MAPLEWOOD MANOR:

Current Assessment and Future

Report prepared by Harris Beach PLLC and the Arthur Webb Group for presentment to the Saratoga County Public Health Committee on August 13, 2012.

HARRIS BEACH PLLC
ATTORNEYS AT LAW

ARTHUR WEBB GROUP

TABLE OF CONTENTS

Page

Executive Summary iv

Introduction vii

Expressed Need for Assessment and Recommendation vii

Profiles 1

1. Profile of Saratoga County 1

2. Profile of Maplewood Manor 2

   A. Nursing Home Compare Rating 3

   B. Financial Profile 4

   C. Balance Sheet 5

Environment 7

1. Federal Policy Environment 7

   A. Policy – U.S. Supreme Court 7

   B. Policy - Federal Budget 9

   C. Policy - Federal Actions 9

2. State Policy Environment 10

   A. Medicaid 10

   B. Long-Term Care Policy 10

   C. New Pricing Methodology for New York State 11

   D. The Significant Impact of "Care Management for All" 11

   E. Summary of Major Federal and State Policy Factors Affecting Nursing Homes 12

   F. Hospital Reforms: Federal and State 13

   G. Future of Intergovernmental Transfers (IGT) 14

3. County-Owned Nursing Home Environment 15

4. State Reimbursement Policy & Environment 16

The Need for Maplewood Manor 17

Financial Profile of Maplewood Manor 20

1. Overview 20

2. Balance Sheet 21

A. Current Assets and Liabilities 21

B. Operating Margin 24

C. Cash on Hand 25

D. Accounts Receivable 26

E. Accounts Payable 28

3. Comparative Analysis 29

Labor Contract 36

1. Compensation Structure 36

2. Contractual Provisions to be Considered 37

A. Maplewood Work Day 37

B. Overtime Compensation for Employees Working "10 day out of 14 Schedule" 37

C. Compensatory Time 37

3. Health Insurance 38

4. Working Conditions 38

5. Transfer or Subcontracting of Work 39

Taking Action 40

Current Activities 40

Improving Revenue 40

Decreasing Expenses 41

Current Change in Admission Policy ... 41

Recommended Actions ... 44

Implications of Closing the Deficit ... 45

Conclusion ... 51

Appendix A - Request for Proposals

Appendix B - Statement of Revenue, Expenses, and Changes in Net Fund Deficit (2008 – 2014)

Appendix C - Rating Update from Moody's Investors Service (Jan. 05, 2012)

Appendix D - Agreement Between County of Saratoga and the Civil Service Employees Association, Inc., Local 1000 AFSCME – AFL-CIO (January 1, 2010 – December, 31, 2012)

EXECUTIVE SUMMARY

In the spring of 2012, as a result of continuous and growing annual deficits from the operation of the Maplewood Manor nursing home ("Maplewood"), Saratoga County issued a request for proposals (RFP) seeking a current assessment and identification of options to deal with the situation.[1] The Maplewood fiscal crisis had grown to the point that the operating deficit was having a significant negative impact on the County's fund balance, thus impacting its annual budget process and restricting resources to the point where the financial drain of Maplewood was manifesting itself in difficult policy choices for the decision-makers in the county government. Among these were the decision to increase property taxes, an ongoing hiring freeze across all county operations, reduced financial support for local economic development initiatives, a 40% reduction in funding for the County's road maintenance program, and a virtual elimination of the annual capital equipment upgrades that keep the County's snowplows and other necessary heavy equipment in proper working condition.

The demographic background of both Saratoga County and population of Maplewood were examined as part of this assessment, as well as a detailed review of the basic fiscal metrics as set forth in the audited financial statements.

Given the negative impact of recent federal and state policies on Maplewood and the uncertainty that exists along the landscape of health care policy, a thorough examination of the short-term and long-term policies was undertaken. The federal and state policies do not bode well for the municipal nursing home model. As a result of these policies, more than 800,000 new Medicaid enrollees will join the rolls in New York. Medicare rates will be reduced by 11%, while Medicaid rates will not change upward in any meaningful way. The intergovernmental transfer (IGT) payments from the state, which consist of millions of dollars annually, have a very uncertain future and expectations among experts are that they will cease to exist in the coming years. The managed care system, which nursing homes will become a part of as these policies take place, will create an even more difficult environment for these facilities to operate in, both fiscally and in terms of basic operations and efficiencies. In the midst of the assessment, the United States Supreme Court handed down its landmark decision upholding most parts of the Affordable Care Act as constitutional, and our analysis incorporates the impact of that decision.

---

1 Harris Beach, PLLC and The Arthur Webb Group submitted a joint proposal and were identified as the lowest responsible bidder and chosen to undertake the analysis of the Maplewood situation and suggest possible ways in which the problem could be addressed.

This assessment found there was a clear need for a Maplewood-type facility in Saratoga County. New York State's Department of Health has identified a bed need of 1004, with a current capacity of 789, leaving an unmet need of 215. The assessment also found Maplewood provides quality care to its residents, a fact that was noticeable during a tour of the facility.

Most significantly, this assessment reached the undeniable conclusion that under its current model Maplewood is fiscally unsustainable.

Many factors contribute to this finding. The labor costs—particularly those costs found in the retirement and fringe benefit packages of the unionized employees—are a significant expense. The cost of labor contributes significantly to the financial crisis facing Maplewood. Moreover, state labor law prevents the County from privatizing or outsourcing any of the tasks assigned to unionized employees. Thus, as long as the County effectively continues to provide a particular service, it must be completed by the public employee unionized work force.

The profile of the patient population at Maplewood finds 83% of the approximately 270 beds/patients are paid for by Medicaid. In 2010, the daily cost per patient was $317, while the Medicaid reimbursement rate for such patients was $160 per day, leaving a **deficit per patient, per day of $157**. As this report indicates, that dynamic will only get worse with time.

While the Board of Supervisors, county officials and Maplewood administration have implemented some noble and worthwhile changes, the chasm between the massive deficit and anything approaching a manageable debt load is impossible to overcome with the current financial and operational structure. By illustration, to get to a level approaching break-even, 35% (more than 120 employees) of the staff would need to be laid off. These cuts are too drastic and would likely result in a reduction in the quality of care for Maplewood's residents, and we are not recommending such draconian cuts.

Again, by way of illustration, to maintain this operational model the County would need to impose a tax increase of more than 20% in the upcoming fiscal year and impose continuous tax increases into the future. Without fundamental operational changes, such tax increases are inevitable due to the County's inability to continue subsidizing Maplewood Manor from a fund balance that currently stands at less than $10 million, representing a reduction of more than 60% from the amount available at the end of 2010. We are not recommending implementation of these significant tax increases. The County cannot rationally cut or spend its way out of this dilemma.

On the positive side, Maplewood is not only a needed facility that provides quality care, but the physical plant and real estate are debt-free. One of the recommendations herein, is for the County to have a due diligence survey and valuation of the Maplewood asset to allow county leaders to make fully informed decisions during the next phase of this process.

Changes to the model must be made to ensure that the legitimate need of a facility such as Maplewood continues in Saratoga County. One of the options we are suggesting is for Saratoga County to consider exploring the creation of a local development corporation or LDC. Under such a model, the County would have continuing obligations to Maplewood and continue to pay for its operations. Employees at Maplewood would continue to be county employees. The LDC model provides for a more flexible contracting platform, allows the County to access some of the equity in the facility to address next steps in the solution, and in some instances, provides a level of deficit relief depending on the particular facts and circumstances.

INTRODUCTION

Expressed Need for Assessment and Recommendation

In March of 2012, the County of Saratoga issued a request for proposals (RFP) seeking "qualified consultants to assist in evaluating its options for the operation, management, and /or sale of the County's skilled nursing facility Maplewood manor." The RFP identified a "scope of services" to include "the evaluation of options for the future operation/management of the County's skilled nursing facility ranging from the continued ownership to liquidation of the entire operation." The consultant would ultimately be charged with the responsibility of assisting the County in "outlining these options and developing a strategy and plan of action for moving forward." *See* Request for Proposals, Appendix A.

In response to this RFP, Harris Beach PLLC and the Arthur Webb Group submitted a joint proposal outlined in correspondence to the County Director of Purchasing. The submission suggested a phased approach to evaluating the situation. Phase 1 and 2 was to consist of an operational assessment and options identification." Phase 3 as proposed was to consist of "[g]uidance and implementation of changes for continued county ownership [or] changes for disposition option."

Harris Beach and the Arthur Webb Group where chosen by virtue of being the lowest qualified bidder for the project. Harris Beach and the County of Saratoga, through the County Attorney, memorialized the engagement in a letter between the parties. Phase 1 and 2 would be completed upon a presentation to members of the County Board of Supervisors (presumably the Public Health Committee) in August of 2012. Phase 3 of the project would be undertaken after the County has the opportunity to consider the assessment of the situation and evaluate the recommendations.

In order to complete Phase 1 and 2 of the task, Harris Beach attorneys and the Arthur Webb Group took a number of steps to assess the Maplewood Manor situation. These steps included, but were not limited to an examination of thousands of pages of material related to the facility, which included past, present and future financial projections. A tour of the facility occurred on June 1, 2012 at which site specific issues were discussed with the facility administrator and county officials. An examination of state and federal health care policies, in particular those related to Medicaid, was undertaken as it relates to the facility's need to rely on future state and federal financial aid. During the assessment period, the United States Supreme Court decided the case of National Federation of Independent Business v. Sebelius[2] which upheld the majority of the Patient Protection and Affordable Care Act ("ACA") which is expected to have significant policy repercussions into the future for the country and the operations of Maplewood Manor. All of these components (and more) were analyzed and variables were considered to provide the County with findings of fact and identification of possible paths forward for the County.

We expect that this in-depth report will provide the County with a current evaluation of the Maplewood Manor facility as described in Phase 1 and 2 of our response to the RFP. Thereafter, the County may digest the assessment and consider the findings and recommendations as it makes informed decisions regarding the future of Maplewood Manor. We are prepared to engage with the County on Phase 3 of the project to provide guidance on choosing options and implementation regarding the same as the County moves forward on determining the future of Maplewood Manor.

[2] 567 U.S. __, 132 S.Ct. 1958 (2012).

PROFILES

1. Profile of Saratoga County

Saratoga County is one of four counties comprising the Albany-Schenectady-Troy Metropolitan Statistical Area, commonly referred to as the "Capital District." The County is located roughly 175 miles from large cities such as New York, Boston and Montreal. As of 2010, Saratoga County's population consisted of 219,607 people, spread across over 800 square miles.[3] The County has a median household income of $65,100 and a median home value of $221,100. Over the last ten years, the County has shown tremendous growth in population, with towns such as Clifton Park growing by 9.6%, Halfmoon by 33.1%, and Malta by 11.1%.[4] Most recently, Saratoga County is the site of the largest private construction project in the United States, with a microchip manufacturing plant currently under construction in the town of Malta. Projects such as these are expected to continue to support an increased growth pattern throughout the County for the foreseeable future.

The County enjoys a stable $22.7 billion tax base due in part to the emergence of the aforementioned microchip manufacturing plant. Saratoga County also benefits from a diverse employment base and for its well-known tourism industry which includes the Saratoga Race Course. These factors, among others, were cited by Moody's as key strengths in affirming the County's "Aa1" bond rating in January 2012.[5]

While affirming this rating, however, Moody's assigned a negative outlook to the County's general obligation bonds.[6] The County's inherent economic strengths combined with a long history of fiscally conservative management and budgeting have resulted in healthy financial reserves for several decades, however, this strong position has weakened due to a structural budgetary imbalance caused in part by recurring General Fund subsidies of the county nursing home.[7] The County closed 2009 with a $24.5 million General Fund balance. In fiscal 2010, continued fund balance support of Maplewood Manor was a major factor in the depletion of reserves to $17.4 million. Due to additional fund balance

---

[3] United States Census Bureau, *State & County QuickFacts*, available at: http://quickfacts.census.gov/qfd/states/36/36091.html (last visited Aug. 9, 2012).
[4] *See* Saratoga Economic Development Corporation, *About Saratoga County: Executive Summary*, http://www.saratogaedc.com/executivesummary.php (last visited Aug. 9, 2012).
[5] *See* Moody's Rating Update, Appendix C.
[6] *Id.*
[7] *Id.*

appropriation last year, the County ended 2011 with reserves that were below the norm for issuers in the "Aa1" bond rating category.[8] The fiscal 2012 budget includes an additional $8.7 million transfer to the nursing home. The continued reliance on reserves gives rise to ongoing concerns that Saratoga County's bond rating may be downgraded in the near future.

2. Profile of Maplewood Manor

Maplewood Manor (referred to throughout this report as "Maplewood Manor" or "Maplewood") is a public, nonprofit 277-bed nursing home operated by Saratoga County. Maplewood is situated in the foothills of the Adirondacks in Ballston Spa. It is conveniently accessible to all residents of Saratoga County and surrounding areas. Maplewood was established in 1980 with a contribution of $2.0 million from the general fund of the County.

Maplewood Manor is a well-run facility and has achieved a "Four Star" rating under the federal CMS rating on quality, which represents "Above Average." The physical plant seems to be well maintained and is in good condition given that it is a 30-year old facility.

According to its website, "Maplewood Manor is dedicated to providing superb physical care, while preserving the human dignity and meeting the total needs of every resident."[9]

Maplewood Manor provides its residents with a wide range of services, including:

- Skilled nursing services including physical, occupational and speech therapy and a nursing rehab program.
- A 40-bed dementia unit
- A 60-bed unit for residents requiring lighter care with assistance and supervision
- Services to admit bariatric patients
- Post-discharge home review to assist the transition of residents to home
- Hospice care in conjunction with area hospice programs

Admission to Maplewood Manor is based on several factors. Preference is given to Saratoga County residents or loved ones of Saratoga County residents. It is the policy of Maplewood Manor to admit and treat all residents without regard to race, creed, color, national origin, sex, and disability, source of payment, age, marital status or sexual preference. In addition, Maplewood accepts both Medicare and Medicaid programs.

---

[8] *Id.*

[9] Saratoga County Government, *Maplewood Manor,* available at: http://www.saratogacountyny.gov/departments.asp?did=136 (last visited Aug. 9, 2012).

It has a case mix index for its Medicaid residents at 0.88, which is low compared to other public facilities. These are residents who have lower needs of care.

Approximately, 86% of the residents come from Saratoga County with many of the remaining residents connected to a family member living in the County. In May of 2012, Maplewood reported 92% occupancy. This figure is lower than 2011, when occupancy was at 98%. Occupancy is one of the indicators of operational efficiency. In this case, the 6% decrease in occupancy is based in part on efforts by the County Board of Supervisors to reduce the number of "no pay" residents. This is discussed in further detail below in the section entitled "Current Change in Admissions Policy."

A. Nursing Home Compare Rating

Nursing homes across the country are rated by "Nursing Home Compare." Nursing Home Compare is a website established by the federal government and hosted on the federal government's website for Medicare.[10] The website and rating system allows consumers to compare information about different nursing homes.[11] The website contains quality of care information on every Medicare and Medicaid-certified nursing home in the country, with the ratings based on surveys and inspections of the nursing homes.[12]

Maplewood's most recent "Overall" Nursing Home Compare rating was Four Stars, which indicates Maplewood is "Above Average."[13] Maplewood also achieved a Four Star rating for Health Inspections. In regard to the ratings for Staffing and Quality Measure, Maplewood received a Two Star and Three Star rating, respectively.

The last survey of Maplewood occurred in September 2011. The survey was part of the new federal Quality Indicators Survey (QIS) process, which was instituted by the federal Centers for Medicare & Medicaid Services (CMS) as a comprehensive process to assess quality. In regard to the Staffing Rating, Maplewood is low on nursing staffing hours per resident, which has been the

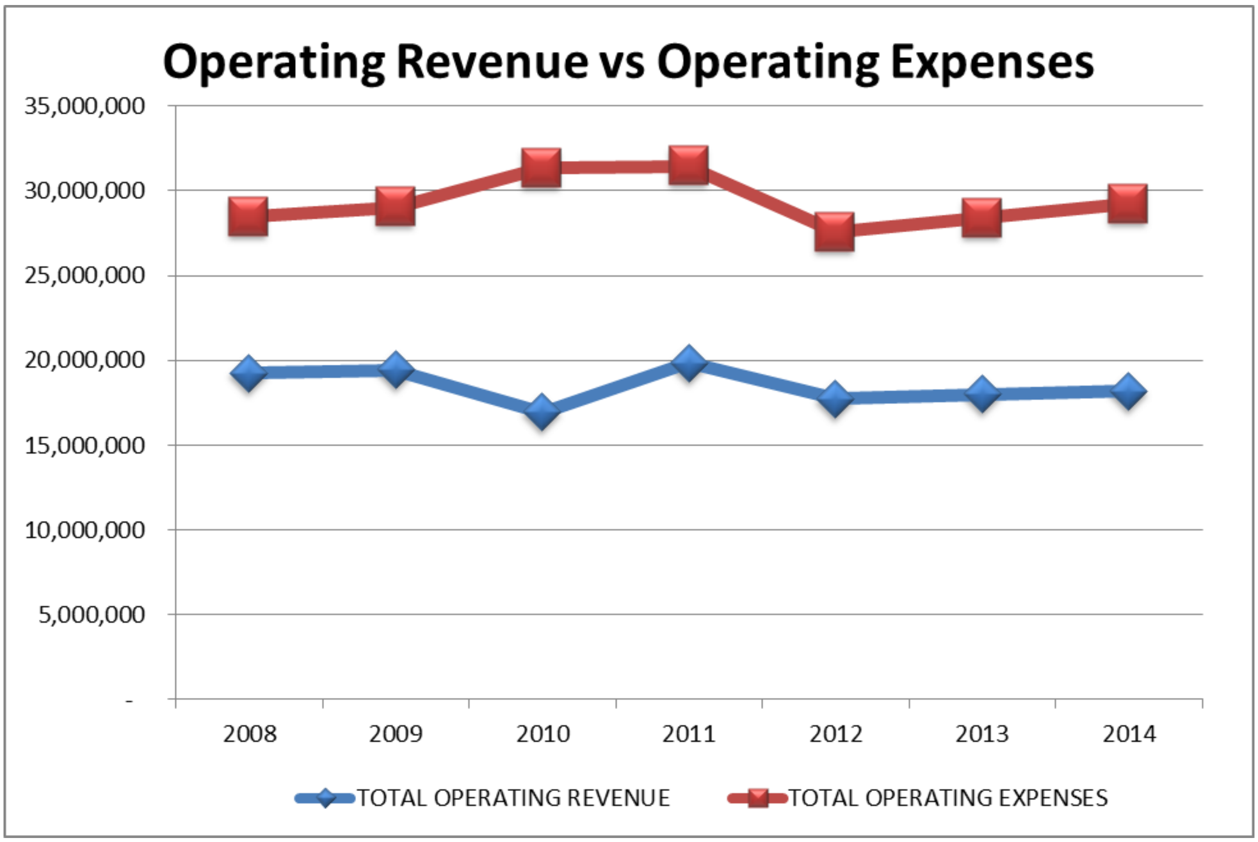
---

[10] *See* Medicare.gov, *Nursing Home Compare*, available at: http://www.medicare.gov/NursingHomeCompare/search.aspx?bhcp=1 (last visited Aug 9, 2012).
[11] *See* Medicare.gov, *What is Nursing Home Compare?*, available at: http://www.medicare.gov/nursinghomecompare/About/Whatis/What-Is-NHC.aspx (last visited Aug. 9, 2012).
[12] *Id.* For more information on Nursing Home Compare and how nursing homes are rated, see http://www.medicare.gov/NursingHomeCompare/About/Whatis/What-Is-NHC.aspx (last visited Aug. 9, 2012).
[13] *See* Medicare.gov, *Nursing Home Profile for Saratoga County Maplewood Manor*, available at: http://www.medicare.gov/nursinghomecompare/profile.aspx#profTab=0&ID=335518&loc=ballston%20spa%2C%20ny&lat=43.0009086&lng=-73.84901109999998&bhcp=1 (last visited Aug. 9, 2012).

trend for several years. An anomaly that contributed to this staffing rating was that the survey took place during a period of time when staff were using higher than normal amounts of vacation time. In terms of quality measures, there were issues with pain management, which is being addressed in the resident care planning process.

