



October 14, 2015

CITY OF SARATOGA SPRINGS
Budget Workshop
City Council Room
1:00 PM

PRESENT: Joanne Yepsen, Mayor
Michele Madigan, Commissioner of Finance
John Franck, Commissioner of Accounts
Anthony Scirocco, Commissioner of DPW
Christian Mathiesen, Commissioner of DPS

STAFF PRESENT: Lynn Bachner, Deputy Commissioner, Finance
Maire Masterson, Deputy Commissioner, Accounts
Eileen Finneran, Deputy Commissioner, DPS

EXCUSED: Joe Ogden, Deputy Mayor
Tim Cogan, Deputy Commissioner, DPW

RECORDING OF PROCEEDING

The proceedings of this meeting were taped for the benefit of the secretary. Because the minutes are not a verbatim record of the proceedings, the minutes are not a word-for-word transcript.

CALL TO ORDER

Mayor Yepsen called the meeting to order at 1:06 p.m.

PUBLIC COMMENT

Mayor Yepsen opened the public comment period at 1:07 p.m.

John Safford of Saratoga Springs stated he heard a rumor that a contract was signed with the Police Department. If this is true, how much will this cost the City and how will it affect the budget next year?

Mayor Yepsen closed the public comment period at 1:07 p.m.

BUDGET WORKSHOP

Commissioner Madigan advised this meeting will focus on the Recreation Department budget and the Department of Public Works budget.

DPW

Commissioner Madigan advised the proposed 2016 budget for DPW is \$10,549,787 which is a 9.9% increase over the 2015 adopted budget. The increase is due to wages and social security from 2 recently settled contracts; benefits; vehicle purchases; upgrading a design program for engineers; liability insurance; survey of Loughberry Dam; parking garage maintenance; vehicle repair and maintenance; uniform purchases; salt and sand; and casino professional services.

Commissioner Scirocco stated he is satisfied with the budget. He thanked Commissioner Madigan and her staff for getting this to a workable budget. He also thanked his staff for their work on the budget.

Recreation Department

Commissioner Madigan advised the Recreation Department budget for 2016 is \$2,315,623 which is a 5.9% increase over the 2015 adopted budget. The increase is due to wages and social security from 2 recently settled contracts; health insurance; liability insurance; uniforms per union contract; repair and maintenance to buildings and vehicles; and landscaping costs. No changes have been requested at this time.

John Hirliman of the Recreation Department thanked the Finance Department for putting this together.

** Commissioner Madigan advised she would like to address Mr. Safford's comment he made during the public comment period. She stated she was informed on Friday, October 9th that the PBA MOA had been signed by the mayor. She was also told the MOA was signed by 2 additional commissioners which is an unprecedented process. Apparently this was at the suggestion of the mediator. She asked if this is how they are going to settle contracts in the future. The fate of the MOA was sealed last Thursday, not in an open public meeting. The MOA was approved with little regard to the affect on the budget. We have an additional \$500,000 of expenses to accommodate. This is not about the contract but about the process of how you went about settling it.

Commissioner Scirocco stated he has issue with the way it was done; not the actual contract. He read all the e-mails and contract but doesn't understand what the urgency was. A special City Council meeting could have been called.

Mayor Yepsen advised she brought a contract signed just by her to the table in April. The contract was voted down at that time and an impasse was declared and they entered into mediation. She brought each person's comments and concerns into mediation. Finance was in the loop. This contract is better than the one brought forward in April. The mediator made it clear that he did not want this to go back to the Council until he knew the majority of the Council supported it and asked for 3 signatures. He also asked the whole team of 5 on the other side to sign it. This is not unusual. By doing this they kept it out of binding arbitration saving the City \$80,000 - \$100,000.

Commissioner Scirocco asked what is the 5 year impact?

Mayor Yepsen stated she will bring this forward Tuesday night with a full presentation prior to vote.

Commissioner Mathiesen advised they came up with a better deal than they had in April. They were told if mediation failed and went to binding arbitration, it would be at great expense and the police would get a better deal. He decided it was a fair compromise for all parties.

Mayor Yepsen stated this Council didn't have this process prior to her getting here as the previous mayor didn't settle contracts.

Commissioner Madigan stated she couldn't disagree more with the mayor. She hasn't looked at the contract yet but has a ballpark figure of \$1.5 million to settle this contract. She asked why it is being brought forward for a vote when the contract has already been signed. Her vote is not needed.

Mayor Yepsen stated being ratified and being voted on by a legislative body are two different things.

Commissioner Franck advised he was one of the people in the room. It is a better agreement and better ratifying it now before we do the budget so we have the actual numbers. He stated there has to be some type of reserve to cover this as we knew this was coming. It is not like the money is not there.

Commissioner Madigan stated the money is not in the 2016 budget.

