



NASSAU COUNTY LEGISLATURE  
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### Inter-Departmental Memo

To: Hon. Richard Nicoletto, Presiding Officer  
Hon. Kevan Abrahams, Minority Leader  
All Members of the Nassau County Legislature

From: Maurice Chalmers, Director  
Office of Legislative Budget Review

A handwritten signature in blue ink, appearing to be "MC", is placed next to the "From" line.

Date: October 20, 2023

Re: Memorandum of Understanding (MOU) between Nassau County and the Correction Officers Benevolent Association (COBA)

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The Office of Legislative Budget Review (OLBR) has prepared this report to provide an estimated fiscal cost for Clerk Item (311-23), which is a Memorandum of Understanding (MOU) between the County and the Correction Officers Benevolent Association (COBA). This proposed contract was ratified by union members on October 4, 2023, with approximately an 82.0% favorable vote. This is the fifth negotiated contract that the County has entered into since the expiration of all the County's union contracts on December 31, 2017. Previously, the County signed labor agreements with all three Police unions, the Superior Officer's Association (SOA), the Detectives Association Inc. (DAI), the Police Benevolent Association (PBA) and most recently approved a contract with the Civil Service Employees Association (CSEA). If this MOU with COBA is passed, the only remaining expired contract will be with the Investigators Police Benevolent Association (IPBA).

The Nassau Interim Finance Authority (NIFA) will still need to approve this MOU, and if it does, it will be incorporated into one consolidated Collective Bargaining Agreement (CBA) within six months of its final ratification. The Administration anticipates support from NIFA because the Control Board, through their hired Labor Specialist, Mr. Dellaverson, was a lead

negotiating agency along with the Administration for this CBA. Therefore, NIFA is aware of all the terms and the financial impact of this MOU.

The term of this agreement is for the period from January 1, 2018, through June 30, 2026.

The following discussion provides the estimated cost impact of the new agreement compared to the status quo, as well as highlights of the key provisions of the MOU. For the latter, OLBR engaged the Administration to ensure that the interpretation of the MOU is as intended.

### **General Wage Increases (GWI)**

The table below reflects the scheduled GWIs as proposed in the agreement:

<b>Proposed MOU Agreement</b>	
<b>Date</b>	<b>GWI</b>
July, 1 2020	2.00%
July, 1 2021	2.00%
July, 1 2022	2.50%
July, 1 2023	2.50%
July, 1 2024	3.00%
July, 1 2025	3.00%

Wages for all COBA active members will be increased annually by GWIs on July of each year, by the percentage reflected in the above chart. The cumulative wage increase from the GWIs set forth in this Agreement follow the same bargaining pattern of the current agreements in place with the County's other Major unions.

After the ratification of this agreement, current COBA employees will receive retroactive payouts from July 1, 2020. In addition, their salaries will jump to the wages effective as of July 1, 2023, which includes the compounded impact of the prior years' (FY 20-FY 22) GWIs from this MOU. The existing step schedule for the current on-board sworn officers will escalate annually over the term of the contract by the General Wage Increases. Additional details pertaining to the salary schedules will be further discussed under the "salary schedule" provision.

The chart on the next page provides the projected costs and savings of the contract by fiscal year. OLBR estimates the costs associated with the contract (including general wage and step increases) to be approximately \$76.2 million. This also includes, Senior Officer and Investigative Unit stipends, among other items. These costs are reduced by anticipated savings of \$10.7 million from concessions in the contract for a net cumulative cost of approximately **\$65.4 million**. The Administration will need to monitor and ensure that the concessions are realized to offset the expense.

Although the methodologies may differ for specific categories, OLBR's net cumulative cost is only roughly \$1.4 million less than the Administration's and NIFA's estimated figure of \$66.8 million. OLBR's current headcount and base salaries are lower than the Administration's assumptions. However, partially offsetting the variance are higher salary inflators that OLBR used to calculate the final costs. To derive the financial impact, both the Administration and OLBR used inflators to factor in the salary extras such as holiday, overtime, termination,

pension, and FICA, etc. OLBR used inflators that were higher than the Administration and were based on the last three-year average (FY 20 through FY 22) from the County's W-2 file. Over the term of the agreement, that \$1.4 million variance is small.

A copy of the Administration's cost sheet is attached as an appendix for the Legislature.