B. Financial Profile

A critical component of the sustainability of a nursing home into the future is its profit or loss margins. Maplewood Manor has experienced severe operating losses for the past several years.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

These are operating revenue and expenses and do not include any intergovernmental transfer ("IGT") funding or any other county subsidies. Furthermore, expenses through 2011 include other post-employment benefits, whereas the budget projections for 2012 through 2014 do not.

These losses are not sustainable and without an IGT payment of $9.5 million in 2011, the County would have had to increase its subsidies to cover expenses operations.

Deficits (In Millions)	
2008:	-$ 9.3
2009:	-$ 9.7
2010:	-$14.5
2011:	-$11.6
2012:	**-$ 9.8 (Projected by County Admin. in July)**
2013:	**-$10.4 (Projected)**
2014:	**-$11.0 (Projected)**

Source: Audited Financial Statements

It is indisputable that Maplewood will continue to run at a deficit of several million dollars into the future. Without the IGT payment, that expense will be greatly exacerbated.

C. Balance Sheet

Another measure of financial viability and credit worthiness is the Fund Balance. As recorded on Maplewood's Audited Financial Statements, the Fund Balance represents the net effect of Assets and Liabilities and net income from operations.

Fund Balance (In Millions)	
2008:	-$1.2
2009:	-$6.0
2010:	-$14.0
2011:	**-$16.0**

Source: Audited Financial Statements

Maplewood Manor is in great financial difficulty. While it is a needed facility in the County, and is meeting its stated mission, the financial condition creates an unsustainable financial drain on the County's general fund and stands to become the root cause for severe tax increases for County residents in the immediate future.

This report will examine the causes of Maplewood's financial condition and will make recommendations on ways to reduce the operating deficit in the short term and suggest options for changes to the financial and operational model into the future.

Based on the facts and circumstances discussed below, if the operating deficit in 2012 remains at the same level as in 2011, and the County does not rely receive IGT payments, the deficit will be large enough that cost reductions alone will most likely not be enough to reduce the deficit in the near future or in the out years of 2013 and 2014.

In the section below entitled “Taking Action”, we will examine the efforts by the Board of Supervisors, the Administrator of Maplewood and County Administration to reduce the deficit.

ENVIRONMENT

The policy environment faced by Maplewood Manor includes an ever-increasing number of demands from both federal and state governments. These demands include “reforms” on payment methods, service delivery integration, improving quality, and achieving greater efficiencies. Maplewood, which is already struggling under New York State payment reforms, will be further burdened by demands from state and federal regulations purportedly promulgated in the name of increasing efficiencies and reforming the Medicaid program.

1. Federal Policy Environment

A. Policy – U.S. Supreme Court:

On June 28, 2012, in the midst of this assessment, the United States Supreme Court, in a 5-4 vote, upheld the constitutionality of the Patient Protection and Affordable Care Act (“ACA”).[14] In addition, the Court also held certain provisions expanding the Medicaid program were unconstitutional.[15] More specifically, the Court found Congress’s creation of the “individual mandate”—which requires individuals to purchase health insurance or face a penalty—to be a proper exercise of its authority under the Taxing Clause of the United States Constitution.[16]

As a result of the Supreme Court’s decision, the federal government can continue to implement the ACA. The Act establishes a very broad set of reform initiatives including the mandate for insurance coverage for an additional 32 million U.S. citizens, approximately half of whom are Medicaid eligible.

While the Court upheld most of the provisions of the ACA, the Court also held unconstitutional provisions that would have allowed the federal government to penalize states that did not fully comply with the ACA’s expansion of the Medicaid program.[17] Prior to the decision, the ACA would have allowed the federal government to withhold federal Medicaid funds from states. Essentially, the Court found the federal government is not permitted to threaten states with the loss of existing Medicaid funding if the states declined to comply with the expansion. The Court, however, found that this issue can be “fully remedied” by prohibiting the federal government from withdrawing existing Medicaid funds

[14] National Federation of Independent Business v. Sebelius, 567 U.S. ____, 132 S.Ct. 1958 (2012).
[15] *Id.*
[16] *Id.*
[17] *Id.*

from states for failure to comply with the requirements set out in the Medicaid expansion.[18] This in effect puts states in control of their own destiny vis-à-vis Medicaid expansion.

For long-term care providers in New York, the decision allows for the continuation of current health reform activities, supported by federal and state policies, currently in the process of being implemented. In addition, pursuant to the ACA, nursing home and home health care reimbursement reforms and cost-containment actions—such as value-based purchasing, productivity adjustments, and limits on Medicare market-basket growth—are expected to move forward. These efforts represent a remarkable shift in the landscape of American health care.

Medicare and Medicaid Innovation—including those related to payment bundling, reducing avoidable hospitalizations among nursing home residents, and improving community-based care transitions, among others—are part of New York's reform agenda.

Specific to nursing facilities, the ACA's nursing home transparency and improvement provisions will continue to be implemented, including forthcoming regulations for providers to submit plans to transition from existing Quality Assessment and Assurance regulations to new Quality Assurance and Performance Improvement regulations. Additionally, the ACA established new reporting requirements under the Elder Justice Act, Civil Money Penalty reforms, and an Independent Informal Dispute Resolution process.

Regarding Medicaid, the States are required to expand their Medicaid eligibility up to 133 percent of the federal poverty level (FPL). The Court also held, however, that the federal government's offering of enhanced matching rates in exchange for states' covering the expansion population was constitutional. For New York, which is pursuing the Exchange and Medicaid expansion, it means close to 800,000 New York citizens will be enrolled in Medicaid by 2014.

Impact:

The greatest financial impact to the industry is the ACA costs will be paid for by cuts to providers in Medicare and Medicaid of over $600 billion over the next ten years.

Additionally, the expansion of Medicaid will impact Saratoga County. The federal government will pay for 100% of the costs of these new enrollees at the Medicaid rate.

---

[18] *Id.*

B. Policy - Federal Budget:

The federal budget that both the President and Congress have proposed includes significant cuts in payments in Medicaid and Medicare.

> **Impact:**
>
> Provider rates of payments will be reduced. The federal budget for 2012-2013 includes an 11% cut to Medicare rates to nursing homes, which is already in effect. The expectation is that rates of payment will be flat, if not reduced.

> **Impact:**
>
> The national and state trade associations are advising nursing homes of the fact provider payments will be reduced and there will be no inflation factor adjustment.[19] Maplewood Manor has to account for the potential of reduced or flat rates in its current year budget and in budgeting for 2013. The County is projecting flat rates for Medicaid in 2012 and 2013.

C. Policy - Federal Actions:

On June 21, 2012, the Centers for Medicare and Medicaid Services (CMS) approved State Plan Amendment (SPA) #11-23 covering the new nursing home pricing system, which is effective January 1, 2012.

> **Impact:**
>
> This is a necessary step in the administrative process before "final" or "published" rates can be issued to nursing facilities. The new pricing methodology has a direct impact on nursing home current and future rates, as explained herein.

---

[19] *See generally*, Continuing Care Leadership Coalition ("CCLC"), available at: http://cclcny.org/ (last visited Aug. 9, 2012); Leading Age, available at: http://www.leadingageny.org/home/ (last visited Aug. 9, 2012) (statewide associations of nonprofit and public nursing homes and care providers for senior housing, adult care facilities, continuing care retirement communities, assisted living and community service providers).

2. State Policy Environment

A. Medicaid

The dominant policy reform direction in terms of health care is driven by the Medicaid reforms Governor Cuomo enacted in 2011. These reforms are arguably the most profound changes to have been implemented in New York State since Medicaid was enacted in 1965. The twin goals of reducing costs and improving patient outcomes are the driving forces for reform of the Medicaid program.

In January 2011, the Governor created the Medicaid Redesign Team ("MRT") by Executive Order.[20] The MRT prepared 79 recommendations, 78 of which were approved by the State Legislature.[21] The recommendations enacted include:

- Capping the multi-year state share of Medicaid at $15.8 billion
- Enacting a 2% "across the board" cut
- Establishing "super powers" available to the Commissioner of Health if the cap is exceeded
- Annual spending cap grows at the 10-year rolling average of CPI-Medical

In terms of long-term care, the most important enacted recommendations which impact this assessment are as follows:

Impact:

- The State has eliminated or avoided over $2.0 billion in Medicaid state spending
- Increased Medicaid enrollment by 150,000
- Implemented or in the process of implementing 78 of the recommendations

B. Long-Term Care Policy

New York State's Medicaid Redesign efforts are expected to be supported by the ACA and ACA-related programs and initiatives. These efforts include the State's proposal for fully integrating dually eligible individuals under a demonstration through the CMS Medicare-Medicaid Coordination Office, the establishment of Health Homes, and a broad range of initiatives through the Center. New York State's MRT will continue to promote the expansion of long term care services

[20] N.Y.S. Dept. of Health, *Redesigning the Medicaid Program*, available at: http://www.health.ny.gov/health_care/medicaid/redesign/ (last visited Aug. 9, 2012).
[21] *Id.*

and supports in the community through rebalancing efforts and mandatory Managed Long Term Care for dual-eligibles.[22]

C. New Pricing Methodology for New York State

Pursuant to SPA #11-23, the **new nursing home pricing system** becomes effective January 1, 2012.[23] This is a necessary step in the administrative process before "final" or "published" rates can be issued to nursing facilities. The New York State Department of Health (DOH) is now awaiting approval from the New York State Division of Budget (DOB), after which it will release rates to providers.

The **pricing rates** will be in effect in 2012. These rates will reflect a case mix that is based upon a facility's census as most recently reported. The state will ensure that the new rates in 2012 will not vary by more than 1.75% from the current operating component rates.

D. The Significant Impact of "Care Management for All"

The policy objective at the state level is to have Medicaid recipients enrolled in managed care including those residents in nursing homes. This enrollment will be phased in over time and by each county.

The impact on nursing homes will be significant because all residents will be enrolled in a managed care entity that will determine who gets served, at what level of care and at what price. This is a new world and unchartered territory for nursing homes and the industry. As a result, most nursing homes will have to make significant investments of management time to keep pace with the new requirements of quality metrics and clinical management under managed care and prepare for negotiations with managed care for payments. Currently a nursing home bills state Medicaid directly and gets paid based on state pricing methods. In the future, all nursing homes will have to deal with multiple payors perhaps with different pricing methodologies and systems, thus delaying payment for services rendered.

Under the new framework, if a nursing home's costs are out of line and are not competitive with similarly situated homes in the region, those that lag may find themselves with empty beds or prices that are well below costs.

---

[22] *See generally, id.*

[23] Letter from Cindy Mann, Director, Center for Medicaid & Medicare Services, to Jason Helgerson, State Medicaid Director, NYS Dept. of Health (June 21, 2012), available at: http://www.health.ny.gov/regulations/state_plans/status/ltcare/approved/docs/app_2012-06-21_spa_11-23-a.pdf (last visited Aug. 9, 2012).

Impact:

If Maplewood is not able to control its costs, improve its ability to measure its quality, and provide information using an electronic health record, it could be squeezed out of the market or priced in such a way that it would leave Maplewood with even greater and faster increasing deficits.

E. Summary of Major Federal and State Policy Factors Affecting Nursing Homes

- **Ongoing Rate Recoveries**. New York State continues to actively recover amounts from RHCF rates related to prior overpayments of trend factors (including banking adjustments) in the rates. Amounts subject to recovery are estimated to total $482 million, or an average of $754,000 per facility.

- **Transition to Pricing**. In 2012, 62% of New York State nursing facilities will incur a loss due to the transition from the Medicaid "rebasing" payment methodology to the new "pricing" methodology effective on January 1, 2012. Those that lose will incur losses Statewide of $33 million in 2012, or an average loss of $86,000 per facility, and these losses will grow to $212 million Statewide in 2017, or an average loss per facility of $775,000.

- **2012 CMS Cut to Medicare Rates**. A recent CMS rulemaking action, effective in FY 2012, has resulted in an 11.1% cut to SNF Medicare PPS rates, reducing Medicare Part A revenues in NYS by $207 million.

- **Potential Across-the-Board Medicare Sequestration Cuts**. A scheduled 2% "sequestration cut" in Federal legislation would, if implemented as scheduled in 2013, reduce Medicare revenues for New York State facilities by $39 million.

- **Bad Debt Payment Reduction**. In FY 2015, new limitation on Medicare reimbursement for Medicare bad debt will reduce Medicare revenues for nursing facilities in NYS by $300,000.

- **Impact of Shift to Managed Care**. Actions taken by the Medicaid Redesign Team will lead to a substantial, and eventually complete, movement of nursing home patients from fee-for-service payment to managed care. While it is impossible to know the exact impact of the movement to managed care in a specific year, the net impact of a 1% reduction in a given year would be $70 million.

- **Collective Impact on Margins**. In 2010, New York State nursing homes collectively had negative operating margins of -2.0%. The 11.1% Medicare rate cut and proposed 2% Medicare sequestration cut would worsen the negative operating margins to -4.2%.[24]

Impact:

Maplewood Manor's budget should reflect the above policy changes. The current deficits could increase further eroding its ongoing viability.

F. Hospital Reforms: Federal and State

Under the ACA, hospitals' Medicare payments for discharges will be based on how well hospitals meet performance measures. This is known as "value-based purchasing." Medicare will use the same core measures to financially reward or penalize facilities for their performance. The program is scheduled to take effect in October 2012. Under the new law, Medicare will use hospitals' performance scores on all measures and hospitals will earn points when they meet a certain score or improve on a past score, and those points will be weighted for a total performance score. Hospitals that do well on their total performance score will receive a bonus in the form of a percentage of their overall Medicare payments.
The value-based purchasing coupled with the ACA provisions that require hospitals to tackle preventable readmission rates will impact on the relationship that Maplewood Manor will have with its major referral source.

Hospitals with higher than expected readmission rates will experience decreased payments for their Medicare discharge.

Still another ACA provision could have an even bigger impact on hospitals' cash flow. Beginning in 2014, Medicare plans to reduce hospital payment updates to save Medicare $155 billion over a 10-year period. This is necessary to fund the implementation of the ACA.[25]

Impact:

Maplewood Manor receives over 90% of all referrals from hospitals with the majority coming from the neighboring

---

[24] *See generally*, Continuing Care Leadership Coalition ("CCLC"), available at: http://cclcny.org/ (last visited Aug. 9, 2012); Leading Age, available at: http://www.leadingageny.org/home/ (last visited Aug. 9, 2012).

[25] *See* Centers for Medicare & Medicaid Services, *Affordable Care Act*, available at: http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Affordable-Care-Act/index.html?redirect=/Affordable-Care-Act/ (last visited Aug 9, 2012).

hospital, Saratoga Hospital. Nursing homes must have an ongoing relationship with its major referral source.

The demands on Maplewood could impact its ability to meet a greater clinical need to reduce re-hospitalizations and be able to respond more rapidly to referrals. Many of these referrals as indicated over the last several years have had greater clinical needs, putting pressure on the nursing home to have adequate clinical capabilities in terms of nursing, physician coverage and medication management.

G. Future of Intergovernmental Transfers (IGT)

States have used a number of creative financing schemes to increase the federal share of Medicaid expenditures. Intergovernmental transfers, commonly referred to as "IGTs," are one of the tools that have enabled them to do so. State and local governments use IGTs to carry out their shared governmental functions, such as collecting and redistributing revenues to provide essential government services.

IGT is a very complicated calculation based on how the federal government sets an upper payment limit, or, in other words, sets the maximum payment under IGT. The exact timing and amount of these transfers still needs to be determined. The New York State budget extends authorization for up to $300 million annually for county IGT payments for state fiscal year 2011-12 and 2012-13.

It is uncertain how much or when these payments will be made. Another important point is that the federal agency responsible for overseeing Medicaid and Medicare has initiated a recovery process for payments that exceeded the upper limit.

Saratoga County received $9.5 million in 2011 that helped reduce the County subsidy of Maplewood Manor. The County has not budgeted any amount for 2012 because of the uncertainty of payments. Furthermore, there is a possibility of recovery by the state once the final calculations are determined.

Impact:

The IGT situation is not likely to improve for county nursing homes, and uncertainty of future IGT payments will only exacerbate Maplewood's fiscal dilemma and make budgeting more difficult.

3. County-Owned Nursing Home Environment

In 2007, the Center for Governmental Research ("CGR") conducted a study and published a report on county nursing facilities in the State of New York. Along with a number of other counties throughout the state, Saratoga County submitted a survey containing basic information concerning Maplewood Manor to CGR. Regarding the future of county nursing homes in the state, CGR stated,

> [The future of county nursing facilities], individually and collectively, is jeopardized by increasing operating losses, reimbursement levels that fail to cover operating costs, declining intergovernmental transfer payments, and the need for increasing county subsidies.[26]

These challenges are not unique to Saratoga County. Rather, these challenges are faced by county nursing homes throughout the state. Counties have responded to these problems in different ways based on each county's unique needs and situation.[27] For instance, over a dozen of the 36 facilities in Upstate New York are currently in the process of reviewing their ownership or operation and discussing how to address the difficulties listed above.[28] Options previously explored or currently being explored by other counties include: sale of license and facility (Niagara),[29] conversion to assisted living facility (Genesee),[30] new construction (Schenectady/Albany),[31] creation of a Local Development Corporation (Ulster),[32] and other similar actions.

---

[26] CENTER FOR GOVERNMENTAL RESEARCH, INC., COUNTY NURSING FACILITIES IN NEW YORK STATE i (2007).
[27] *Id.* at iv.
[28] *See* Rick Karlin, *Nursing homes on sick list*, TIMES UNION (Albany), July 31, 2012, available at: http://www.timesunion.com/local/article/Nursing-homes-on-sick-list-3751989.php (last visited Aug. 9, 2012).
[29] *See* Thomas J. Prohaska, *Catholic Health wins bid for home health care agency*, BUFFALO NEWS, Jan. 25, 2012, available at: http://www.buffalonews.com/city/communities/niagara-county/article715826.ece; Thomas J. Prohaska, *Legislators to discuss the sale of Mount View*, BUFFALO NEWS, July 9, 2012, available at: http://www.buffalonews.com/city/communities/niagara-county/article940504.ece (last visited Aug. 9, 2012).
[30] *See* City & Region, *County site will become assisted-living facility*, BUFFALO NEWS, July 19, 2012, available at: http://www.buffalonews.com/city/article955354.ece (last visited July 19, 2012).
[31] *See* Jordan Carleo-Evangelist, *Just a nibble for home*, TIMES UNION (Albany), Aug. 3, 2012, available at: http://www.timesunion.com/local/article/Just-a-nibble-for-home-3761607.php (last visited Aug. 9, 2012); Lauren Stanforth, *County OKs home's bids*, TIMES UNION (Albany), May 22, 2012, available at: http://www.timesunion.com/local/article/County-OKs-home-s-bids-3575065.php (last visited Aug 9, 2012); Lauren Stanforth, *Rift over nursing home*, TIMES UNION (Albany), June 27, 2012, available at: http://www.timesunion.com/local/article/Rift-over-nursing-home-1441444.php (last visited Aug, 9, 2012).
[32] Patricia Doxsey, *Board working to sell Ulster County's Golden hill nursing home will visit facilities run by all six bidders*, DAILY FREEMAN (Kingston), Aug. 1, 2012, available at:

Impact:

As evidenced by the different responses undertaken by counties across the state, there is no "one size fits all" approach to solving difficulties facing county nursing homes. Rather, each county must determine what strengths and weaknesses exist in different courses of action, and make a decision based on what is best for their particular county.

4. State Reimbursement Policy & Environment

The reimbursement policy for nursing homes is undergoing a very significant change in the philosophy and regulation of Medicaid rates of payments. With over 75% of all care in nursing homes being covered by Medicaid, the impact of these state changes radically changes the future of nursing home financial viability.

The biggest change in this area is the state moving to a new pricing methodology and rates (see discussion above).

The pricing rates will be in effect in 2012. These rates will reflect a case mix based upon a facility's census as most recently reported. As previously mentioned, the state will ensure that the new rates in 2012 will not vary by more than 1.75% from the current operating component rates.

Impact:

The future impact for nursing homes will alter the budgeting for Maplewood Manor.

---

http://www.dailyfreeman.com/articles/2012/08/01/news/doc50199bc95273f995561637.txt (last visited Aug. 9, 2012).

THE NEED FOR MAPLEWOOD MANOR

Maplewood Manor is a needed facility.

It predominantly serves Saratoga County with over 86% of the residents coming from the County with many of the remaining residents having a family connection living in the community.