Commissioner Franck advised there is money in the reserve fund somewhere; not necessarily in the line item. It's moving it from one line item to another. He was told by Mr. Honeywell, the City's attorney; that this is not unusual, legal, and is the process. Three people signing is ratifying the MOU but it has to go in front of the City Council. This may be unusual for the past several years but not overall.

Commissioner Scirocco stated if there were 3 in the room why couldn't there have been 5 of them. Mayor Yepsen assured Commissioner Scirocco that his thoughts were well represented.

Commissioner Madigan stated she has been planning for contract settlement and this contract may be in the best interest of the taxpayers. She being told that but doesn't know it for herself yet. What was the urgency of settling the contract; the PBA endorsement meeting?

Mayor Yepsen stated collective bargaining does not happen in public.

Commissioner Mathiesen stated this contract compares favorably to the lieutenant contract which was voted for unanimously.

Commissioner Madigan stated she would appreciate the Finance Department being completely in the loop on all contracts. She will not vote on any labor contract here on and into the future unless it for nothing more than a cost of living increase.

Mayor Yepsen advised the commissioner of finance was given the contract right after it was agreed upon.

Commissioner Madigan asked how much it was going to cost.

Mayor Yepsen stated the Finance Department provides the numbers.

Commissioner Madigan asked Deputy Bachner if she did a updated cost-out for this MOA.

Deputy Lynn Bachner advised she did not do cost-outs for the MOA she was handed Friday morning.

Commissioner Franck confirmed when the budget was done that finance had a number in reserves.

Deputy Bachner stated she had no idea this contract was this close. She thought they would settle sometime next year which is a different budget structure.

Commissioner Franck stating using the 2016 budget structure, did you have a figure in reserves?

Deputy Bachner stated the commissioner has answered that question – they have planned, prepared, and protected the City. It is about the process not the contract and the numbers.

Commissioner Madigan stated the conversation today is 3 people ratified a contract in a room without finances involvement.

Commissioner Mathiesen stated it is going to cost the taxpayers less.

Commissioner Madigan stated she does not know that but will come with that information. They are looking at bringing the budget up from 2012 salaries to 2016 salaries and retroactive pay and other pay.

Commissioner Franck stated that always would have been there.

Commissioner Madigan stated there will be no new hires for 2016 except for Civil Service and we are going to have to look at making cuts.

Commissioner Franck stated you and your deputy said the money is in the reserves.

Commissioner Madigan stated she did not say it is in a reserve; she said they have a plan. She is not ready to unveil her plan as she hasn't done the cuts-outs yet.

Commissioner Franck stated the percentages went down and the retro pay would have been the same. It has to be less than the deal that was voted down in April. More time may have passed but whatever deal we had would have been the same amount of money. Nothing has changed other than a few minor tweaks.

Commissioner Madigan stated that was not true and he is off by a couple hundred thousand dollars on the cost-outs from February to now.

Commissioner Scirocco stated it is about the process and not the contract. By signing the MOA it has to come to the table. The contract has been signed.

Mayor Yepsen advised the contract has not been signed; just the MOA. A contract is different from an MOA. The contract will include more. Internal costs have been saved as she has our city attorney working on all contracts other than fire and police.

Commissioner Madigan asked if the Commissioner of Accounts will be signing the fire fighters contract?

Mayor Yepsen stated the only reason this happened is because this went to mediation. The mediation process is a different process than collective negotiations. The mediator moves the process forward as he sees fit. That is what we followed.

Commissioner Franck stated the mediator is like a judge.

Commissioner Madigan stated they disrespected the Finance Department and the Department of Public Works and the Commissioner of Public Works.

Commissioner Mathiesen stated they were following the guidelines of mediation and the advice of our attorney and the mediator. Mediation is a different process than negotiation regarding labor relations.

Commissioner Madigan stated there was no urgency; the only urgency she can think of was the PBA was doing their endorsement meeting on Monday night.

Mayor Yepsen stated the mediator wouldn't leave the room until he had 3 signatures.

Commissioner Madigan questioned why Commissioner Franck was the one who was called as the third vote.

Commissioner Franck explained how the process worked in the mediation meeting.

Commissioner Madigan advised this is a bad precedent. She doesn't care how legal it is or if the mediator is brought in and says it is legal. This is a commission form of government and she goes over the numbers when they discuss contracts and she presents the numbers before they vote or ratify a contract. This lacked transparency and is ashamed of this government for doing so.

Commissioner Franck stated he is pretty sure this is not a precedent. Setting a precedent means this has never happened before.

Commissioner Madigan stated she is not aware of this happening before. She saw Jeff Honeywell in the hall and Commissioner Scirocco was downstairs.

ADJOURNMENT

There being no further business, Mayor Yepsen adjourned the meeting at 2:03 p.m.

Respectfully submitted,

Lisa Ribis
Clerk

Approved:
Vote:

DRAFT