#### COBA Labor Contract Analysis (millions)

	2020	2021	2022	2023	2024	2025	2026	Total
<b>Projected Cost</b>								
Total General Wage Increases (GWI)	1.2	3.5	6.3	9.4	12.2	16.2	17.7	66.5
Senior Officer Stipend - 7/1/2023	0.0	0.0	0.0	1.2	2.5	2.6	2.7	9.0
Investigative Unit Stipend	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Health Insurance Surviving Spouse	0.0	0.0	0.0	0.0	0.00	0.00	0.01	0.01
1xOT Hours Reduced	0.0	0.0	0.0	0.0	0.2	0.2	0.2	0.5
<b>Subtotal Costs</b>	<b>1.2</b>	<b>3.5</b>	<b>6.3</b>	<b>10.6</b>	<b>15.0</b>	<b>19.0</b>	<b>20.6</b>	<b>76.2</b>
<b>Projected Offsets</b>								
Health Insurance Savings	0.0	0.0	0.0	(0.3)	(1.8)	(1.9)	(2.0)	(6.0)
Salary Schedule for MOU	0.0	0.0	0.0	0.0	(0.1)	(0.2)	(0.8)	(1.1)
PLD / Vacation 1 Day Each Year 1 and 2	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.1)	(0.1)
Rules NUMC Post Coverage	0.0	0.0	0.0	0.0	(1.0)	(1.1)	(1.1)	(3.1)
207-C Medical Visits - Excusal	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.3)
Termination Pay	0.0	0.0	0.0	0.0	(0.03)	(0.03)	(0.03)	(0.08)
<b>Subtotal Savings</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.3)</b>	<b>(3.0)</b>	<b>(3.4)</b>	<b>(4.1)</b>	<b>(10.7)</b>
Estimated Contract Cost By Year	1.2	3.5	6.3	10.3	11.9	15.7	16.5	65.4
<b>Net Cumulative Contract Cost By Year</b>	<b>1.2</b>	<b>4.7</b>	<b>11.0</b>	<b>21.3</b>	<b>33.2</b>	<b>48.9</b>	<b>65.4</b>	

The following are highlights of some key provisions of the contract:

#### **Senior Officer Stipend:**

Effective on July 1, 2023, Officers shall receive a stipend of \$3,700 upon completion of 15 years of sworn service to the Nassau County Sheriff Department in the bargaining unit. This stipend will increase by GWIs subsequent to July 1, 2023, and shall be part of base earnings for all purposes. OLBR has valued the total cost for this provision to be approximately \$9.0 million through FY 26.

#### **Rules – Investigator Stipend**

Effective on January 1, 2024, the Investigator stipend will be increased from \$150 per pay period to \$200 per pay period. OLBR's calculations were based on a list of Investigators provided by the Department. OLBR has estimated the total cost to be roughly \$0.1 million for this provision through FY 26.

#### **Rules – Overtime**

This section amends section 8e of the 2005-2012 MOU. Effective on January 1, 2024, and continuing annually thereafter, up to two hours of non-FLSA overtime worked in each pay period by an employee will be paid at the straight time rate and will be capped at 16 hours rather than 24 hours per employee annually. The cost is generated from replacing what would have been 8 hours of straight time with overtime pay per employee. The financial impact includes an estimated cost of roughly \$0.5 million over the life of the contract.

### **Health Insurance Contributions for Employees**

Effective November 1, 2023, each employee not currently contributing towards the cost of their health benefits shall contribute 2.5% of base earnings towards health insurance. The foregoing employee health contributions shall cease upon retirement. Health contributions imposed under earlier Agreements shall continue. Employee contributions under the foregoing provisions shall not exceed the equivalent dollar value of 15.0% of the cost of the health insurance premium for family coverage under the NYSHIP Empire Plan. OLBR has estimated the total savings for this provision to be roughly \$6.0 million through FY 26.

Employees who maintain alternative health care coverage will have the option to opt-out of health care coverage with the County. They will be eligible to receive an annual opt-out payment of \$2,000 for waived individual coverage and \$4,000 for waived family coverage. This is an increase from the current maximum of \$500 for individual and \$2,000 for family. Payments will be made at the end of the plan year, with no partial payments. The Administration did not capture any costs from this clause.

As part of the agreement, the flexible spending program will be made available to the bargaining unit as soon as possible after full and final ratification.

If a Health Insurance Plan is enacted and mandated by the Federal or State Government to cover members of the negotiating unit, or if said plan is optional and adopted by the Nassau County Legislative Body, then members of the negotiating unit shall receive said benefits; however, if said benefits are less than benefits previously received under this agreement by members of the negotiating unit, the County shall furnish additional benefits comparable to those omitted in the Federal or State Plan that were previously enjoyed under this agreement, at no additional cost.

The County will provide health and optical insurance to the surviving spouse or domestic partner who retires on or after December 1, 2023. Coverage will be provided until the surviving spouse or domestic partner attains Medicare eligibility or otherwise obtains medical coverage, whichever comes first. There's a small cost estimated with this change.

Optical benefits for retired members will continue into Retirement.