Saratoga County Bed Need: Official Bed Need Capacity[33]

Bed Need by 2016:	1004
Current Capacity:	789
Unmeet Need:	215

Source: New York State Department of Health[34]

Estimate of need for nursing homes in counties is undergoing an intensive review by the state in light of the major Medicaid reforms the state is implementing. The major goal is "Care Management for All," which will increase the pressure on nursing homes to become more selective in their admission criteria. Maplewood Manor in the tradition of county nursing homes has had an open door in meeting needs that other nursing homes would not serve and admitting persons who could be served with community-based programs. The nursing home also admits individuals where their Medicaid status is not established. The impact of this is that a percentage of the current beds could be more efficiently utilized to meet the needs of the County.

---

[33] **Explanation of State Bed Regulation:**

> Bed need is based on state regulations, which take into account several factors including population age over 65 and those over 75 to reflect the aging of the population in each county and the age that the frail elderly would mostly likely access nursing home care. The need is also adjusted for functional need based on self-care limitations that affect their activities of daily living. The state also calculates the use of several programs that might be available in a certain counties including personal care services, adult homes, certified home health, long-term home health, managed long-term care plans and reviews patients in general hospitals on alternate level of care status (needing post-hospital professional care) with a length of stay on of seven days or more.
>
> The state uses the sum of all these programs, which represents an estimate of the total number of people in need of long-term care services on a daily basis as represented by the statewide use rates. Statewide and the local patterns are estimated to account for variations in use. A very important factor is the level of occupancy of nursing home use in each county. The state uses a 99% occupancy rate adjusted by several other factors.

[34] *See generally*, N.Y.S. Dept. of Health, *Certificate of Need*, available at: https://www.health.ny.gov/facilities/cons/ (last visited Aug. 9, 2012).

Consequently, the impact of these policies is reflected in the low acuity level of its Medicaid residents and the number of "no pay" residents.[35] The acuity level results in what is called the "case mix index" (CMI) and for Maplewood the CMI is 0.83 in 2010 and now is 0.88. This is lower than the statewide case mix for public facilities at 0.90. The CMI metric translates to a finding that residents at Maplewood need less care than the comparable residents in other nursing homes.[36]

Case Mix Comparison (CMI Medicaid Only)

Maplewood	0.88 (2012)
Schuyler	1.02 (2010)
Wesley	0.94 (2010)
Albany	0.91 (2010)
Glendale	0.89 (2010)
Van Rensselaer	1.03 (2010)
Westmount	0.95 (2010)

Source: Audited Financial Statements, Projections, and Data from County Administrator's Office

Reimbursement is tied to case-mix and is intended to (1) improve access to care (for heavy care residents) by varying the reimbursement rate with the resident's condition;[37] (2) improve efficiency and contain costs by paying prospectively; and (3) enhance quality of care by linking reimbursement to the acuity of care.

With Maplewood having a low CMI, its Medicaid rate is low. This obviously impacts the financial operations. In addition, bed use is also impacted by other payors including Medicare and managed care. Again, Maplewood Manor has very low Medicare days. Medicare is a better payor because the rates are more reflective of the actual costs of care.

Another factor impacting its need is the occupancy level of Maplewood. It has traditionally been at over 98% occupancy, which is very good. The occupancy level decreased in 2012, and the factors that contribute to fluctuations in this rate and its impact on the overall financial stability of the facility are worthy of continued scrutiny.

Recommendations:

- Maplewood needs to maximize the cost effective use of its beds
- Tighten the admission criteria to admit persons who need a nursing home level of care

[35] A "no pay" status results from several factors including the failure to establish Medicaid eligibility, the determination that a resident does not have sufficient resources or Medicaid eligibility might be pending while the five year review is underway. Accountants would consider some of this as "bad debt," which is explained elsewhere in this report.

[36] *See generally*, Leading Age, available at: http://www.leadingageny.org/home/ (last visited Aug. 9, 2012).

[37] Thus, a nursing home with a higher CMI would represent a patient population with greater needs, which translates to greater expenses for the facility and therefore justification for a higher reimbursement rate.

- Increase the number of Medicare patients
- Coordinate and link referrals to the regional hospitals for patients in alternate levels of care
- Coordinate and link referrals from home care, managed long-term care programs in the County

FINANCIAL PROFILE OF MAPLEWOOD MANOR

1. Overview

The purpose of this section is to provide a financial profile of Maplewood Manor. The following information is comprised from several sources including audited statements, statewide databases (the most current being 2010), and information supplied by the Administrator of Maplewood and from the County Administrator's office with assistance from the County Treasurer's office.

Maplewood Manor – Projection of Patient Days (2010 – 2012 [Projected])

	2010	%	2011	%	Feb 2012	Projected 2012	%
Medicare	2,482	2.49%	3,027	3.05%	298	1,788	1.87%
Private Pay	11,114	11.14%	12,149	12.25%	2,200	13,200	13.84%
Insurance	1,545	1.55%	1,174	1.18%	196	1,176	1.23%
Medicaid	84,582	84.82%	82,825	83.51%	13,204	79,224	83.05%
	99,723	100.00%	99,175	100.00%	15,898	95,388	100.00%

Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

<u>Three important points regarding Maplewood's revenue picture:</u>

1) Medicaid is the predominate source of payment.
2) The projection for 2012 shows Maplewood a reduction in days.
3) The amount of private days initially looks encouraging, but on further examination, several of these "private days" are in fact, "bad debt."

As noted in the previous section, the acuity level is a critical factor in determining Medicaid and Medicare rates. Reimbursement is tied to case-mix and is intended to (1) improve access to care (for heavy care residents) by varying the reimbursement rate with the resident's condition; (2) improve efficiency and contain costs by paying prospectively; and (3) enhance quality of care by linking reimbursement to the acuity of care.

Maplewood has a low CMI, and thus has a correspondingly low Medicaid reimbursement rate. This obviously and directly impacts the financial operations.

In addition, bed use is also impacted by other payors including Medicare and managed care. Maplewood Manor has very low Medicare days, which also contributes to a weakened financial condition as Medicare is a better payor since the rates are more reflective of the actual costs of care.

The CMI in 2011 was 0.83 meaning many of the residents are not medically complex. The CMI in 2012 seems to be trending to be a few points higher at 0.88. This indicates that the acuity is increasing and the Medicaid rate could be higher, but only slightly.

A critical factor in the sustainability of a nursing home is its profit or loss. Maplewood Manor has severe operating losses for the past several years.

Deficits (In Millions)	
2008:	-$ 9.3
2009:	-$ 9.7
2010:	-$14.5
2011:	-$11.6
2012:	**-$ 9.8 (Projected by County Admin. in July)**
2013:	**-$10.4 (Projected)**
2014:	**-$11.0 (Projected)**

Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

These losses are not sustainable and without the IGT of $9.5 million in 2011, the County would have had to drastically increase its subsidy. Although at this juncture, we expect the IGT payment for 2012 will be made by the State to the County, there is little certainly or reliability of these payments into the future due to the state's own shaky financial condition. The deficit translates to the realization that **on the average, Maplewood is losing about $116 per patient day.**

A summary of Maplewood's financial condition is attached as Appendix B.

2. Balance Sheet

The balance sheet is a quantitative summary or a financial statement that summarizes a company's assets, liabilities and equity or net value at a specific point in time. The net value or worth indicates the ongoing viability of an operating entity. All the following data and graphs were comprised from the audited financial statements.

A. Current Assets and Liabilities:

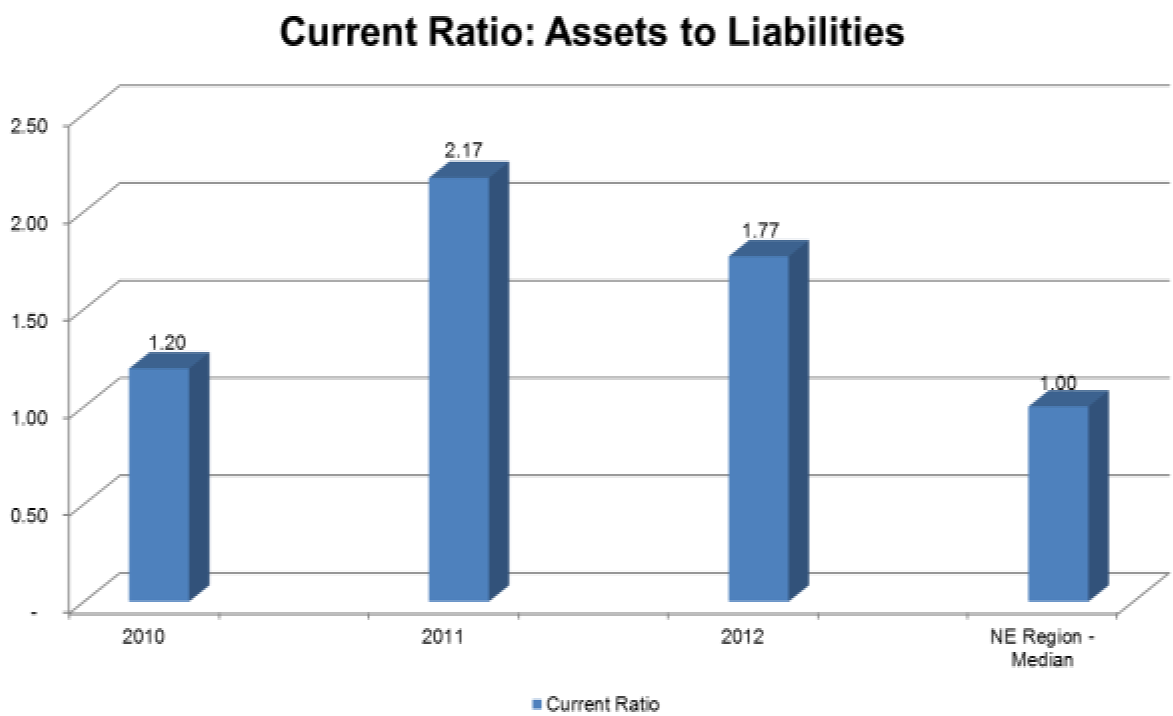
The most glaring issue on the balance sheet is the county's liability of Post-Employment Benefits of $23 million. This figure increased from $18 million in

2010. It is clear with the nature of long term care reimbursement, both in the present and in the future, the operation cannot sustain this level of liability.

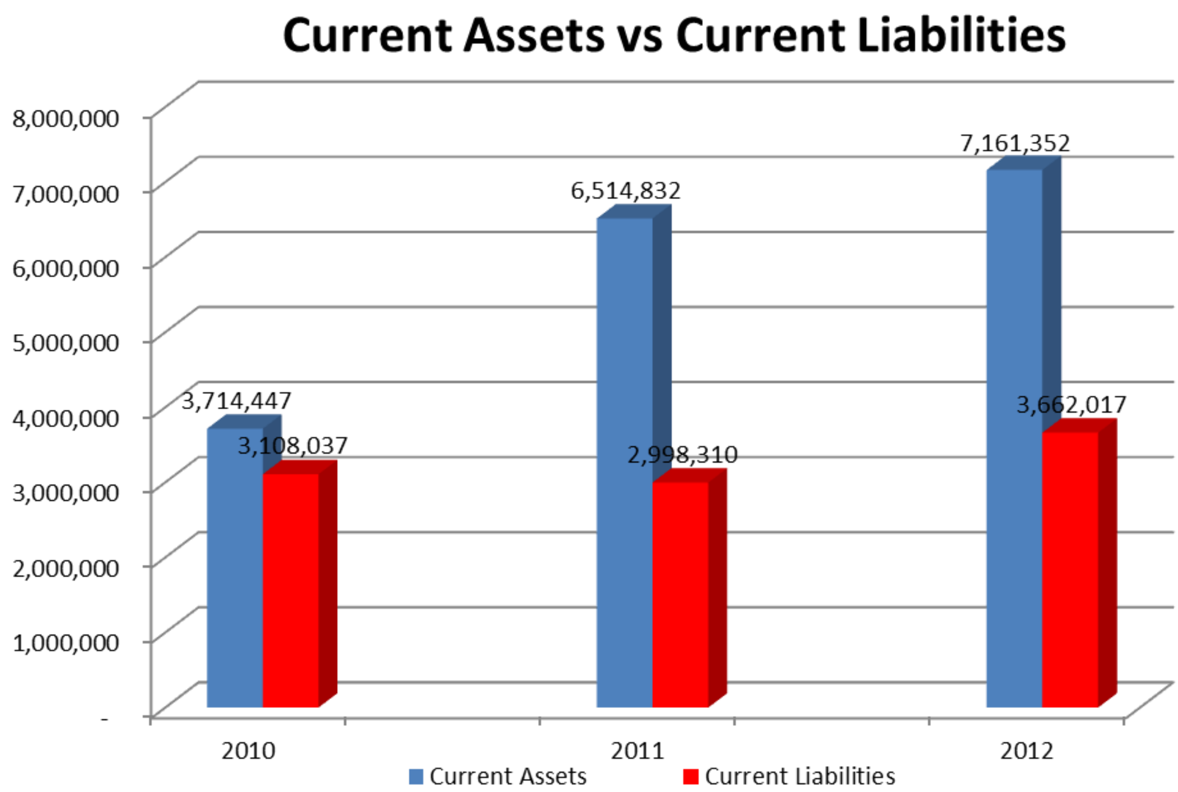
Current Assets: This includes cash, savings, accounts receivable, grants receivable and other assets that are likely to be utilized usually within a year. Notably, the facility and real estate itself are not encumbered and are owned debt-free by the County.

Current Liabilities: This includes accounts payable, accrued expenses, and deferred revenue that are likely to be paid or utilized, usually within a year. These differ from noncurrent liabilities such as mortgages and long-term notes payable. Based on the current assets and liabilities, we derive the "Current Ratio." In an optimum condition, the ratio should be at least 2:1, which means that for every dollar coming due, at least two dollars should be available to pay these expenses. For this metric, higher is better.

Maplewood's current ratio is reasonable under the circumstances (as evidenced by the graph below), which contrasts with its operating deficits. However, this ratio is overstated by the effect of cash received under the IGT.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

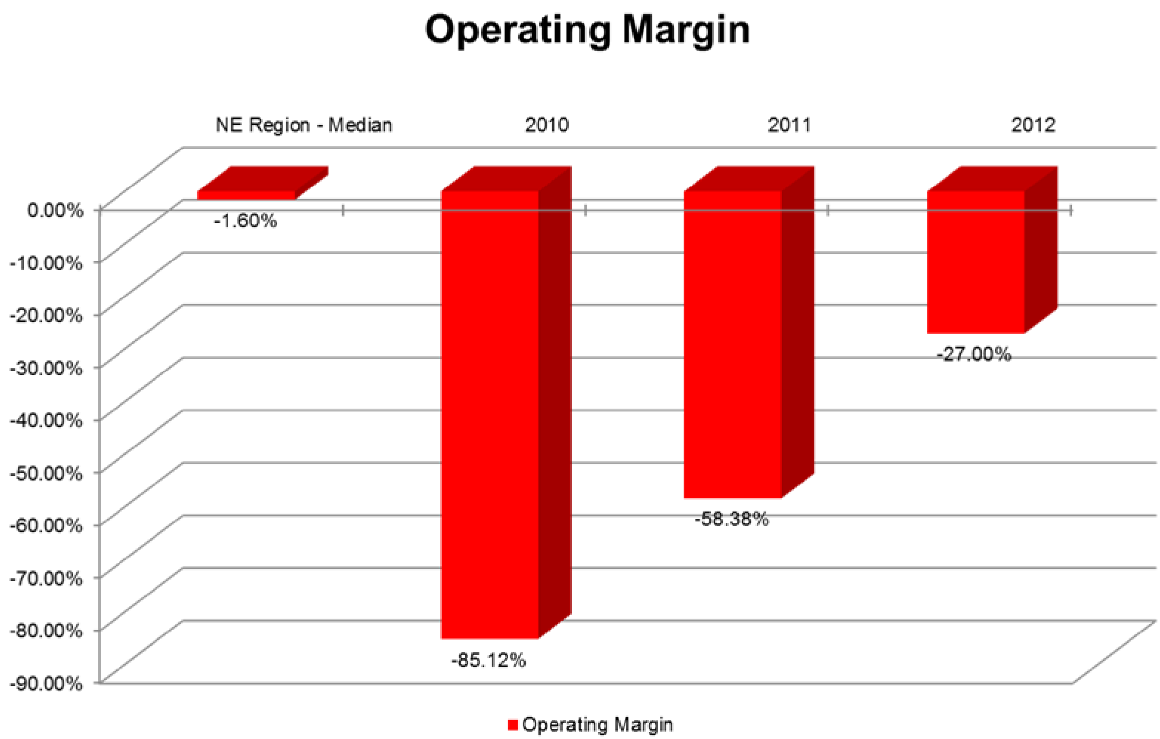


Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

B. Operating Margin

The operating margin is the most revealing in terms of sustainability. As is shown, the operating margin is so significantly negative that it calls into question the current operating capability of the nursing home. In this section, we have made some comparisons with nursing homes in the surrounding communities including public facilities and voluntary-nonprofit nursing homes.

As evidenced in the graph below, it is obvious Maplewood's operating margin is significantly out of line with the practices in the surrounding counties.

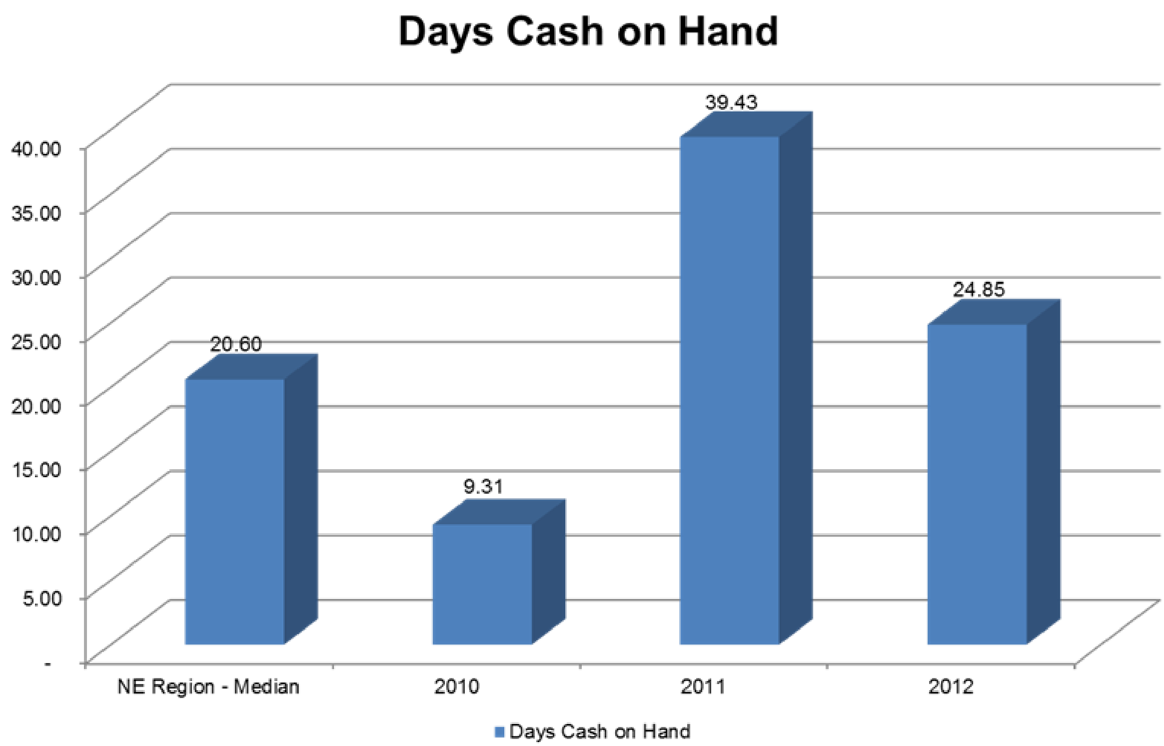


Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

C. Cash on Hand

After reviewing the operating margin, the next proper area of examination is the days of cash on hand to operate. Again, we utilize a comparison with the same facilities as above. It appears that Maplewood has better days of cash on hand on a marginal basis in 2012. The 2011 cash is an artifact of the receipt of the IGT that was received in 2011. From an operating basis, if the IGT was not available, the days of cash would fall below acceptable levels.

