approximately 64% of which are in the General Fund and 36% of which are in the Police District. According to the Executive Budget Office, the number of Detectives will be increased by an additional 21 in April 2020, bringing the amount of Detectives to 366.

We projected costs for each employee including steps and salary increases where applicable. Based on the actual number of retirements in 2019, we assumed 27 retirements each year and assumed that an equal number of Police Officers would be promoted to Detective. Although there is no net change in the projected workforce, adjustments are made to account for the higher salaries of retiring employees and the lower salaries of newer employees.

For overtime and items not specifically addressed elsewhere in this document, we assumed expenditures as reported in the 2018 W-2 report and increased them by the same percentage as salaries. Retirement costs were calculated using a blended PFRS contribution rate of 25.34% based

on the latest NYS projection for Suffolk County. Social Security is calculated at the Medicare rate of 1.45% since all officers already earn wages in excess of the \$137,700 FICA wage cap.

Several provisions of the contract will provide some savings while others have no readily identifiable fiscal impact during the life of the agreement. Ultimately, we project an average annual cost from 2019 to 2024 of \$6.6 million and a total net cost of \$39.6 million through the term of the contract. Compared to the Executive's fiscal impact statement, the BRO estimate is \$538,757 less over the life of the contract. The following table summarizes the BRO estimated cost for the SOA contract from 2019 to 2024 by fund and category and compares the total projected cost to the County Executive's fiscal impact statement.

General Fund Cost for 2019-2024 SDA Contract							
Category	2019	2020	2021	2022	2023	2024	Total
Permanent Salaries	\$0	\$1,311,487	\$1,853,262	\$2,540,501	\$3,171,252	\$4,040,651	\$12,917,153
Assignments/Stipends	\$0	\$125,978	\$128,201	\$131,196	\$134,796	\$140,922	\$661,093
Longevity	\$0	\$149,040	\$298,752	\$451,344	\$607,552	\$767,520	\$2,274,208
Terminal Pay	\$0	\$118,488	\$200,112	\$309,648	\$421,816	\$579,273	\$1,629,336
Overtime and Other Salaries	\$0	\$328,433	\$554,698	\$858,322	\$1,169,242	\$1,605,706	\$4,516,400
Benefit Fund	\$0	\$52,704	\$105,408	\$158,112	\$210,816	\$263,520	\$790,560
Social Security	\$0	\$28,584	\$43,088	\$61,380	\$79,072	\$102,743	\$314,867
Retirement	\$0	\$0	\$446,904	\$668,473	\$946,340	\$1,213,584	\$3,275,301
Savings	\$0	(\$62,104)	(\$63,464)	(\$57,896)	(\$51,400)	(\$48,328)	(\$283,194)
Total	\$0	\$2,052,610	\$3,566,960	\$5,121,080	\$6,689,485	\$8,665,591	\$26,095,725
Police District Cost for 2019-2024 SDA Contract							
Category	2019	2020	2021	2022	2023	2024	Total
Permanent Salaries	\$0	\$580,350	\$858,684	\$1,237,107	\$1,581,829	\$2,068,016	\$6,325,985
Assignments/Stipends	\$0	\$70,863	\$72,113	\$73,798	\$75,823	\$79,269	\$371,865
Longevity	\$0	\$83,835	\$168,048	\$253,881	\$341,748	\$431,730	\$1,279,242
Terminal Pay	\$0	\$66,649	\$112,563	\$174,177	\$237,271	\$325,841	\$916,501
Overtime and Other Salaries	\$0	\$184,743	\$312,017	\$482,806	\$657,699	\$903,210	\$2,540,475
Benefit Fund	\$0	\$29,646	\$59,292	\$88,938	\$118,584	\$148,230	\$444,690
Social Security	\$0	\$13,797	\$21,572	\$31,743	\$41,549	\$54,823	\$163,484
Retirement	\$0	\$0	\$213,428	\$331,690	\$486,024	\$633,918	\$1,665,059
Savings	\$0	(\$34,934)	(\$35,699)	(\$32,567)	(\$28,913)	(\$27,185)	(\$159,296)
Total	\$0	\$994,949	\$1,782,019	\$2,641,573	\$3,511,614	\$4,617,851	\$13,548,006
Total Combined Cost for 2019-2024 SDA Contract							
Category	2019	2020	2021	2022	2023	2024	Total
BRO Total Annual Cost	\$0	\$3,047,559	\$5,348,978	\$7,762,653	\$10,201,099	\$13,283,442	\$39,643,731
Executive Total Annual Cost	\$26,702	\$3,110,236	\$5,404,400	\$7,744,348	\$10,293,695	\$13,603,107	\$40,182,488
BRO difference from Exec	(\$26,702)	(\$62,677)	(\$55,422)	\$18,305	(\$92,596)	(\$319,665)	(\$538,757)