### **New Salary Scale**

For employees hired by the County on or after the date of full and final ratification of this MOU, the existing salary schedule shall be replaced with a new schedule and applies to persons in a civil service title of Correction Officer. Subsequent promotions from this new salary schedule shall be to the promoted title's salary schedule.

Newly hired Correction Officers will be subject to a modified salary schedule. The new salary plan contains lower wages, compared to the plan that will remain in effect for the current on-board Officers. Savings are generated in each step until the Top Step has been reached. Once a new Correction Officer progresses to the Top Pay step, they will reach the same Top Pay salary that current on-board officers will receive. Therefore, there are no longer any County savings generated once the Top Pay step has been achieved within the new plan. The Top Pay for a

Correctional Officer after the impact of the GWIs is \$107,532 in FY 23, \$110,758 in FY 24, and \$114,081 in FY 25.

The chart below displays the savings that will be generated between the new salary plan for officers that are hired after this Agreement is ratified, versus the plan where officers currently on-board will be. As can be seen in the chart below, the biggest salary savings, are generated within Step 6a and Step 7a. Although salaries are increasing over the term of the contract, they are lower in the new plan when compared to the current salary plan for existing Officers, which explains why the Administration included a savings in the “Salary Schedule post MOU hires”. The Administration believes that the position offers a great career path for candidates as the top pay remains unchanged; however, it is unclear if there will be recruitment difficulties going forward.

<b>Correction Officers (Grade 13) Salary Plan Savings</b>			
<b>Step</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Step 1a</b>	(1,288)	(1,326)	(1,366)
<b>Step 2a</b>	(4,448)	(4,581)	(4,719)
<b>Step 3a</b>	(7,350)	(7,570)	(7,797)
<b>Step 4a</b>	(7,691)	(7,922)	(8,159)
<b>Step 5a</b>	(8,032)	(8,273)	(8,521)
<b>Step 6a</b>	(15,653)	(16,122)	(16,605)
<b>Step 7a</b>	(12,344)	(12,714)	(13,095)
<b>Step 8a</b>	(3,920)	(4,038)	(4,159)
<b>Step 9a</b>	(4,270)	(4,398)	(4,530)
<b>Step 10a</b>	(4,269)	(4,397)	(4,529)
<b>Top Pay</b>	0	0	0

Similar to the Administration, OLBR projects savings from this change. The projected savings are roughly \$0.1 million in FY 24, \$0.2 million in FY 25 and \$0.8 million in FY 26 for an estimated total of \$1.1 million, during the timeframe covered by this MOU.

### **Retroactive Wages**

Every active employee, and any employee who deceased, promoted, or retired prior to the full and final ratification date, shall receive payment for service under the above schedule of GWIs. Insofar as practicable, the County shall make payment within 60 days of full and final ratification. OLBR has calculated this cost to be approximately \$21.6 million for retroactive payments through the end of FY 23. This is accounted for in the total estimated cost.

### **Rules – Vacation and Personal Leave**

Effective upon full and final ratification, newly hired employees shall have their vacation and personal leave day accruals reduced by one day each during their second and third year of employment. The financial impact includes a small savings of roughly \$0.1 million over the life of the contract.

### **Rules - NUMC Post Coverage**

The Nassau University Medical Center (NUMC) post coverage requirements will be reduced by one post per shift at all times when there is more than one inmate housed in the “01” psychiatric

ward. All other provisions of the MOU between the parties dated April 21, 2023, (modifying the December 29, 2017 MOU) will remain effective. However, in the event NUMC and the Sheriff reestablish confinement conditions on the 7th floor (post-Covid 19) as they existed in 2019, then the 7th floor post coverage will be reduced by one post per shift at all times when there is more than one inmate housed in the designated areas of the 7th floor.

In addition, if NUMC and the Sheriff establish a configuration similar to that of the 7th floor (e.g. inmates in the same or adjacent rooms) on a different floor, such as the 11th or 18th floor, then the foregoing post reduction obligations will become effective provided, however, that the post reductions will not exceed two posts in total.

Savings are anticipated to be generated from this clause and are projected to be approximately \$3.1 million from FY 24 through FY 26.

#### **Rules 207-C/Worker's Compensation**

All COBA members who are injured in the performance of their duties will revert to two hours of excused time versus four hours for 207-C/Worker's Compensation medical visits. This section amends section 8b of the 2014-2017 MOU. The 2014 Agreement reduced the two hours from four hours; however, there is a clause that restores the practice of providing four hours effective January 1, 2018. This MOU eliminates the restoration clause. OLBR estimates that approximately \$0.3 million is anticipated in savings over the term of this MOU.