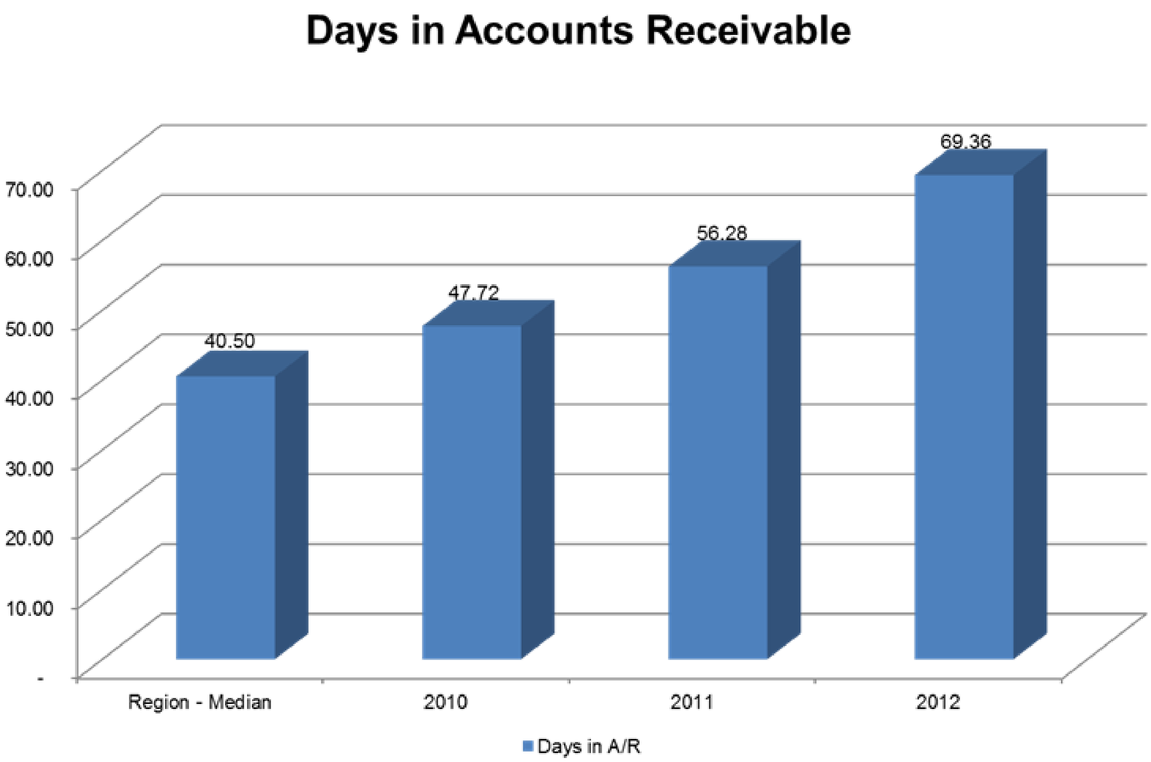
The metric of "days of cash" provides insight into the question of how long a facility can continue to operate at the current service levels if all sources of cash were suddenly terminated? Higher numbers are positive. Of course, this places a burden on the County to provide sufficient cash flow to operate the nursing home.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

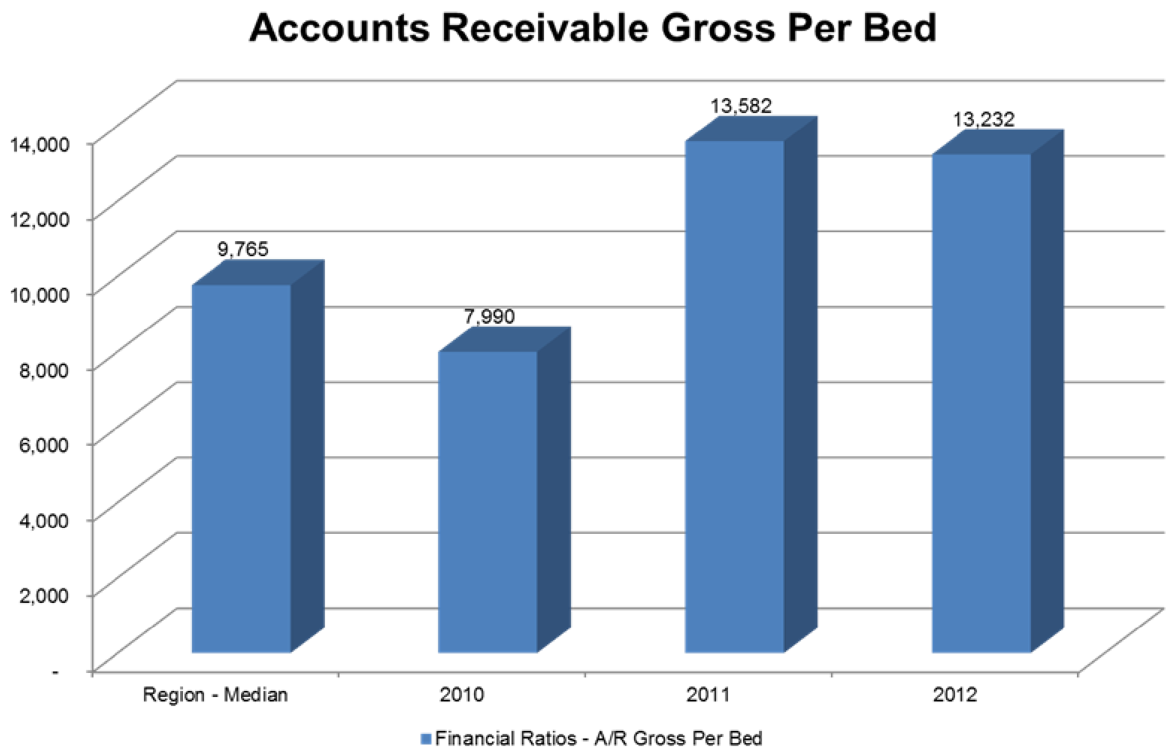
D. Accounts Receivable

Another revealing insight from the balance sheet is the number of days of aging accounts receivable. The "days" metric demonstrates how many days it takes the facility, on the average, to collect its billings. Obviously, the sooner the facility can issue, invoice and receive payment, the better. It appears Maplewood could improve on this front to ensure the necessary flow of cash continues to exist to allow operations. The days in accounts receivable is also affected by the amount of bad debt—meaning the amount that mostly likely will not be collected. The allowance in 2010: $550,000; 2011: $700,000; and 2012: $600,000 (projected).



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

Another way to help determine whether Maplewood's accounts receivable are in line with comparable nursing homes is to compare the accounts receivable on a per bed basis. This is a standard metric in the industry.

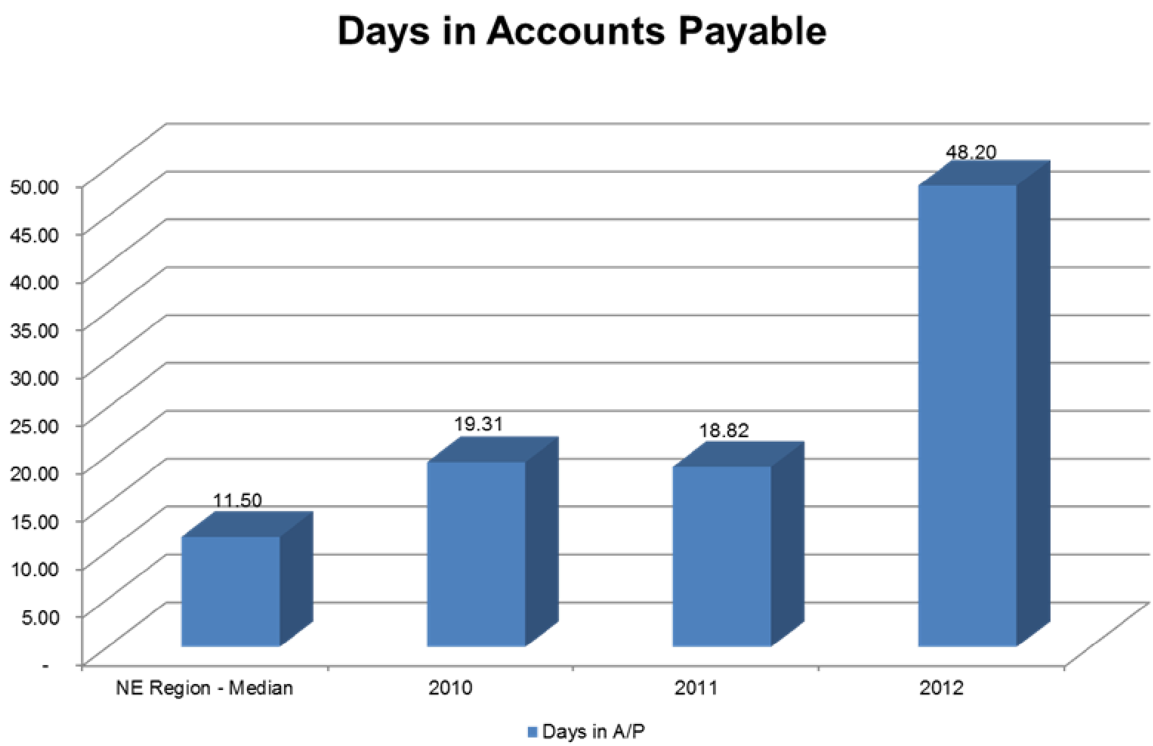


Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

As shown above, Maplewood exceeds the Northeast average by over 35%. This is an area which Maplewood should aggressively pursue in its billing and collections.

E. Accounts Payable

Another component we examined to evaluate the ongoing viability of Maplewood is a review of the accounts payable. Accounts payable are payments due, including payments due on invoices from various vendors and payables to third parties like the state of New York. Maplewood days exceed the average in the comparison group and might indicate a set of issues regarding obligations and vendor relationships. This shows that it takes twice as long to pay vendors as it did in 2010 and almost four times longer than the Northeast Region.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

3. Comparative Analysis

As we continue to examine Maplewood, a set of additional comparisons will indicate if Maplewood is in line with other nursing homes and where areas for assessment and improvement exist. The charts below are based on the latest complete data available, which is 2010 data. The Key Financial Ratios table below utilizes data through 2012. Where possible, we have used 2012 data supplied to the consultants from the County Administrator's office to help present a current and accurate profile of Maplewood Manor.

Below is a summary of key financial ratios.

Key Financial Ratios

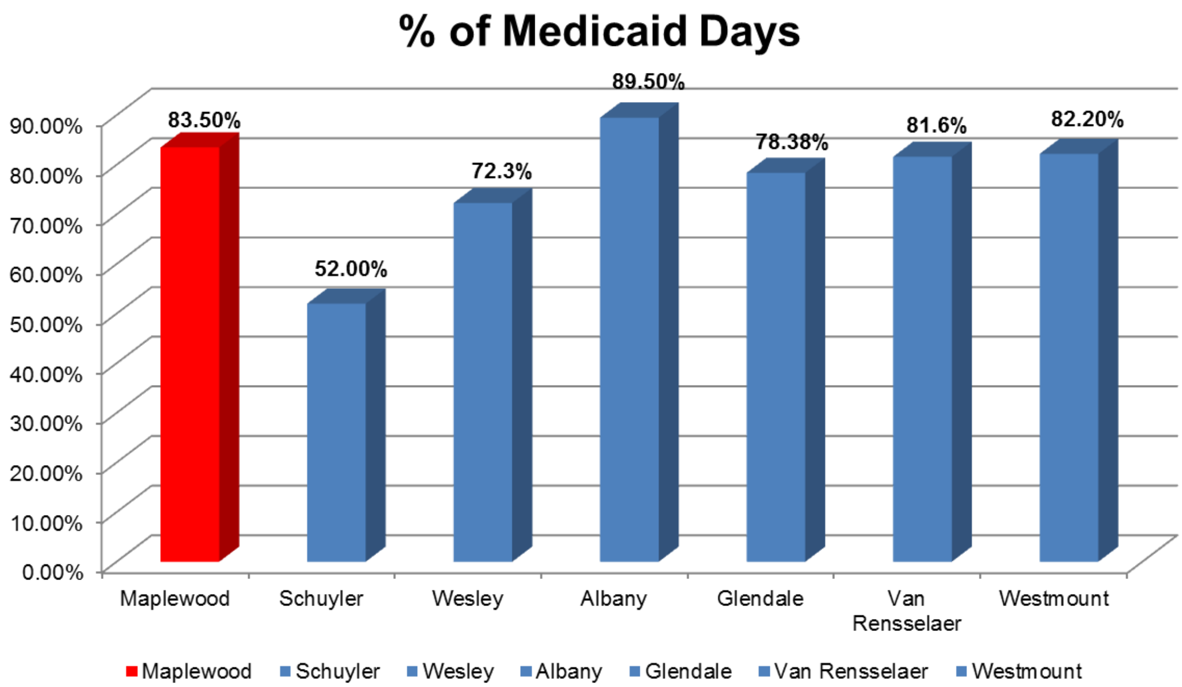
	Northeast Region – Median	Maplewood Manor 2012	2011	2010
AR Gross Per bed	9,765	13,232	13,582	7,990
Current Ratio	1.00	1.77	2.17	1.20
Days in A/R	40.50	69.36	56.28	47.72
Days in A/P	11.50	48.20	18.82	19.31
Operating Margin	-1.60%	-27.00%	-58.38%	-85.12%
Days Cash on Hand	20.60	24.85	39.43	9.31

Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

This table provides an overview of the various comparisons we have made for the last three years. Analysis and commentary has already been provided above on each of the variables listed.

Conclusion: It is obvious that Maplewood's operating deficit is significantly out of line with other nursing homes.

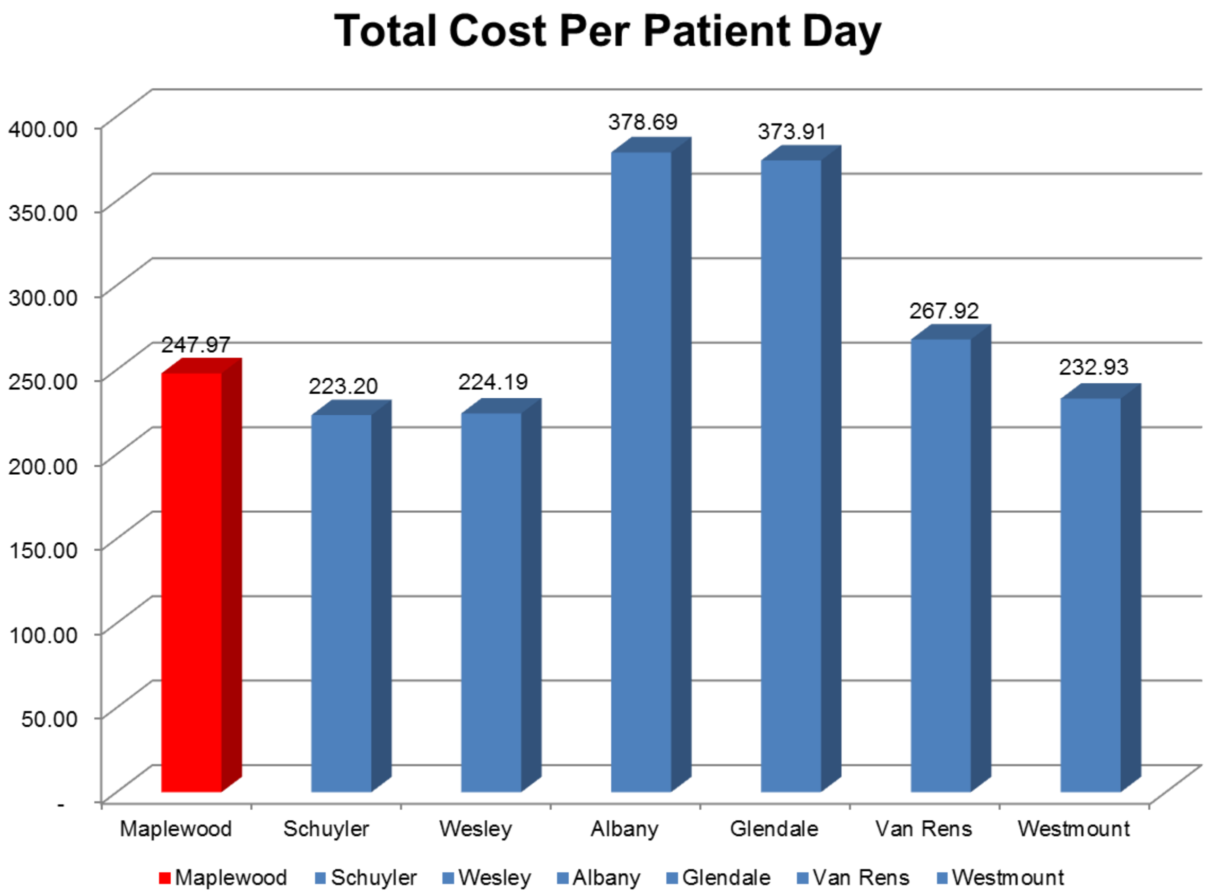
In further support, the following graphs are listed below (graphs include voluntary nonprofits and several surrounding public facilities):



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

Conclusion: This graph indicates Maplewood primarily relies on Medicaid as the major payor and exceeds almost all the comparable facilities. Medicaid tends to pay at a rate that is below costs.

Another relevant comparison is the total cost per day:



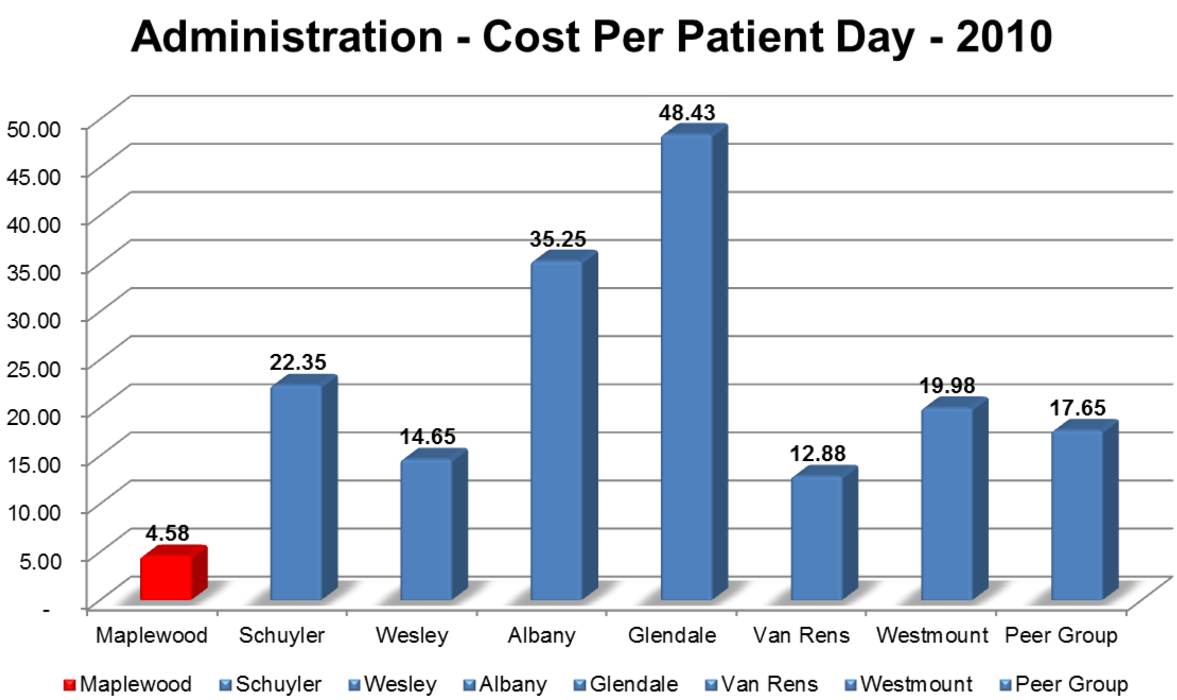
Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

These graphs are based on 2010 data, which is the latest information available to conduct comparisons.