Term of Contract (Section 1): The term of this contract is six (6) years from January 1, 2019 through December 31, 2024.

Base Salary schedule (Section 2): Base Salary is increased in accordance with the increases in the 2019-2024 PBA Agreement, which are as follows.

Effective January 1, 2019	0%
Effective January 1, 2020	2.25%
Effective January 1, 2021	1%
Effective July 1, 2021	1%
Effective January 1, 2022	1%
Effective July 1, 2022	1%
Effective January 1, 2023	1%
Effective July 1, 2023	1%
Effective January 1, 2024	1.5%
Effective July 1, 2024	1.5%

Pay Scale (Section 3)

Prior to the 2011-2018 agreement, there were four steps in the Detective pay scale with each step being a certain percentage above the top step PBA salary. For members hired as Police Officers before the PBA agreement was ratified on 9/6/12 and promoted to Detective before the ratification of the last SDA agreement on 11/26/13, the step system was unchanged in the 2011-2018 agreement. Members hired as Police officers before 9/6/12, but promoted to Detective after 11/26/13 were placed in a new 10-step schedule and members hired as Police Officers after 9/6/12 were placed in a 12-step schedule. Regardless of hire date, the top step SDA salary was 12% above the top step PBA salary.

The proposed 2019-2024 SDA agreement preserves the 4-step system for the first group of employees (approximately 55% of membership), but reduces the 10-step and 12-step schedules to 9-step schedules. The change will increase costs because members will reach top step sooner; however, some of this cost will be offset because employees hired as Police Officers after 9/6/12 will have their SDA salaries indexed to their previous PBA salaries, which may have been at less than top step. These employees will not receive maximum pay until they would have been at top step in the PBA. The following table compares the SDA salary schedules under the current and proposed agreements.

Percentage Above Top Step PBA Salary					
Unchanged	2011-2018 Agreement			2019-2024 Agreement	
Hired in PBA before 9/6/12 and Promoted to SDA Before 11/26/13	Hired in PBA before 9/6/12 and Promoted to SDA After 11/26/13	Hired in PBA After 9/6/12	Hired in PBA before 9/6/12 and Promoted to SDA After 11/26/13	Hired in PBA After 9/6/12*	
Step	11/26/13	11/26/13	After 9/6/12	11/26/13	After 9/6/12*
1	3%	1.0%	1.0%	2.5%	2.5%
2	6%	2.0%	2.0%	3.5%	3.5%
3	9%	4.0%	3.0%	4.5%	4.5%
4	12%	5.0%	4.0%	5.5%	5.5%
5	NA	7.0%	5.0%	7.0%	7.0%
6	NA	8.0%	6.0%	8.0%	8.0%
7	NA	9.0%	7.0%	9.5%	9.5%
8	NA	10.0%	8.0%	11.0%	11.0%
9	NA	11.0%	9.0%	12.0%	12.0%
10	NA	12.0%	10.0%	NA	NA
11	NA	NA	11.0%	NA	NA
12	NA	NA	12.0%	NA	NA

*Percentage Above Previous PBA Step

The following chart shows the projected cost for base pay and certain other salaries for the General Fund and Police District combined. We estimate an average annual cost of \$4.8 million for these expenses, \$28.9 million through 2024.