#### **Rules – Termination Pay**

Termination pay may be paid in a single lump sum or in three equal installments at the employee's option and paid at the rate of pay at the time of retirement. Termination pay will be capped at one year for any member of the bargaining unit hired on or after the date of full and final ratification of this agreement. While this clause is expected to generate significant savings in the future by limiting expenses, the anticipated capped terminal payouts are not expected to occur until after the expiration of the contract, when future members retire.

In addition to the new termination cap for new members, this provision eliminates post-retirement GWIs from all termination payments. OLBR has estimated savings of \$0.08 million during the timeframe of this MOU.

#### **Rules – Electronic Payroll System**

The County may implement a fully electronic payroll subject to the constraints of the New York State Labor Law, which will require direct deposit and provide pay stubs electronically.

#### **Rules - Health Insurance Vesting**

Effective on and after June 30, 2026, only employees who retire with at least ten years of County service shall be eligible to continue health benefits in retirement. Disability retirees shall continue to receive health benefits under the rules in effect on January 1, 2018. This clause doubles the current five-year requirement to ten years. Since this clause doesn't take effect until the day before the contract expires, savings will not be generated until after this contract expires.

### **Rules – 401(a) Program**

Subject to legal and administrative constraints, the County will establish a 401(a) program.

### **Other Provisions**

If, at any point during the term of this Agreement, NIFA or its successor exercising the power to freeze any economic benefit, diminishes the benefit of this Agreement, then the health care contributions, NUMC post coverage relief and termination pay reductions set forth in this Agreement shall be considered a nullity and the status quo ante shall prevail.

Except as modified herein, all other terms and conditions of the parties' current Collective Bargaining Agreement shall continue. This Agreement resolves any claims for credit in this round of negotiations.

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be constituted as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

### **Dispute Resolution**

The parties agree that all disputes concerning the terms of this MOU, or the implementation thereof, shall be submitted to the designated contractual Panel Arbitrator who will issue a final and binding award. The current contractual limit of 30 dates per year shall not include disputes under this provision provided that no more than six additional dates are scheduled in any one year. Provision of these six additional dates shall expire on June 29, 2026.

### **Reopener Clause**

This agreement does not include a reopener clause.

### **Conclusion**

The County and COBA believe that the negotiated MOU is a fair and equitable deal for both parties. The MOU was approved by the Union membership and leadership by a wide margin. The Administration has asserted that the contract conforms to the pattern set forth in the previously negotiated agreements, and the agreement was negotiated with NIFA being a party to the terms and financial impacts of the MOU. OLBR has estimated the total net cost of the contract to be approximately \$65.4 million and the Administration has confirmed that this MOU can be absorbed within the parameters of the Multi-Year financial plan. As a result of the timing of this MOU, some costs that were anticipated in FY 24 will be either paid or possibly accrued for in FY 23. The County will now have MOUs in effect with all three police unions (PBA, SOA, DAI), CSEA and COBA. The only outstanding contract remains with the IPBA.

If you should have any further questions, please don't hesitate to contact the Office.

cc: Arthur Walsh, Chief Deputy Executive  
Andrew Persich, Budget Director, OMB  
Tatum Fox, Deputy County Executive

Dennis Steiner, Senior Budget Examiner  
Chris Ostuni, Majority Counsel  
Meredith Hughes, Legal Director and Deputy Majority Counsel  
Michele Darcy, Minority Finance Director  
Cecilia Capers, Deputy Minority Counsel  
Michael Pulitzer, Clerk of the Legislature  
James Darcy, Counsel to the Legislative Clerk



# Appendix A

## COBA - Deal - 1/1/18 - 6/30/26

### Administration's Estimate

\$ in millions

	2020	2021	2022	2023	2024	2025	2026
General Wage Increases	1.17	3.53	6.24	9.32	12.79	16.68	18.65
Senior Officer Stipend 7/1/23 --- \$3700				1.22	2.48	2.56	2.59
Health Insurance - Surviving Spouse					0.00	0.00	0.01
Investigative Unit Stipend					0.03	0.03	0.03
1 x OT Hours Reduced by 8 1/1/24					0.14	0.15	0.15
Health Contribution				(0.32)	(1.98)	(2.02)	(2.02)
Salary Schedule Post MOU Hires					(0.08)	(0.20)	(0.67)
207-C Medical Visits - Excusal					(0.12)	(0.11)	(0.10)
NUMC Post Coverage 7th/18th Floors & Psych					(0.95)	(0.98)	(1.00)
10 Year Health Vesting							
PLD / Vacation 1 day Each (Years 2 and 3)						(0.03)	(0.11)
Termination Pay					(0.02)	(0.07)	(0.16)
<b>COBA Total - By Year</b>	1.2	3.5	6.2	10.2	12.3	16.0	17.4
<b>COBA Total - Cumulative</b>		4.7	10.9	21.1	33.4	49.5	66.8