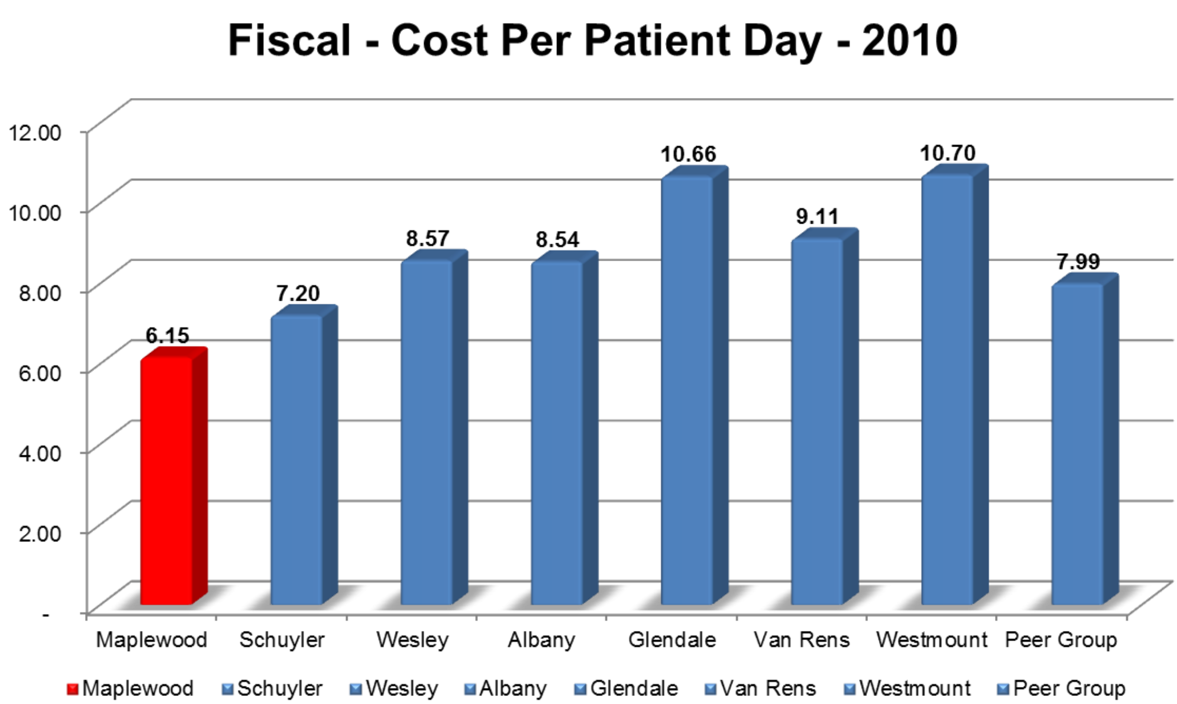
Conclusion: In short, Maplewood exceeds the nonprofit homes by close to 12% and is lower than the other county nursing homes in some cases by a large margin. It is instructive that these other nursing homes are facing equally challenging decisions in their sustainability.

We have made a point of comparing Maplewood costs and staffing with other facilities in the Northeast Region. Comparisons are a way of flagging certain areas that might be out of line or need further investigation.

In the areas of Administration and Fiscal costs per patient day (see graphs below), Maplewood has very favorable ratios which indicate management and the County have been exercising prudence when it comes to these cost centers.

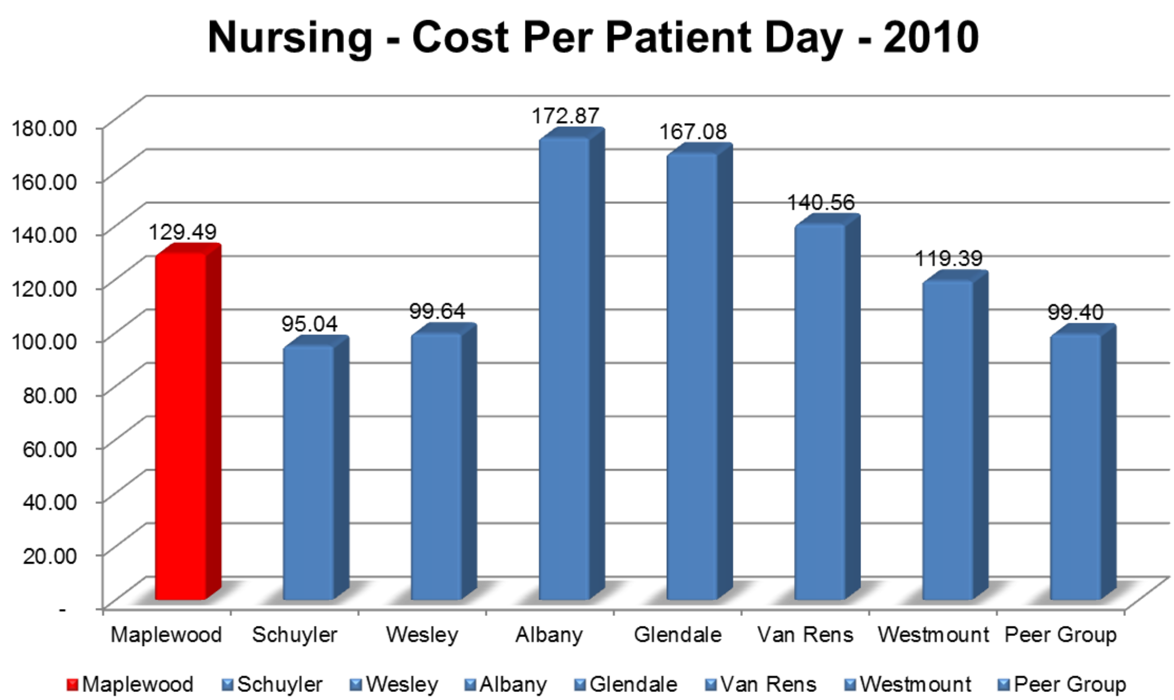


Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

The area of nursing including RNs, LPNs, and CNAs is critical to the success of any nursing home. Nursing services represent the bulk of direct care staffing and reflect on the adequacy or sufficiency of an operation. We use "nursing costs per patient day" as the basis for comparison. For Maplewood, the nursing cost per patient day exceeds the peer group by $30 per day and compared to the nonprofits, Maplewood exceeds these facilities by over $30 per day but is less than the other public nursing homes in the area. The higher costs compared to the nonprofits reflects the wages and benefits paid by Maplewood. In terms of staffing hours per patient day, when Maplewood is compared to other public nursing homes, it does not have excessive hours per occupied bed. In fact, Medicare Compare has given Maplewood only two stars for staffing because of its low hours per patient day.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

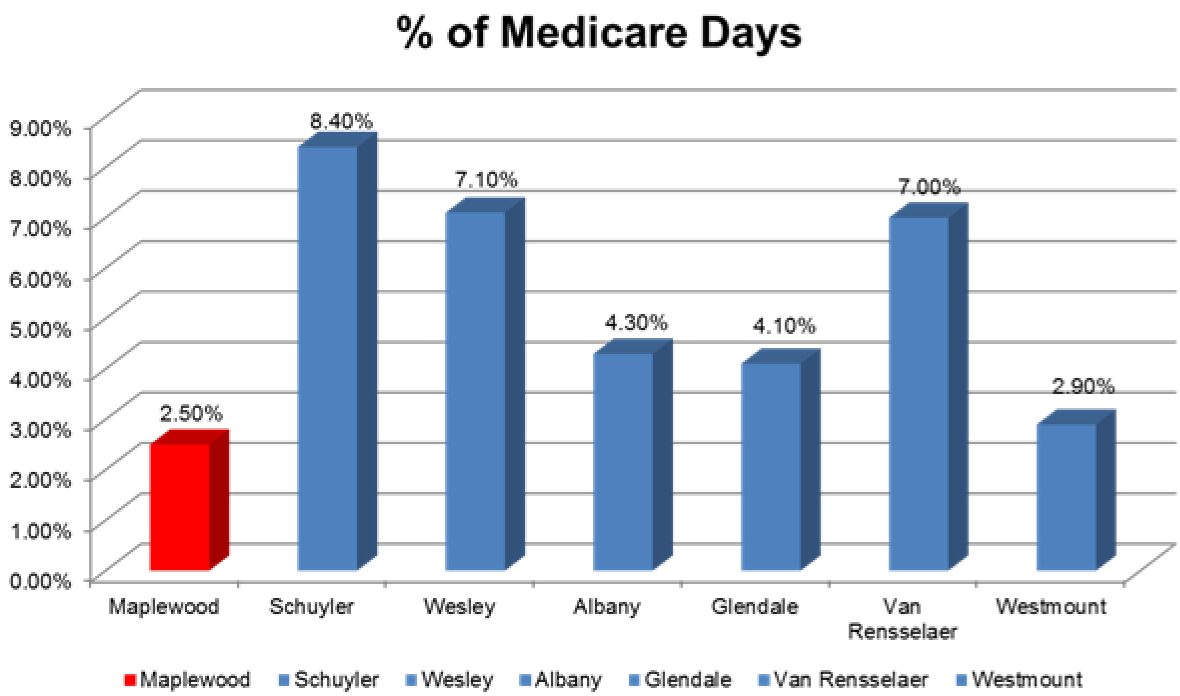
Census Comparison

	FACILITIES						
	Maplewood	Schuyler	Wesley	Albany	Glendale	Van Rensselaer	Westmount
Total Beds	277	120	356	250	200	362	80
Specialized beds							
Respite beds							
Total Medicaid Days	83,269	22,229	91,112	77,786	57,221	104,460	23,420
% of Medicaid Days	83.50%	52.00%	72.3%	89.50%	78.38%	81.6%	82.20%
total Medicare Days	2,493	3,591	8,947	3,737	2,996	8,961	826
% of Medicare Days	2.50%	8.40%	7.10%	4.30%	4.10%	7.00%	2.90%
Total Mcare/Mcaid HMO	1,396	1,069	4,411	87	512	2,432	57
of Mcare/Mcaid HMO	1.40%	2.50%	3.50%	0.10%	0.70%	1.90%	0.20%
Private Pay	11,069	15,133	19,659	3,042	9,062	9,345	4,188
% of Private Pay	11.10%	35.40%	15.60%	3.50%	12.41%	7.30%	14.70%
Other	1,496	727	1,890	2,260	3,215	2,816	-
% of Other	1.50%	1.70%	1.50%	2.60%	4.40%	2.20%	0.00%
Total days	99,723	42,749	126,020	86,912	73,006	128,015	28,492
max days	101,105	43,800	129,940	91,250	73,000	132,130	29,200
% Occupancy	**98.63%**	**97.60%**	**96.98%**	**95.25%**	**100.01%**	**96.89%**	**97.58%**
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
CMI Medicaid only	**0.83**	**1.02**	**0.94**	**0.91**	**0.89**	**1.03**	**0.95**

Highlights From Table Above:

- The number of Medicare days where reimbursement rates would be higher is very low, which contributes to the financial weakness of Maplewood.
- Medicaid CMI is one of the lowest in the comparison group. This lowers the already below-cost Medicaid reimbursement rate.

The occupancy as of July 30, 2012 is at 89%, which compared to the occupancy in 2011 of 98.6% is lower and depending on the reasons behind the change may be cause for concern to analysts because of the potential loss of revenue. In the case of Maplewood, this percentage decrease is in part a function of action taken by the County and Nursing Home administration to eliminate or reduce the effect of the "no pay" condition the nursing home was facing. This is explained in the next section.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

Based on the information from the chart above, the percent of Maplewood's Medicare days is clearly too low. Medicare reimbursement policy has incentivized nursing homes to accept Medicare patients for post-acute care in order to reduce the length of stay in hospitals. CMS continues to pursue this policy. Most nursing homes in New York have made a significant effort to attract these referrals.

Conclusion: Maplewood Manor needs to aggressively pursue Medicare admissions.

LABOR CONTRACT

The terms and conditions of employment of the vast majority of employees at Maplewood are governed by a collective bargaining agreement entered into between the County and the Civil Service Employees Association, Inc., a Local 1,000 AFSCME-AFL-CIO ("CSEA").[38] The current collective bargaining agreement ("CBA") became effective as of January 1, 2010 and terminates on December 31, 2012. It is important to note that pursuant to New York State law the terms and conditions of the CBA will continue in effect past December 31, 2012 in the absence of the negotiation of a successor agreement. While it is our understanding that certain negotiations have begun with respect to the successor agreement between the County and CSEA, it is not unusual for negotiations to continue past the expiration date of the current contract. Moreover, due to fundamental costs associated with unionized government employees, it is unlikely a new agreement will be reached that in any way substantively will change the terms and conditions of the current CBA. Therefore, for purposes of this analysis, it is assumed that the provisions of the current CBA will be in effect for all relevant time periods.

1. Compensation Structure

The current CBA contains a salary structure for 2010 through 2012 for all CSEA employees with the County, not simply those working at Maplewood Manor. In addition to the salary set forth in the "Salary Plan" pursuant to the CBA, employees for certain positions at Maplewood Manor receive an additional differential payment per position ranging from $3,510.00 (head cook) to $5,460.00 (cleaners, food service helpers and laundry workers), annually.

In addition, pursuant to the CBA all CSEA employees received a one-time payment of $600.00 upon the ratification of the CBA. Further, all employees hired after July 2, 1977 (therefore, effectively all workers) receive additional "increments" to their salary, with these increments of approximately $570.00 per year payable upon the completion of each of the first five years of full time employment. Following the payment of those "increments" those same employees also receive "longevity increments" at the completion of 7, 10, 15, 18 and 24 years of service, respectively. These longevity increments vary by salary rate but, in general, amount to raises of approximately 1.5 to 1.9% over and above any other contractually negotiated raises covering the period in question.

Other factors impacting overall employee compensation are driven by the nature of Maplewood and the need for 24 hours per day, 7 day per week services. Shift differentials are paid to employees based upon the shift worked. Those employees working the 3 p.m. to 11 p.m. are paid an additional 3.5% of their actual salary

[38] *See* Appendix D.

rate. Employees working the 11 p.m. to 7 a.m. receive an additional 7% of their actual salary rate. All full time employees who are regularly scheduled to work on weekends receive an additional 5% of their actual salary rate for all weekend days worked.

The compensation structure outlined above is not intended to be a comprehensive summary, but is offered to illustrate that the overall employee costs to the County attendant to the operation of Maplewood are not limited to an examination of current salaries. Further, the increase in costs to the County under future CBA's cannot be measured simply by reference to an agreed upon percentage increase in salary, but must instead take into consideration each and every one of the compensation elements contained within the CBA.

2. Contractual Provisions to be Considered

A. Maplewood Work Day:

Pursuant to the CBA all full time Maplewood employees work a 37 ½ hour work week and have a normal work period of 10 days in each 14-day cycle. As this is a specific contractual provision, any attempt by the County to change the work week is a subject of mandatory negotiation with CSEA.

The work week for maintenance and grounds personnel is a 40 hour work week on a five day per work week basis.

B. Overtime Compensation for Employees Working "10 day out of 14 Schedule":

All hours worked in excess of 80 hours in a particular 14-day period are compensated at the overtime rate of time and one-half of the employees' hourly rate, or rewarded with compensatory time as set forth below. In addition, overtime is required to be paid for any time worked on an employee's regularly scheduled day off, regardless of whether the time puts the employee over the 80-hour limit.

C. Compensatory Time:

Compensatory time is awarded at a rate of 1½ hours for the overtime hours worked, and may be accrued up to a maximum of 100 hours per employee. This accrual of compensatory time constitutes a liability for the County as all of the allowed accrual must eventually be paid at the conclusion of employment.

Pursuant to the CBA, overtime at Maplewood is distributed in accordance with overtime rosters maintained by job title or groups of job titles with an original placement of overtime rosters determined on seniority basis. Pursuant to the CBA, overtime must be offered to employees in seniority order from the overtime roster.

3. Health Insurance

Pursuant to the current CBA, the County offers the traditional Blue Preferred Provider Organization 835 (hereafter "PPO Plan") as well as the BlueShield Point of Service 218 (hereafter the "POS Plan"). Current co-pay obligations of the employee under the POS plan are $25 and co-pays for prescription drugs are $5 for generic, $25 for formulary and $55 for non-formulary.

Currently, the County pays the entire cost for health insurance for employees hired before January 1, 2001.

For County employees hired after January 1, 2001 but before January 1, 2011, the employee reimburses the County 15% of the costs of the chosen health plan.

For those employees hired after January 1, 2011 the employee reimburses the County for 20% of the costs.

In retirement the County bears the entire cost of health insurance premiums for all employees hired after January 1, 1974.

4. Working Conditions

While the County as an employer retains the right to make decisions with respect to the working conditions at Maplewood, those rights are limited both by the CBA and the provisions of NY law, particularly with regard to any attempts to reduce staffing levels at Maplewood, to seek to subcontract out any services currently performed at Maplewood, or to engage in any other transfer of operation of the facility. The County must at all times be aware of its rights and the limitations on those rights with respect to the CBA when making any decision with respect to the continued operations of Maplewood.

Whenever positions in the non-competitive or the labor class are abolished, for example, pursuant to the CBA lay-offs are required to be made among employees holding the same job title in the inverse order of their seniority. As compensation is closely tied to the employee's length of service, this results in the least costly employees being the first to be laid off in any reduction in force.

Also pursuant to the CBA, in the event of a contemplated lay off, the County must provide the CSEA with lists containing the title, department and seniority dates for each employee, not less than 30 days prior to the planned lay off. Further, upon request by CSEA, the County is obligated to “meet with the Union to discuss the anticipated lay-offs”.

5. Transfer or Subcontracting of Work

While the County enjoys a managerial prerogative to abolish a particular service currently offered at Maplewood, there is a clear distinction drawn in the law between the abolition of a service and the subcontracting out of the work. To the extent that services being provided at Maplewood are currently being performed by Union employees, the County may not subcontract out the work without negotiating the issue with the CSEA. By contrast, should the County choose to completely eliminate a service in its entirety and maintain no indicia of control over the service, that is not a subject of mandatory negotiation with the Union. The impact of the abandonment of the services upon employees may be a required aspect of bargaining (with respect to termination arrangements and severance terms, for example) but the fact of the abolition of the services is not subject to mandatory negotiation.

To be clear, any attempt by the County to reduce costs by the abandonment of some or all services at Maplewood requires that the County **completely remove itself** from the provision of the service, maintaining no control over the means or methods of the provision of the service, nor any other control e.g. providing space, coordinating visits, performing scheduling.

So long as the County is a continued presence in the operation of Maplewood, either directly or through a surrogate, the terms and conditions of the CBA will remain in effect with regard to all employees at the nursing home.

TAKING ACTION

In the following sections, we discuss current activities to improve revenue and reduce expenses. In addition, we provide recommendations that may be made in the short term to potentially improve the financial condition of Maplewood Manor.

Current Activities

The Board of Supervisors, the Nursing Home Administration and the County Administrator's office have taken several steps to close the deficit gap without compromising quality of care. The following are actions currently being taken or actions already in place.

Improving Revenue:

- ✓ **Training completed for implementation of IV therapy.** Some applicants for admission require IV therapy for a period of time after admission. Providing IV therapy will allow these higher complexity residents to be admitted which will enhance the facility's Medicare rate. Implementation began in August 2012. With the use of IV therapy, residents who are medically stable, who in the past would have had to go out to the hospital for IV hydration or IV antibiotics, will no longer need to do so. This is responsive to the policy demands under national and state reform agenda. With Maplewood's census down and bed hold reimbursements no longer forthcoming, this will allow residents on Medicaid to remain in the building and will increase revenue for these residents. This will also increase the Medicaid case mix index, and therefore increase the Medicaid rate. Lastly, managed care insurance companies are approaching Maplewood to establish contracts that would pay an enhanced rate when the facility keeps residents in the nursing home instead of sending them to the hospital. With stable residents needing IV therapy staying in the facility, these contracts could be developed.

- ✓ **Contracted with Harmony Healthcare**. Harmony Healthcare has been coming into the facility monthly since March 2011. Harmony is working with MDS nurses and the therapy staff to ensure that residents are improving to their highest practical level and that documentation supports the services rendered for payment purposes. In January 2011 the average Part A Medicare rate was $346.66. The average Medicare Part A rate in May 2012 was $426.61, an increase of $79.95 per Medicare day. Harmony has begun conducting analyses to evaluate residents receiving Medicare Part B services which impact the Medicaid case mix. This may improve Medicare revenue.