Permanent Salaries, Terminal Pay, and Other Salaries (Excluding Stipends and Longevity)							
Category	2019	2020	2021	2022	2023	2024	Total
Permanent Salaries	\$0	\$1,891,837	\$2,711,946	\$3,777,608	\$4,753,081	\$6,108,667	\$19,243,139
Overtime and Other Salaries	\$0	\$513,176	\$866,715	\$1,341,127	\$1,826,941	\$2,508,916	\$7,056,875
Terminal Pay	\$0	\$185,137	\$312,676	\$483,824	\$659,087	\$905,113	\$2,545,837
Total	\$0	\$2,590,150	\$3,891,337	\$5,602,560	\$7,239,108	\$9,522,696	\$28,845,851

Sick Leave (Sections 4-6): Employees hired after full ratification and approval of the 2019-2024 Memorandum of Agreement (MOA) between the County and the PBA dated May 8, 2019 and subsequently designated Detective will receive 13 sick days per year. Unused sick leave will be paid for upon separation or upon death to his/her designated beneficiary at the rate of one (1) day for every day accumulated up to a total of 300 days. Previously employees received 26 sick days a year and were able to accrue 600 sick days for which they were compensated upon separation or death at a rate of one day's pay for every two days accumulated. The fiscal ramifications of this provision are unclear as it is unknown if this provision will impact behavior with respect to the use of sick time.

In the future, as new recruits become detectives, it may mitigate the necessity to utilize overtime to backfill shifts and provide adequate staffing to cover for those out on sick leave.

Cleaning (Section 7): Effective January 1, 2025, the cleaning allowance will be increased by \$450 from \$800 to \$1,250. There is no cost for this provision over the life of the contract based upon its January 1, 2025 implementation date.

Clothing (Section 8): Effective January 1, 2025 the clothing allowance will be increased by \$300 from \$700 to \$1,000. There is no cost for this provision over the life of the contract based upon its January 1, 2025 implementation date.

Longevity (Sections 9-10): Longevity is increased by \$25 each January 1 from 2020 through 2024 increasing from \$500 to \$625 per year and the years of service for the calculation of longevity pay is capped at 32 years effective January 1, 2020, whereas there was no cap previously. Employees eligible for more than 32 years of longevity service on January 1, 2020 will be frozen at the number of years for which they are eligible on that date. Assuming that 366 eligible SDA members receive this increase in 2020, and assuming that the number of eligible SDA members remains constant throughout the term of the contract, the net estimated cost of this provision over the life of the contract is \$2,887,275.

Benefit Fund (Section 11): Contributions to the PBA Benefit Fund will be made on behalf of the Association in an amount equal to the PBA rate of contributions as scheduled in the most recent PBA Memorandum of Agreement dated May 8, 2019. Therefore, Benefit Fund contributions will increase \$225 annually per member effective January 1st during each year of the agreement, 2020-2024. During the term of the agreement, the annual Benefit Fund contribution increases from \$2,163 to \$3,288 per member. Effective December 31, 2024, the annual Benefit Fund contribution will be 2.11% of the top step Police Officer base salary. Assuming the number of Association members remains static at 366 throughout the contract period, the cost of this provision of the agreement is estimated to be \$1,235,250.

The County's Benefit Fund contribution liability may be mitigated in conjunction with existing reserve levels within the Fund.

Cancer Time (Section 12): Effective upon full ratification and approval of this Agreement, employees shall be granted up to a maximum of four hours paid leave per year for medically approved cancer screening. The paid leave must be mutually agreed upon and approved in advance by the Department. The utilization and ensuing cost of this provision by SDA members is unknown, therefore BRO has not assigned a fiscal impact to this section of the Agreement.

Special Assignment Pay (Section 13): Effective January 1, 2020, the supplementary wage paid to those whom are eligible for Special Assignment Pay will be changed from seven percent of the employee's base pay to three- and one-half hours per week straight time at the employee's base pay. This provision applies to 21 Detectives as of January 2020. Assuming the number of eligible Detectives remains static over the duration of the contract, BRO estimates the total cost of this provision, over the life of the contract, to be \$302,406.