- ✓ **Private Pay Rate.** Each fall, Maplewood's administration has traditionally reviewed the facility's private pay rate against the previous year's audited financial statements and, where appropriate, proposed increases to help cover costs. In accordance with this established practice, a new rate of $307/day (plus the New York State cash assessment) was adopted by the Board of Supervisors in November 2011, an increase from the prior rate of $260 plus cash assessment. The Board's Standing Committee on Public Health requested that the process be reviewed earlier in 2012 with the possibility of another rate increase at that time. Therefore, in June 2012 Maplewood's administration recommended a new private pay rate of $322/day plus cash assessment based on analysis of Maplewood's 2012 budget and projected 2012 bed days. As an option to further enhance revenue, the Board of Supervisors adopted not only this rate for semi-private rooms but an additional, higher rate for private rooms ($342/day plus cash assessment). There are approximately 45 to 50 rooms at Maplewood that are specifically designed to be occupied by one resident. Traditionally these rooms have housed residents who have difficulties with their roommates, although private pay residents have received priority admission as long as the rooms were available. With this change, any private pay residents who request a private room will be provided with one. The new private pay rates are effective as of August 1, 2012.

Decreasing Expenses:

- ✓ **Hiring Freeze.** The Board of Supervisors imposed a county-wide hiring freeze in July 2011 with a vacancy control process. By the end of the year, the vacant positions remaining at Maplewood Manor allowed for certain vacant positions to be de-funded in the 2012 budget, resulting in an estimated savings of more than $363,000. The Board of Supervisors also captured additional savings exceeding $50,000 by abolishing two previously filled positions.

- ✓ **Review of supply costs compared to other area facilities**. Using software available through the facility's membership with Leading Age, the facility completed a supply cost comparison with other area facilities. The results indicated that even based on acuity, Maplewood's food and medical supply costs are lower than comparison facilities.

Current Change in Admission Policy:

In May 2011, at the direction of the Board of Supervisors' Standing Committee on Public Health, Maplewood began the process of revising its admission and collection policy. The effort began due to growing concerns that the existing procedures for assessing and approving prospective residents allowed for a certain amount of latitude that, in some cases, resulted in residents having been granted admission into the facility without a guarantee of payment in place, particularly

Medicaid residents. The delinquent payments facing the facility as a result of these procedures resulted in an accumulation of approximately $700,000 over a 10 year period.

Maplewood's administration acknowledged in particular the difficulty of the Medicaid approval process. At the time, there were eleven residents who did not have Medicaid in place and did not have immediately available private resources. Their Medicaid applications had been submitted, some dating back to September of 2010, but were not yet approved. Also acknowledged were the procedures for initiating legal action to collect on bad debt, which dated back to 2002 and involved a series of steps the Public Health Committee believed could be shortened in an effort to decrease the County's losses on bad debt cases.

From May 2012 through September 2012, Maplewood administration worked with the Public Health Committee, its chairman, and county administrative officials to revise the admission and collection policy and address these concerns as well as others that were identified during the revision process. The changes implemented included:

- As a condition for admission, potential residents must have a Power of Attorney who resides within New York State. If the potential resident cannot complete a Power of Attorney document, then a guardianship must be in place. This policy was enacted to better facilitate the Medicaid application process as well as improve the County's ability to collect on bad debt, should the need to pursue legal action arise in the future.

- As a condition for admission, the application for Medicaid must be completed and all related financial documentation provided to Maplewood. Applicants with less than $500,000 in private resources submit financial information for the past five years. This policy was intended to obtain some degree of assurance that a potential resident would be accepted by Medicaid at the appropriate time, and also to help residents and their families better prepare for the time when private resources run out and a Medicaid application must be filed.

- A late fee of 1.5% is charged on any unpaid amounts owed by the resident to Maplewood.

- The collection procedures were shortened, allowing legal proceedings to recover bad debt to begin in a more timely fashion. Among other changes, this included allowing the Public Health Chair, Maplewood Administrator, County Administrator and County Attorney to make the determination to initiate legal proceedings.

- Upon admission, residents are encouraged to transfer their income directly to Maplewood in order to ensure payment for care, subject to a determination by Medicaid regarding income to which a community spouse might be entitled. Beginning in May 2012, private pay residents are also required where possible to pre-pay up to six months of care in addition to the one-month security deposit traditionally required.

One immediate effect of the new policy was a delay in the admission process due to more strenuous vetting of potential residents, leading to an increase in the number of empty beds in the facility. This has resulted in cost savings in areas including staff overtime and supplies. However, the Maplewood administration and Board of Supervisors recognized in early 2012 that in certain cases, the revised admission policy was overly restrictive and blocked a small number of attractive prospective residents from being admitted. Therefore, in May the Board adopted an Admission-Resident Vacancy Review process to determine whether certain specific admission policy criteria should be waived based upon a potential resident's unique circumstances. The Review Committee consists of the Chair of the Board, Chairs of the Public Health and Law & Finance Committees, County Treasurer and County Attorney. The Administrator of Maplewood initiates review of specific applicants for admission. With these processes in place, as of July 18, 2012, Maplewood had 26 empty beds and 2 prospects for admission.

Measured in terms of the lack of "new" bad debt created at Maplewood, it is clear the changes in the admission and collection policy have accomplished their intended goal. Under the new policy, there have been no new admissions that have resulted in bad debt. As of July 18th, bad debt at Maplewood totaled $619,000, all of which was associated with residents who were already at the facility before September 2011. Furthermore, of the 31 individuals whose unpaid bills comprised this total, only seven still resided at Maplewood. These seven residents had all been enrolled in Medicaid and four of the seven were making payments to the facility from their personal accounts to pay down their outstanding debt. Maplewood's administration and the County Attorney's office were in various stages of recouping money from the majority of the remaining 25 cases.

The 251 current residents of Maplewood as of July 20, 2012 were classified as follows: Medicaid: 213; Medicaid Pending: 2; Medicare: 9; Insurance: 3; Private pay: 24.

While the changes in admission policies were proactive and have had the intended results in the short-term, the long-term effect of fewer beds needs to be part of an ongoing review of the admission policies. The balance between loss of revenue from fewer beds compared to the losses of payments from “no pay or bad debt” is worthy of continued review and analysis. Normally, facilities attempt to maximize occupancy; however, in this case it seems to be a calculated trade-off the County has intended to make, at least in the short-term.

Of course, the nursing home administration on a concurrent basis should look to reduce unnecessary staff.

There is a potential positive effect of fewer beds in the short run; the nursing home should review the consolidation of certain units to improve the clinical alignment with acuity levels. Many nursing homes organize the floors/units and staffing to reflect acuity levels: low acuity floors/units would have staffing levels that fit the needs of the residents. Likewise, floors/units with more complex level of needs would have a higher intensity of staffing. Maplewood has organized units using this concept but could do more at this time. Maplewood currently has a 60-bed unit for lighter care.

Please see in the following section other related actions that need to be taken as a result of the drop in occupancy.

Recommended Actions:

- ✓ In light of the drop in occupancy, here are some immediate actions that should be considered: **Changing staffing requirements.** Due to the existing number of empty beds, a review of minimum staffing levels should be conducted to help reduce staffing and uses of overtime.

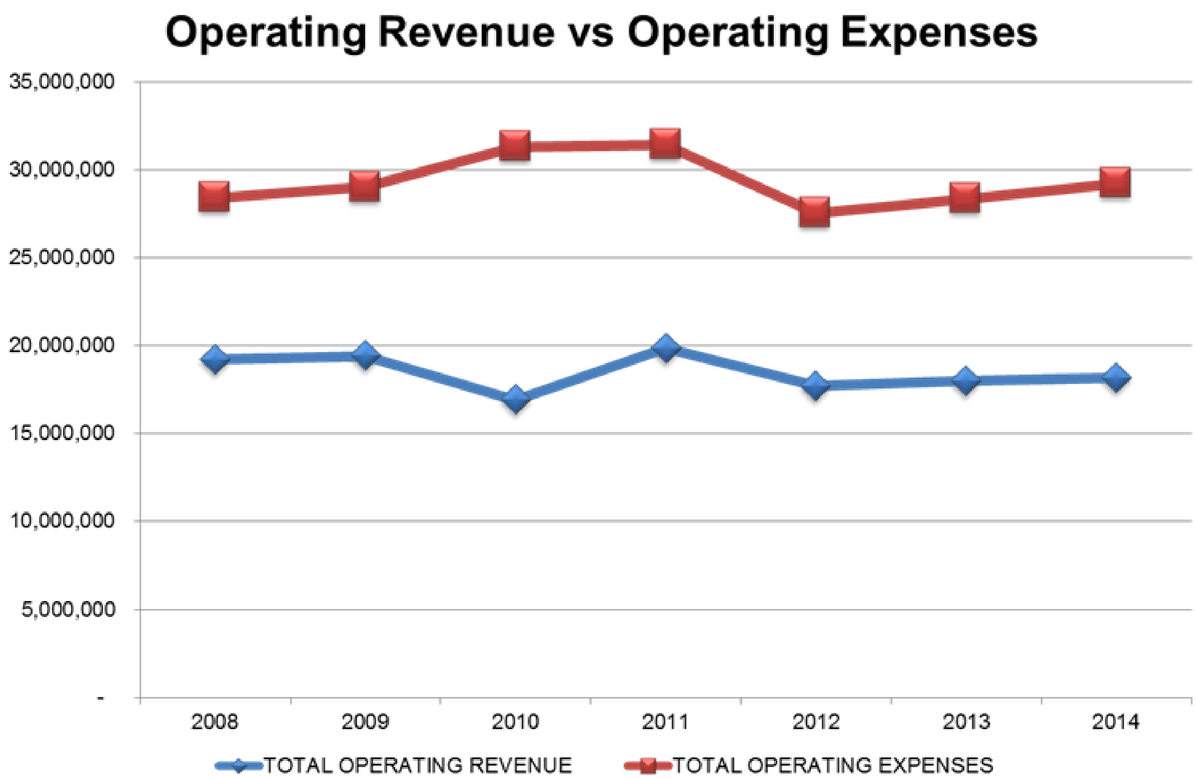
- ✓ Maplewood Manor has one of the highest levels of wages and benefits for direct care and support personnel in the comparison group. Also the post-employment benefit obligations on the balance sheet is a major issue going forward. While this may be controversial, **a consideration needs to be made to reduce the future impact of contracted levels of wages and benefits**. The County needs to address this issue.

- ✓ **Review of contracting-out therapy services.** Many facilities now contract with outside therapy companies. These companies are experts in rehabilitation reimbursement and clinical protocols. The nursing home has reached out to rehabilitative therapy companies who have provided information to the facility. Based on due diligence of other nursing home using these companies, there has been a substantial increase in revenue using rehabilitative therapy companies. The nursing home should seriously consider this practice. However, as discussed in the Labor Contract section above, the County must fully examine its rights and limitations regarding its ability to contract with outside therapy services. To the extent that Union members currently perform those services, the proposed change in the provision of services could only be accomplished by the County completely abolishing its provision of the services. In order to comply with existing law, the County would likely have to take no role in the services, including for example providing space within the facility for the private entity to supply the services. Similarly, the County would most likely be unable to provide transportation of the patients at Maplewood in order to obtain such services, as such could lead to a conclusion that the County is continuing to maintain control over the service.

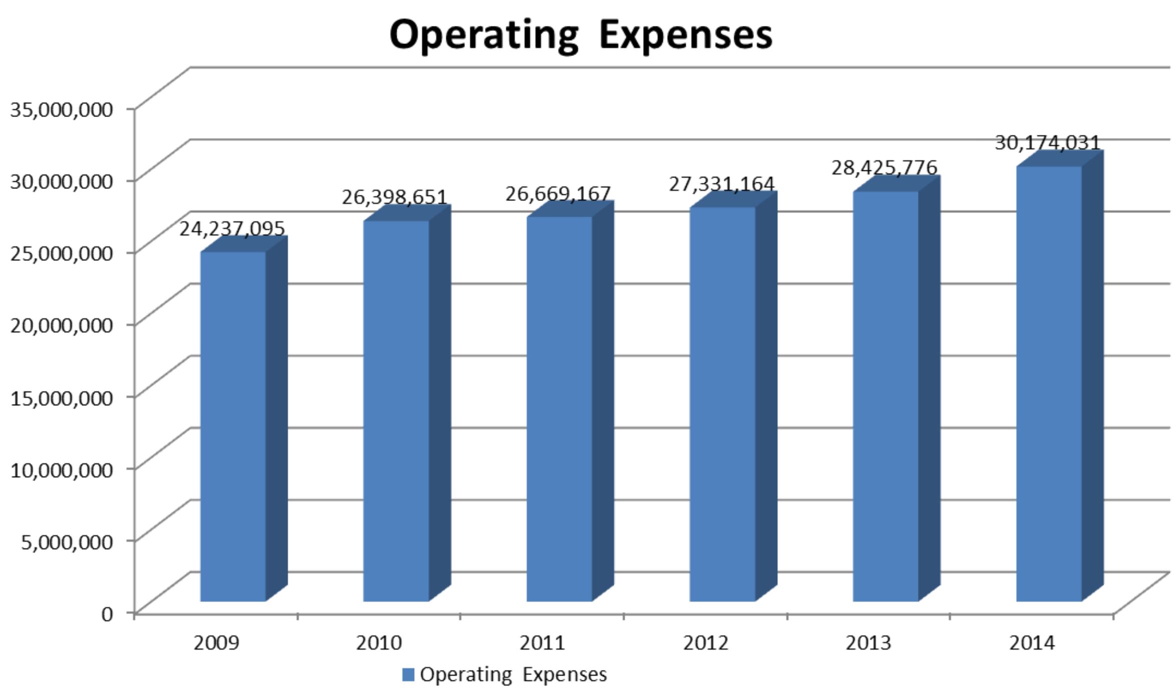
- ✓ **Maximizing Medicare**: With only 3% Medicare, Maplewood has one of the lowest percentages of Medicare in the comparison group. In the world of nursing home operations and with reform measures targeting the reduction of hospital use, increasing Medicare utilization is necessary for Maplewood in order to improve its financial position. Proposed steps:
  - An aggressive marketing strategy needs to be setup by establishing improved relationships with the local hospitals and physician groups.
  - Seek the higher acuity patients for referrals.
  - With a 3% increase in Medicare utilization, Maplewood could increase its Medicare annual revenue by $700,000 using existing Medicare rates.
  - Links to the Medicare strategy should be a review of the facility's consideration of outsourcing rehabilitation services. Utilizing these services will be directly beneficial to maximizing Medicare.
  - Maplewood should also expand a short-term rehab unit to attract the Medicare patient.

Implications of Closing the Deficit

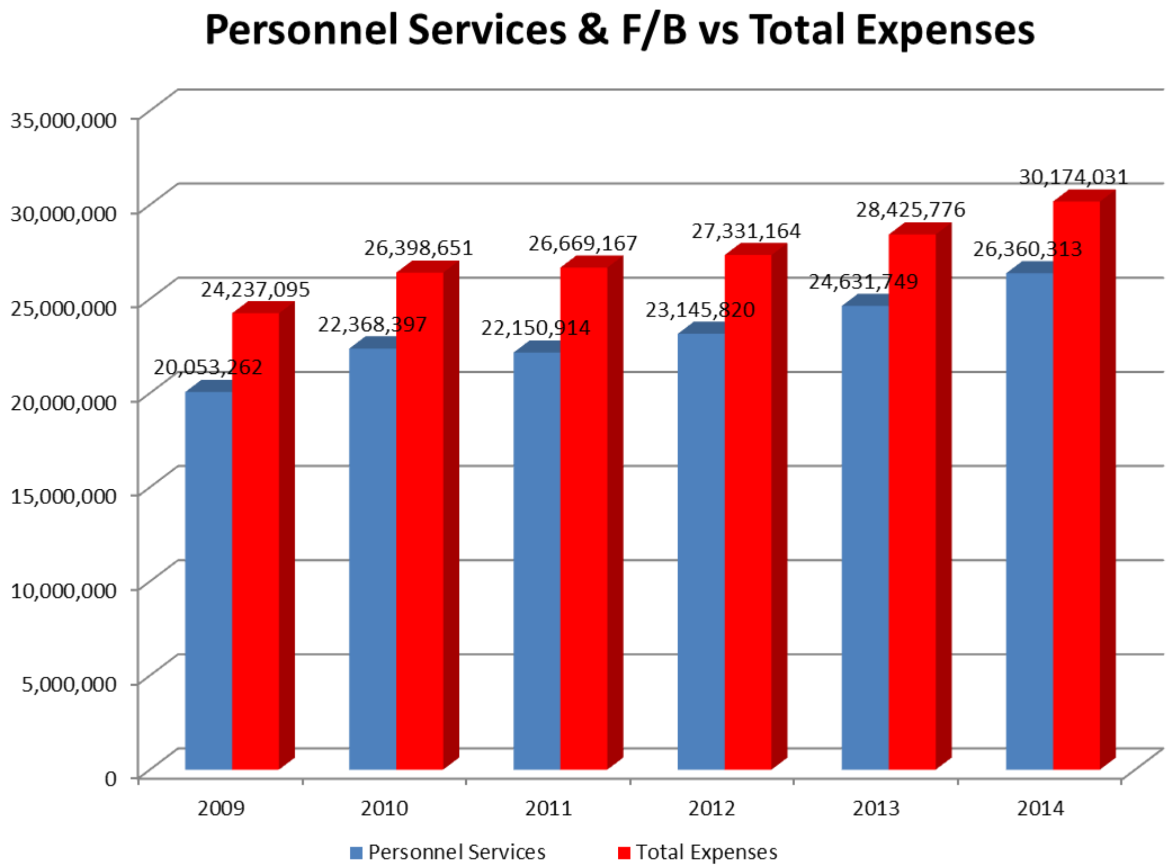
Even if Maplewood implemented all of the recommended measures, it would only help close the deficit on a marginal basis. In the short-run, the effect will be limited. In 2013 and 2014, the anticipated growth of expenses based on County estimates (as indicated in the chart below), the gap continues into the near future and will be exacerbated by the continually changing policy landscape, particularly by state Medicaid reimbursement policies and federal reductions in Medicare payments. It is important to note that for purposes of these projections, it is assumed that the provisions of the current Collective Bargaining Agreement are maintained, including no cost-of-living salary increases beyond 2012.



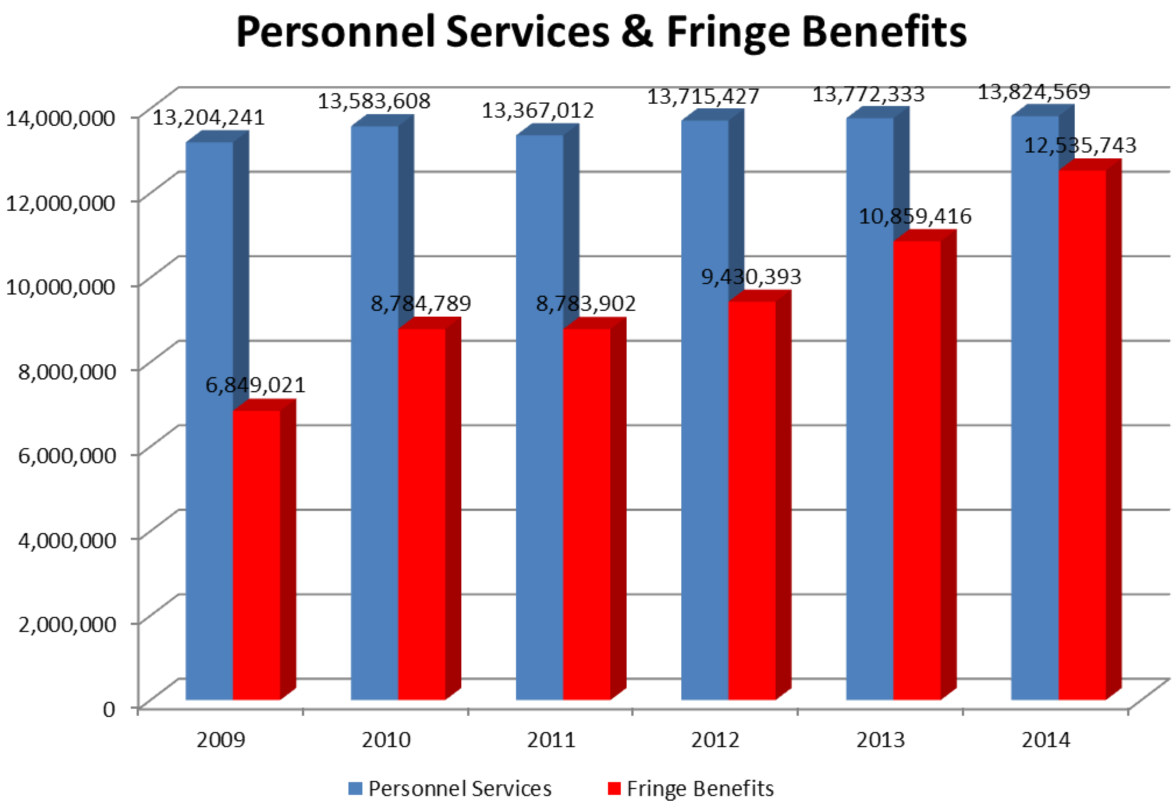
Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

The anticipated level of expenses for 2012 is at $27.0 million. Combined with the current census drop of over 10% and taking into account the recent loss of days and projecting this loss for 2012, we have calculated costs per patient day (PPD) to be $304, which far exceeds the $224 PPD in 2010. This calls for a review of current spending to bring it in line with anticipated loss of days.

Conclusion: Using the current estimate of a deficit of over $9 million for 2012, and with average wages and benefits at over $70,000, Maplewood would have to **reduce staffing by over 35% or over 120 FTEs to break even**. Maplewood currently has 315 FTEs. This action is not attainable under the present collective bargaining agreement and even if such a wholesale change could be achieved via labor negotiations, such a dramatic shift might jeopardize quality of care. **We are not recommending taking this drastic step; however, the County and the nursing home should adjust minimum levels of staffing to reflect levels of care and occupancy levels to achieve as much savings as possible, without sacrificing quality of care.**

Conclusion: The deficit is estimated to grow in 2013 and 2014.

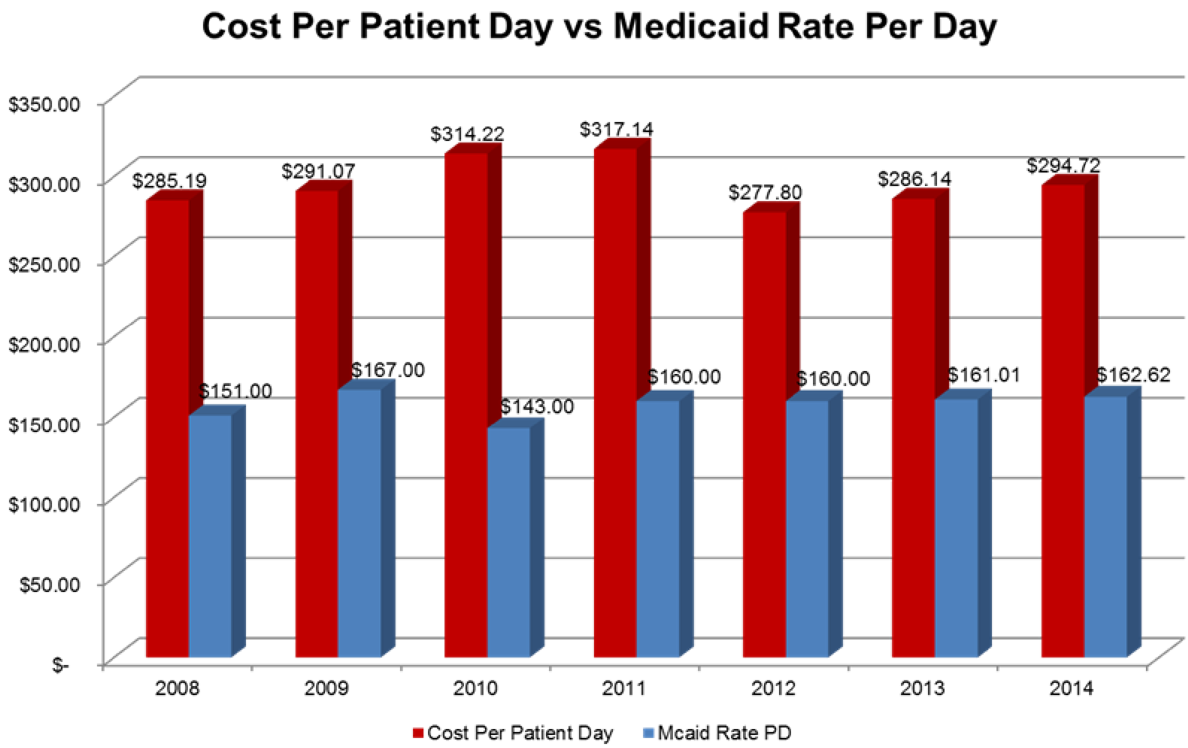
Conclusion: Another fact is the percentage of benefits against wages. (See chart above). Using anticipated spending in 2012 of $13.7 million for salaries & wages against the fringe benefits of $9.4 million, this equates to 69%. This clearly is not sustainable under Medicaid and Medicare reimbursement policies. Using County estimates of growth in expenses, with salaries & wages remaining essentially flat due to controls placed on personnel hiring and with no cost of living adjustments, fringe benefits are anticipated to grow due to a 12% anticipated annual growth in health expenditures and a 30% growth in mandatory payments to the New York State and Local Retirement System, equating to a growth in the percentage of fringe to salaries and wages of over 90% by 2014. This adds to the seriousness of the current deficit and level of efficient operations.

Conclusion: The County should continue to take every step to enhance revenues and reduce expenses.

The value of IGT revenue is critical in reducing the cash flow impact of the deficit, but there is no easy solution to the difficult choices facing the County in seeking alternatives to the structural status quo of the facility. It is also uncertain if IGT will be available in 2012. The future of IGT is less certain in 2013.

A critical factor in assessing the long-term viability of Maplewood is the relationship between costs and Medicaid rates. With Medicaid being the dominant source of payment, if the differential between costs and reimbursement levels is too great, it causes deficits.

As the chart below indicates, the costs will exceed the Medicaid rates by over $100 per day. With Medicaid rates essentially being flat under the new pricing policy, the differential will remain large.



Source: Audited Financial Statements, Projections, and Data from County Administrator's Office.

CONCLUSION

This assessment found there was a clear need for a Maplewood-type facility in Saratoga County. The state Department of Health has identified a bed need of 1004, with a current capacity of 789, leaving an unmet need of 215. The assessment also found Maplewood provided quality care to its residents, a fact that was noticeable during a tour of the facility.

Equally true is that it is undeniable that under its current model, Maplewood is fiscally unsustainable. Draconian measures such as laying off 35% (120+ FTEs) or imposing a 20% tax hike to maintain a model that is no longer viable is illogical, fiscally imprudent, and will dangerously destabilize the County's finances in both the short and long term. We are not recommending implementation of these illustrative examples. The County cannot rationally cut or spend its way out of this dilemma.

There is nothing on the horizon that would appear to relieve the crushing financial strain that the County is under as a result of the Maplewood situation. Federal and state policies do not bode well for the municipal nursing home model. As a result of these policies, more than 800,000 new Medicaid enrollees will join the rolls in New York. Medicare rates will be reduced by 11%, while Medicaid rates will not change upward in any meaningful way. The intergovernmental transfers (IGT) payments from the state which consist of millions of dollars annually have a very uncertain future, and expectations among experts are that they will cease to exist in the coming years. The managed care system, which nursing homes will become a part of as these policies take place, will create an even more difficult environment for these facilities to operate in both fiscally and in terms of basic operations and efficiencies. The Affordable Care Act has been upheld as constitutional and the impact of the decision does not help the current Maplewood model.

Medicaid subsidizes 83% of the approximately 270 beds/patients at Maplewood. In 2010, the daily cost per patient was $317, while the Medicaid reimbursement rate for such patients was $160 per day, leaving a deficit per patient, per day of $157. A host of variables discussed above will only make that situation worse over time.

The labor costs, particularly those costs found in the retirement and fringe benefit packages of the unionized employees are a significant expense. Although the quality of care at Maplewood is acceptable, the cost of labor contributes significantly to the financial crisis facing Maplewood. Moreover, state labor law prevents the County from privatizing or outsourcing any of the union worker tasks, thus as long as the County effectively continues to provide a particular service, it must be completed by the unionized public employee work force.

While the Board of Supervisors, county officials and Maplewood administration have implemented some noble and worthwhile changes, the chasm between the massive deficit and anything approaching a manageable debt load is impossible to overcome with the current financial and operational structure. Continual reliance on multi-million dollar transfers from the County's rapidly shrinking fund balance to close the gap created by Maplewood operations cannot continue without further destabilizing the County's overall financial situation.

On the positive side, the Maplewood physical plant and real estate are debt-free. We recommend that the County conduct a professional due diligence survey and valuation of the Maplewood asset to allow County leaders to make fully informed decisions during the next phase of this process.

Changes to the model must be made to ensure that the legitimate bed need in Saratoga County is filled by a facility such as Maplewood. One of the options that we are suggesting is for Saratoga County to consider exploring the creation of a local development corporation or LDC. Under the control of an LDC, the county would still continue to have obligations to Maplewood and continue to pay for it operations. Employees at Maplewood would continue to be county employees. In the short term, the LDC model provides for a more flexible contracting platform, allows the county to access some of the equity in the facility to explore next steps in the solution, and in some instances provide a level of deficit relief depending on the particular facts and circumstances. The Harris Beach Public Finance practice group is prepared to brief county officials on the specifics of a transition to an LDC model in greater detail, if the county wishes to pursue the recommendation.

Appendix A

Request for Proposals

REQUEST FOR PROPOSALS

Saratoga County, through its Purchasing Department, is seeking proposals from qualified consultants to assist the County in evaluating its options for the operation, management, and/or sale of the County's skilled nursing facility Maplewood Manor.

Proposals, two (2) originals and six (6) copies, will be received until 5:00 p.m. Monday, March 5, 2012 at the Saratoga County Purchasing Department, 50 West High Street, Ballston Spa, NY 12020

The process for addressing any questions regarding this RFP, including those of a technical nature, is covered under the "General Information" section of this document.

BACKGROUND INFORMATION

Maplewood Manor was established in 1980 with a $2 million contribution from the general fund of Saratoga County government. The County has a proprietary interest in all assets and responsibility for all obligations of the Manor. This facility is subject to the rules and regulations of the New York State Department of Health (NYSDOH) and the Centers for Medicaid and Medicare Services (CMS). Maplewood is a 277-bed skilled nursing facility. All expenses relating to this operation are captured in an enterprise fund. The following Financial Statements/Reports are attached:

A. Maplewood Manor Financial Report - December 31, 2010 and 2009

B. 2011 Maplewood Budget Overview and Proposed Plan of Action

SCOPE OF SERVICES

Saratoga County is seeking a professional service/consultant to assist the County in the evaluation of options for the future operation/management of the County's skilled nursing facility ranging from the continued ownership to liquidation of the entire operation. Said service consultant will be asked to assist the County in outlining these options and developing a strategy and plan of action for moving forward.

It is the goal of this project to help County officials look objectively at the range of available options to include continued ownership of the nursing home to the potential sale of this enterprise to an outside vendor.

The service consultant will work with the County to facilitate best practice models to determine the County's strategic plan of action, which may include but shall not be limited to the following:

- RFP Review/Proposal Selection – assisting the County with review and selection of preferred proposal(s), including assistance with interview process, identifying relevant legal issues, and assisting the County in negotiating one or more disposition agreements and/or private management contracts
- Project Structuring – providing the County with general structuring guidance and services including:

  1. Disposition Options. Guidance and implementation for disposition, including options and issues under County Law, Municipal Home Rule Law and alternatives under the Not-for-Profit Corporation Law through a local development corporation. Should the County decide to maintain ownership provide a list of options, and the associated operational changes, that would have to be implemented to restore the facility to a profitable financial condition.
  2. Real Estate Matters. Guidance and assistance with regard to real estate and permitting matters, including title, permitting and land use issues (including SEQRA compliance) associated with the transfer of the County Nursing Home.

3. County Finance Matters. Guidance and bond counsel services under Local Finance Law and Internal revenue Code relating to redemption and defeasance of county debt relating to the County Nursing Home.
4. Labor Matters. Guidance and assistance with regard to Labor Law and issues regarding collective bargaining units and employees of the County serving the County Nursing Home.
5. Health Care Regulatory Matters. Guidance and assistance with regard to facility licensing and other regulatory matters relating to the transition of ownership or programming matters for the County Nursing Home, including NYS Department of Health and related Certificate of Need matters.

PROPOSAL FORMAT:

The following is what is expected in each of the major sections of your proposal. The proposer is to make a written proposal that presents an understanding of the work to be performed. Responses should be as thorough and detailed as possible so the County may properly evaluate the firm's capabilities to provide the required services.

Section A - Introduction:

This section should contain an Executive Summary, which demonstrates your understanding of the Scope of Services. Provide information necessary for Saratoga County to evaluate the qualifications, experience, and expertise of the proposing firm to work with the County.

Section B - Company Profile and History:

Name, phone number, and e-mail address of the person the County should contact with any question on the proposal. The name and title of the person submitting the proposal. Documentation of vendor history, including capabilities in the areas of services to be provided, number of years in business, number of years doing business in New York State, size and scope of operation. Type of organization (corporation, partnership, or sale proprietorship). Identification of individual designated as the account manager for this consulting service and a resume for this individual identifying past experience on similar projects. The County reserves the right to interview this individual and other employees that will be working on this project for the firm.

Section C - Vendor Requirements:

Vendor to include compliance to requirements listed within this Request for Proposals. The proposer shall describe in detail any services that will be subcontracted.

Section D - Pricing Section:

Provide pricing details and all associated costs.

Section E - References:

This section shall contain names of at least three (3) similar contracts within New York State you presently have (or previously had) with other municipalities or local government agencies within the past three (3) to five (5) years. Please include company name, address, telephone number, and contact person.

Section F -Additional Information:

This section should include any additional information the proposer deems helpful regarding the proposed service.

GENERAL INFORMATION

Insurance requirements are attached. Signed Indemnity and Insurance Agreement and a copy of your Certificate of Insurance must be returned with your proposal.

Technical Inquiries -

Should be submitted, in writing, by fax or e-mail to Spencer Hellwig, County Administrator. Questions will be accepted until noon on Wednesday, February 29, 2012.

Spencer Hellwig, County Administrator
40 McMaster Street
Ballston Spa, NY 12020
T) 518-884-4742
F) 518-884-4723
Email address: shellwig@saratogacountyny.gov
(please place "Nursing Home Consultant" in the e-mail subject line)

The resulting answers along with the questions will be forwarded to all interested registered parties receiving the RFP. While all requests for interpretation of the meaning of the RFP must be made in writing, failure on the part of the successful bidders to do so shall not relieve the Vendor of the obligations to execute such services in accordance with a later interpretation by Saratoga County.

Interpretations, corrections, or scope changes made in any manner other than "in writing" will not be binding. Upon mailing, any addendum/clarification will become part of these specifications to the same extent as though originally included herein and will be come binding upon all vendors submitting proposals.

For RFP Process Inquiries contact:

Catherine M. Shrome, Director of Purchasing
50 West High Street
Ballston Spa, NY 12020
T) 518-885-2210
F) 518-885-2220
Email address: cshrome@saratogacountyny.gov

Appendix B

Statement of Revenue, Expenses, and Changes in Net Fund Deficit (2008 – 2014)

Appendix “B”

Statement of Revenue, Expenses, and Changes in Net Fund Deficit
2008 – 2014

	2008	2009	2010	2011	Projected 2012	Projected 2013	Projected 2014	Thru April 2012	% Increase Decrease	2012	2011 CPPD/Avg Rev Per Day	2010 CPPD/Avg Rev Per Day		
OPERATING REVENUE														
NET PATIENT SERVICE REVENUE	18,320,377	19,066,114	17,045,887	19,905,830	17,868,208	18,046,890	18,227,359	6,394,296	16.78%		200.71	170.93		
OTHER OPERATING REVENUE	928,736	468,629	64,746	117,020	3,684	120,000	120,000	1,228	80.74%		1.18	0.65		
BAD DEBTS	(19,380)	(98,643)	(183,905)	(163,970)	(160,000)	(160,000)	(160,000)		-10.84%		(1.65)	(1.84)		
TOTAL OPERATING REVENUE	**19,229,733**	**19,436,100**	**16,926,728**	**19,858,880**	**17,711,892**	**18,006,890**	**18,187,359**	**6,395,524**	**17.32%**		**$ 200.24**	**$ 169.74**		
OPERATING EXPENSES														
PROFESSIONAL CARE	13,191,514	13,645,631	14,940,164	15,092,948	13,187,703	13,583,334	13,990,834		1.02%	48.84%	152.19	149.82	47.99%	47.68%
ADMINISTRATIVE AND SUPPORT	10,512,772	10,042,691	10,871,714	10,871,198	9,498,882	9,783,848	10,077,363		0.00%	35.18%	109.62	109.02	34.56%	34.69%
OTHER POSTEMPLOYMENT BENEFITS	4,185,148	4,781,071	4,955,178	4,936,581	4,313,416	4,442,818	4,576,103		-0.38%	15.98%	49.78	49.69	15.70%	15.81%
DEPRECIATION	550,521	557,169	568,110	551,732	551,000	567,530	584,556		-2.88%		5.56	5.70	1.75%	1.81%
						-								
TOTAL OPERATING EXPENSES	**28,439,955**	**29,026,562**	**31,335,166**	**31,452,459**	27,551,000	**28,377,530**	**29,228,856**	8,120,980	**0.37%**		**$ 317.14**	**$ 314.22**	100.00%	100.00%
Cost Per Patient Day	**$ 285.19**	**$ 291.07**	**$ 314.22**	**$ 317.14**	**$ 277.80**	**$ 286.14**	**$ 294.72**	**$ 81.89**	**0.93%**					
Medicaid Rate Per Day	**$ 151.00**	**$ 167.00**	**$ 143.00**	**$ 160.00**	**$ 160.00**	**$ 161.01**	**$ 162.62**							
OPERATING PROFIT (LOSS)	**(9,210,222)**	**(9,590,462)**	**(14,408,438)**	**(11,593,579)**	**(9,839,108)**	**(10,370,640)**	**(11,041,497)**	**(1,725,456)**	**-19.54%**		**$ (116.90)**	**$ (144.48)**		
NONOPERATING REVENUE														
INTERGOVERNMENTAL TRANSFERS	10,087,134	945,841	-	9,595,577	9,595,577	9,595,577	9,595,577		0.00%					
INTEREST INCOME	21,216	28,424	2,664	1,906	1,906	1,906	1,906		-28.45%					
INTEREST EXPENSE	(85,782)	(67,620)	(48,627)	(56,100)	(56,100)	(56,100)	(56,100)		15.37%					
COUNTY SUBSIDY	(619,947)	3,784,208	6,547,652	-	-	-	-		-100.00%					
TOTAL NONOPERATING REVENUE	9,402,621	4,690,853	6,501,689	9,541,383	9,541,383	9,541,383	9,541,383	-	**46.75%**					
CHANGE IN NET FUND DEFICIT	**192,399**	**(4,899,609)**	**(7,906,749)**	**(2,052,196)**	**(297,725)**	**(829,257)**	**(1,500,114)**	**(1,725,456)**	**-74.05%**					
FUND NET DEFICIT AT BEGINNING OF YEAR	**(6,060,407)**	**(6,060,407)**	**(6,060,407)**	**(13,967,156)**	**(13,967,156)**	**(13,967,156)**	**(13,967,156)**	**(13,967,156)**	**130.47%**					
FUND NET DEFICIT AT END OF YEAR	**(5,868,008)**	**(10,960,016)**	**(13,967,156)**	**(16,019,352)**	**(14,264,881)**	**(14,796,413)**	**(15,467,270)**	**(15,692,612)**	**14.69%**					

Appendix C

Rating Update from
Moody’s Investors Service (Jan. 05, 2012)

MOODY'S
INVESTORS SERVICE

Rating Update: MOODY'S ASSIGNS NEGATIVE OUTLOOK TO SARATOGA COUNTY'S (NY) Aa1 GENERAL OBLIGATION RATING

Global Credit Research - 05 Jan 2012

AFFIRMS Aa1 RATING, AFFECTING $66.4 MILLION IN OUTSTANDING DEBT

SARATOGA (COUNTY OF) NY
Counties
NY

Opinion

NEW YORK, January 05, 2012 --Moody's Investors Service has affirmed the Aa1 rating and assigned a negative outlook to Saratoga County's (NY) general obligation bonds, affecting $66.4 million in general obligation debt. The bonds are secured by the county's general obligation pledge.