Assignment Pay (Section 14): Effective January 1, 2020, Section 24(h) of the 2019-2024 Agreement is amended to include Detectives of the Arson Squad to those eligible to receive a supplementary wage of 4.5% of the employee's base pay. This provision applies to eight Detectives as of January 2020. Assuming the number of Arson Squad Detectives remains static over the duration of the contract, BRO estimates the total cost of this provision over the life of the contract to be \$316,556.

Supplemental Tasks Stipend (Section 15): Effective January 1, 2020, a supplemental tasks stipend will be paid to all Detectives assigned to the Homicide Squad in the amount of 2.5% of the top step base pay salary schedule. This provision applies to 20 Detectives as of January 2020. Assuming the number of Homicide Detectives remains static over the duration of the contract, BRO estimates the total cost of this provision over the life of the contract to be \$413,997.

Extraditions (Section 16): Effective upon the ratification and approval of the agreement, the second paragraph of Section 28(f)(8) of the 2019-2024 Agreement will be amended to state “In lieu of the above meal allowances, employees performing an extradition shall receive a meal allowance of \$50 per day.” The previous language provided “a \$50 meal allowance in advance for each overnight stay.” Any fiscal impact affiliated with this change is dependent upon the number of extraditions, which remains unknown until such time that they actually occur, therefore, BRO has not assigned any fiscal impact to this section of the Agreement.

SCAT (Section 17): Effective December 31, 2024, sick leave and vacation leave accruals shall be prorated by the month for the calendar year in which an employee separates from service. There is no fiscal impact associated with this provision within the term of the agreement, based upon its implementation date.

Recall (Section 18): Call-in/recall pay will be reduced to a minimum of 2 hours, from a minimum 4 hours currently, of overtime pay. If the assignment for which an employee was called-in/recalled is completed in less than four hours, the employee will have the option to remain on duty for the remainder of the four hours, on overtime. There are potential, unquantifiable savings associated with this provision of the agreement.

Meals and Mileage (Sections 19 and 20): The meal and mileage allowances set forth in the current collective bargaining agreement are eliminated. Members will not be reimbursed for mileage when using their own vehicles for traveling to court. Members will also not receive \$19.50 for meals during eight-hour overtime shifts. Based on the percentage of total overtime received by all SDA members, BRO estimates annual savings for these provisions to be \$75,513 annually and \$377,564 over the life of the contract.

Warrant Execution (Section 21): Up to seven Special Operations Team (SOT) and/or narcotic Detectives (Detective Team) members may have their shifts changed to a 9:00 AM to 5:00 PM shift from either a 4:00 AM to Midnight or a 5:00 PM to 1:00 AM shift without compensation to execute up to 30 warrants per year. BRO did not assign a cost or savings to this provision; however, it is an overtime mitigation measure.

Court (Section 22): Employees will only receive one recall for attending multiple court cases scheduled within a four-hour period. BRO did not assign a cost or savings to this provision; however, it is an overtime mitigation measure.

Medscope (Section 23): Any video evidence obtained by the Department during employee medical dispute investigations must be shared with the SDA, as well as with Medscope, the consulting service used to decide medical disputes. The SDA will be given at least one day of review time for every two hours of video provided for review. If video is not provided to the SDA for review, the Department cannot provide video evidence to Medscope unless mutually agreed upon. BRO did not assign a cost or savings to this provision of the Agreement.

Member Services Fund (Sections 24-26): The agreement eliminates two separate payments totaling \$74,815 previously made for life insurance and education, and replaces them with a single

annual payment of \$74,815 to the SDA Member Services Fund on or about February 1st of each year of the agreement. There is no fiscal impact associated with this provision over the life of the contract.

Internal Affairs (Section 27): The SDA will be provided a private room for its representatives and counsel for consultation with members while preparing for Internal Affairs interviews. There is no fiscal impact for this provision of the Agreement.

Reopener (Section 28): This provision of the Agreement states that the SDA shall be entitled to reopen negotiations over terms and conditions of employment, including the right to proceed to interest arbitration, in the event that any current or future law enforcement bargaining unit agrees or is awarded a change in overall terms and conditions, including the value of concessions given, during the period of this Agreement inconsistent with the terms of this Agreement. BRO did not assign a cost or savings to this provision.