SUMMARY RATING RATIONALE

The Aa1 rating reflects: the county's sizeable stable tax base, which has benefited from ongoing economic development in the technology sector anchored by a new microchip manufacturing plant; a narrowed financial position with currently adequate reserve levels; and a low debt burden. The assignment of a negative outlook on the county's Aa1 rating reflects the significant weakening in the county's operating reserves and the challenge the administration faces in restoring financial health.

Effective January 1, 2012, all local governments in New York State are subject to a property tax cap which limits levy increases to 2% or the rate of inflation, whichever is lower. While school district debt has been exempted from the cap, debt has not been exempted for all other local governments. Moody's will continue to treat school district general obligation debt issued in New York as an unlimited tax pledge and continue to research the impact of the property tax cap on debt issued by nonschool districts. For more information regarding the property tax cap please reference the Special Comment "New York State's Property Tax Cap will Further Pressure Local Government Finances; School District's Most Impacted" released July 5, 2011

STRENGTHS

Sizable, stable, diverse economy

CHALLENGES

Recurrent operating deficits have eroded financial reserves

DETAILED CREDIT DISCUSSION

WEAKENED FINANCIAL POSITION

The county's financial position has weakened over the last four years due to ongoing structural imbalance. Aggressive revenue assumptions and significant expenditure demands to support the county nursing home have hampered the county's ability to achieve budgetary balance.

The fiscal 2009 budget included a $4.8 million appropriation of General Fund balance. While expenditures came in well below budget, sales taxes were short of budgeted figures by 13.5%, resulting in a $2.3

million operating deficit. The county closed the year with a $24.5 million General Fund balance, representing 11.8% of revenues.

In fiscal 2010, the county increased the budgetary appropriation of General Fund balance to $7.3 million, closing the year with a General Fund balance of $17.4 million, or an adequate 8.2% of revenues. Driving the increase in the reserve appropriation was an increase in transfers to the Maple Wood Manor nursing home enterprise fund. The actual transfer increased from $3.8 million to $6.5 million, partially due to a delay in receipt of intergovernmental transfers (IGT), which represents the Medicaid reimbursement for nursing homes. Even with timely reimbursement, Medicaid reimburses no more than 55% of daily bed cost. At the close of 2010, the nursing home fund cash balance was a narrow 3% of operating costs. The county is actively considering privatizing the nursing home, and plans to hire a consultant in January establish a legislative subcommittee to consider options. General Fund cash position was a satisfactory 12.8% of revenues at the close of 2010, although a portion of this balance is a pass through of sales taxes collected for the underlying governments. The county held $21 million in additional liquidity in the Sewer Fund at the end of 2010.

In fiscal 2011, the county reduced the appropriation of General Fund balance to $3.4 million, and the county expects to utilize most of this appropriation. While sales tax collections are reportedly up 4% from 2010, the county budgeted for 8% growth. The county reports some relief from an unbudgeted transfer to the General Fund of $3 to $4 million from closed-out capital projects funds in the fiscal 2011. Expenditures are tracking under budget, so the county expects to close the year with a total General Fund balance of $14 million, down $3 million from the close of fiscal 2010. This level of operating reserves is below the norm for issuers in the Aa1 rating category. Failure to restore financial balances places negative pressure on the county's financial health.

The fiscal 2012 budget includes a $7.2 million appropriation of General Fund balance; included within expenditures is a $8.7 million transfer to the nursing home. Conservatively, no IGT money is budgeted, so the receipt of the Medicaid reimbursement would substantially reduce the need to use the appropriation. The budget includes a property tax rate increase from $2.15 to $2.23 and sales taxes budgeted at a more conservative 2% growth over the projected 2011 collections. On the expenditure side, the county implemented a new self-insured health insurance system for a reported savings of $1.3 million. Additional savings of just under $1 million came from defunding vacant positions. There is no provision for salary increases for open labor contracts.

Moody's believes the county's budget will continue to experience pressure given the ongoing need to support the nursing home, as well as increasing pension contributions and expenditure growth. At 7%, Saratoga's sales tax rate is the lowest in the state, given that most counties have an 8% rate or higher. The county reports that it is considering a sales tax rate increase, although this requires state legislative approval.

STABLE, DIVERSIFIED TAXBASE WITH NEW MICRO CHIP MANUFACTURING PLANT

Despite the slowing of the national economy, the county's substantial $22.7 billion tax base has been stable due to the emergence of a technology sector anchored by a new Global Foundries microchip manufacturing plant, complementing ongoing tech-related development in neighboring Albany County (GO rated Aa3). Saratoga County also benefits from a diverse employment base and commutability throughout the Albany-Schenectady-Troy MSA, which has contributed to unemployment rates well below the state and national averages (5.9% in October 2011 compared to 7.7% and 8.5% for the state and nation, respectively) despite population growth. The county is well known for the Saratoga Racetrack and the Saratoga Spa State Park, located in Saratoga Springs (GO rated Aa3), upon which the county's tourism sector is largely based. The presence of Skidmore College (rated A1/stable outlook) adds further diversification to the county's economic base.

The county has experienced consistent population expansion over the last six decades, reaching 219,607 in 2010; this 9.5% population growth is the strongest among counties in the state. In addition, the county's tax base has fared well throughout the recession, with full valuation increasing at an average annual rate of 3.3% from 2007 to 2012, reflecting both new development and regional market appreciation.; Assessed valuation growth slowed in 2012 to 1%, however. The full value per capita is a healthy $103,585. The most recent data shows a very low foreclosure rate, with 1 in every 10,391 housing units received a foreclosure filing in November 2011. Wealth and income levels exceed both state and national averages, and the 2000 census poverty rate is a low 5.7%.

Global Foundries, Inc., the spin off manufacturing arm for Advanced Micro Devices, Inc. (AMD, senior unsecured rated Ba3/positive outlook), is constructing a two million square foot semiconductor manufacturing plant within the Luther Forest Technology Campus located in Malta (GO rated Aa2) in the northern part of the county. The plant has reportedly hired 1,000 employees, with full employment expected at 1,400. The plant has a 49-year PILOT which abates its property taxes by up to $2 million, and the company is currently challenging its assessment. The state has committed $1.2 billion to the $4.6 billion project, which is expected to add $750 million to the county's assessed valuation at build out. The plant is the primary tenant of the Luther Forest Technology Campus encompassing the Saratoga Technology and Energy Park (STEP), a public-private partnership with New York State Energy Research and Development Authority (NYSERDA) that provides incentives to support nanotechnology development. Partnering in efforts to build regional prominence in advanced energy projects and energy applications of nanotechnologies is Albany University's College of Nanoscale Science and Engineering. The Aa1 rating factors our expectation of continued strong economic health within the county.

DEBT BURDEN EXPECTED TO REMAIN LOW

Moody's expects the county's debt burden will remain modest due to limited borrowing needs and annual pay-go capital for road related projects. The county's direct debt burden is a low 0.4% of full value. The overall debt burden is an average 2.4% after accounting for overlapping debt obligations, but declines to a below average 1.3% when adjusting for state school building aid. The county's capital program is largely funded from federal and state aid for roads, with pay-as-you-go basis of $6.8 million approved for fiscal 2012 . The county has no future borrowing plans and no exposure to variable rate debt or any derivative instruments.

WHAT COULD MAKE THIS RATING GO UP (REMOVAL OF THE NEGATIVE OUTLOOK

Better than budget operations for fiscal 2012 and restoration of operating reserves provided for in the 2013 budget

WHAT COULD MAKE THIS RATING GO DOWN

Operating deficit in fiscal 2011 that is worse than currently expected

Continued use of financial reserves in future years

KEY STATISTICS:

2010 Population: 219,607 (9.5% increase since 2000)

2012 Full Valuation: $22.7 billion

2012 Full Valuation Per Capita: $103,585

1999 Per Capita Income (as % of NY and US): $23,945 (102% and 111%)

1999 Median Family Income (as % of NY and US): $58,213 (113% and 116%)

Unemployment (October 2011): 5.9% (7.7% for NY and 8.5% for US)

Direct Debt Burden: 0.4%

Overall Debt Burden: 2.4%

Adjusted Overall Debt Burden: 1.3% (adjusted for state school building aid)

2010 General Fund balance: $17.4 million (8.2% of General Fund revenues)

Debt Outstanding, close of FY 2010: $66.4 million

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was General Obligation Bonds Issued by U.S. Local Governments published in October 2009. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

Although this credit rating has been issued in a non-EU country which has not been recognized as endorsable at this date, this credit rating is deemed "EU qualified by extension" and may still be used by financial institutions for regulatory purposes until 31 January 2012. ESMA may extend the use of credit ratings for regulatory purposes in the European Community for three additional months, until 30 April 2012, if ESMA decides that exceptional circumstances arise that may imply potential market disruption or financial instability. Further information on the EU endorsement status and on the Moody's office that has issued a particular Credit Rating is available on www.moodys.com.

For ratings issued on a program, series or category/class of debt, this announcement provides relevant regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides relevant regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides relevant regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

Information sources used to prepare the rating are the following: parties involved in the ratings and public information.

Moody's considers the quality of information available on the rated entity, obligation or credit satisfactory for the purposes of issuing a rating.

Moody's adopts all necessary measures so that the information it uses in assigning a rating is of sufficient quality and from sources Moody's considers to be reliable including, when appropriate, independent third-party sources. However, Moody's is not an auditor and cannot in every instance independently verify or validate information received in the rating process.

Please see the ratings disclosure page on www.moodys.com for general disclosure on potential conflicts of interests.

Please see the ratings disclosure page on www.moodys.com for information on (A) MCO's major shareholders (above 5%) and for (B) further information regarding certain affiliations that may exist between directors of MCO and rated entities as well as (C) the names of entities that hold ratings from

MIS that have also publicly reported to the SEC an ownership interest in MCO of more than 5%. A member of the board of directors of this rated entity may also be a member of the board of directors of a shareholder of Moody's Corporation; however, Moody's has not independently verified this matter.

Please see Moody's Rating Symbols and Definitions on the Rating Process page on www.moodys.com for further information on the meaning of each rating category and the definition of default and recovery.

Please see ratings tab on the issuer/entity page on www.moodys.com for the last rating action and the rating history.

The date on which some ratings were first released goes back to a time before Moody's ratings were fully digitized and accurate data may not be available. Consequently, Moody's provides a date that it believes is the most reliable and accurate based on the information that is available to it. Please see the ratings disclosure page on our website www.moodys.com for further information.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Analysts

Patricia McGuigan
Lead Analyst
Public Finance Group
Moody's Investors Service

Geordie Thompson
Backup Analyst
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0376
Research Clients: (212) 553-1653

Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
USA

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. ("MIS") AND ITS AFFILIATES ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND CREDIT RATINGS AND RESEARCH PUBLICATIONS PUBLISHED BY MOODY'S ("MOODY'S PUBLICATIONS") MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT

Appendix D

Agreement Between County of Saratoga and the Civil Service Employees Association, Inc., Local 1000 AFSCME – AFL-CIO
(January 1, 2010 – December, 31, 2012**)**

Harris [illegible]
Karl [illegible]
358 [illegible]
[illegible]

AGREEMENT

BETWEEN

COUNTY OF SARATOGA

AND

THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC.

LOCAL 1000 AFSCME - AFL-CIO

JANUARY 1,2010 THROUGH DECEMBER 31,2012

INDEX

		PAGE
PREAMBLE	....	2
ARTICLE I	Recognition	3
ARTICLE II	Collective Bargaining Unit	4
ARTICLE III	Compensation	4
ARTICLE IV	Longevity	7
ARTICLE V	Work Day and Work Week	8
ARTICLE VI	Overtime, Compensatory Payment and Other Benefits	10
ARTICLE VII	Retirement and Health Insurance	15
ARTICLE VIII	Holidays	19
ARTICLE IX	Vacation	20
ARTICLE X	Leave Policies	22
ARTICLE XI	Working Conditions	26
ARTICLE XII	Layoff of Non-Competitive and Labor Class Employees	28
ARTICLE XIII	Layoff of Competitive Class Employees	31
ARTICLE XIV	Separability	31
ARTICLE XV	Reciprocal Rights	32
ARTICLE XVI	Past Practice	33
ARTICLE XVII	Uniforms	34
ARTICLE XVIII	Grievances	35
ARTICLE XIX	Discipline and Discharge	40
ARTICLE XX	Miscellaneous	42
ARTICLE XXI	Transfers	43

ARTICLE XXII	Employee Evaluations	44
ARTICLE XXIII	Due Process Hearings	45
ARTICLE XXIV	Mandatory Legislative Clause	45
ARTICLE XXV	Zipper Clause	45
ARTICLE XXVI	Term of Contract	46
Appendix A	2010-2012 Salary Plan	47
Appendix B	Evaluation for Employees Hired after 7/2/77	52
Appendix C	Appraisal Form	53
Appendix D	Positions Excluded from Bargaining Unit	55
Appendix E	Arbitration Award	58
Side Letter #1		62
Side Letter #2		63
Side Letter #3		64
Side Letter #4		65
Side Letter #5		66
Side Letter #6		67
Side Letter #7		68
Side Letter #8		69
Side Letter #9		70
Side Letter #10		71

PREAMBLE

It shall be the policy of the County of Saratoga and the Saratoga County General Unit CSEA Inc, Local 1000 AFSCME, *AFL-CIO* and the purpose of this Agreement to promote harmonious and cooperative relations between the County of Saratoga and its employees, and to protect the public by assuring, at all times, the orderly and uninterrupted operations and functions of government. This Agreement is made between the County of Saratoga, hereinafter referred to as the "Employer", and the Saratoga County General Unit of the CSEA Inc., Local 1000 AFSCME, AFL-CIO hereinafter referred to as "CSEA".

ARTICLE I

Recognition

Section 1. The Employer agrees that the CSEA shall be the sole and exclusive representative of all employees described in Article II for the purpose of collective bargaining and grievances.

Section 2. Pursuant to Section 208 of the Civil Service Law, CSEA shall have unchallenged representation status for the maximum period permitted by law on the date of the execution of this Agreement.

Section 3. CSEA shall have exclusive payroll deduction of authorized deductions for employees.

Section 4. The Employer shall deduct from the wages of employees and remit to the CSEA or its designated agent regular membership dues and other authorized deductions for those employees who signed authorization permitting such payroll deductions and agency fees, equivalent to the dues levied by CSEA for those employees in the bargaining unit who are not members. In addition, the employer shall deduct on a bi-weekly basis an amount of money designated by the employee in writing from the paycheck of such employee who wishes a deduction(s) for United States Savings Bonds, and/or a Credit Union.

The Association agrees to indemnify the County and hold it harmless against any and all suits, claims, demands and liabilities that may arise out of, or by reason of, any action that may be taken by the County for the purpose of complying with the provisions of such deductions as are herein set forth, or in reliance upon any authorization card or list relating thereto which is furnished to the County by the Association.

Section 5. The Saratoga County General Unit, CSEA, Inc., affirms that it does not assert the right to strike against the Employer, to assist or participate in any such strike, or to impose an obligation under its members to conduct, assist or participate in such a strike.

Section 6. The County shall furnish to CSEA a list of all employees in the bargaining unit, including name, work address, job title, department, date of hire and gross salary, when requested for contract negotiations. Such lists required at any other time will require payment of a $35.00 fee by CSEA.

ARTICLE II

Collective Bargaining Unit

The County of Saratoga hereby recognizes the CSEA Inc. Local 1000 AFSCME, AFL-CIO, as the sole and exclusive bargaining agent for all employees, exclusive of part time, temporary, seasonal employees, elected and appointed officials, all Department Heads and those designated by agreement between the parties as set forth in Appendix D attached hereto and made a part hereof. All County employees shall be permitted such membership in CSEA to obtain the benefits of the insurance program of CSEA even though such member is excluded from the bargaining unit under this Article.

ARTICLE III

Compensation

Section 1A.

The compensation Plan for Saratoga County, as amended herein, shall become the 2010 and 2011 Compensation Plan and shall be in effect during the period of January 1, 2010 to December 31, 2011 for all employees who are included in the bargaining unit covered by this agreement. Salary schedules for each year of the agreement shall be attached as Appendix A and be included in and made part of this agreement. The County may alter such schedules by deleting and/or adding a salary line if it is determined during the yearly budgetary process that a position is to be removed and/or added from said schedule. Only in instances where the bargaining unit is affected, will the County consult with the Union prior to deletion and/or addition of a salary line.

Section 1B. All employees under the Compensation Plan who, under the terms and conditions thereof, are entitled to receive an increment, shall receive their due increment for the duration of this Agreement.

Section 2. Effective 1/1/05 thru 12/31/09, employees eligible for an increment will receive such consistent with the appropriate compensation plan. Employees hired after July 2, 1977 are covered under Section 4 and Article IV, Section 3. All DPW Highway, hourly employees are covered under Article IV, Section 2 and Article XI, Section 4.

Section 3A. All Association members employed by the County on the date of ratification and approval of this agreement shall receive a one time payment of six hundred dollars ($600.00). Any employees who retired from the County under the retirement incentive program offered in 2010 will also be entitled to this $600.00 payment. This one time payment shall be "off-schedule" and shall not be added to the employees' base salaries. This payment will be included in the employees' regular paychecks as soon as practicable after the ratification of the parties' successor agreement.

Section 3B. Effective January 1, 2011, a salary increase of 2.0% of actual salary shall be added to all positions on the salary schedule, with the exception of the Certified Nurses Aide position filled after the County's ratification of this agreement, which will not receive a salary increase for 2011. Certified Nurses Aides hired prior to the ratification of this agreement shall receive the 2.0% salary increase.

Effective January 1, 2012, a salary increase of 2.0% of actual salary shall be added to all positions on the salary schedule.

The following schedule creates the hiring rate for the positions indicated at the Maplewood Manor, as of the full execution of the new agreement. Such positions shall be increased by 2.0% on January 1, 2011 and 2.0% on January 1, 2012.

TITLE	**# of Positions**	**Hrly Diff. Per Position**	**Year Diff. Per Position**
Unit Clerk	5	$2.50	$4875.00
Cleaner*	24	$2.80	$5460.00
Leisure Time Activity Aide	6	$2.20	$4290.00
Patient Agent	1	$2.20	$4290.00
Medical Records Assistant	1	$2.50	$4875.00
Store Clerk	2	$2.60	$5070.00
Scheduling Clerk	1	$2.50	$4875.00

Head Cook	1	$1.80	$3510.00
Cook	6	$2.30	$4485.00
Food Service Helper	29	$2.80	$5460.00
Dietary Clerk	1	$2.50	$4875.00
Laundry Worker	4	$2.80	$5460.00
Utility Worker	7	$2.40	$4680.00

*This position is also a position in the other departments in the County outside of Maplewood Manor; so the rates for the cleaner position apply to all persons hired for such position following the ratification/approval of this agreement.

The new hire rates do not apply to current employees working at Maplewood Manor who are promoted to one of the positions listed above. Instead, the hourly rates applicable to employees' currently in those promotional titles will apply.

Renumber old Sections "3(F)" and "3(G)" as new sections "3(C)" and "3(D)", respectively.

Section 3C. Any retroactive payments due under this agreement will only be made to employees who are on the payroll or any type of approved leave as of the date of ratification/approval of this agreement.

Section 3D. Effective the first full pay period after the final approval of this agreement by both the Association and the County, the salary adjustments set forth on Appendix "A" shall be implemented.

Section 4. All employees hired after July 2, 1977 shall receive increments of $300 plus at the completion of each of the first five years of full-time employment. Such increments will be paid on the payday for the first full pay period following the anniversary date.

The anniversary date is based on the employee's first date of permanent, temporary or provisional employment on a continuous basis for Saratoga County, provided there is no break in service of the employment of any such employees.

All employees hired prior to July 2, 1977 shall continue to receive their increments in accordance with Section 1B of this Article and Article IV of this contractual agreement.

ARTICLE IV

Longevity

Section 1. Longevity increments, as provided in the Compensation Plan shall continue when due the employee, for the duration of this Agreement. Longevity steps are established at the completion of seven (7) years, nine (9) years, eleven (11) years, eighteen (18) years and twenty-four (24) years.

Section 2. In addition to the salary increase set forth by this Agreement, all hourly DPW/Highway employees who have completed seven (7) years of service shall receive a seven (7) year increment of $.10 added to their hourly rate; after 10 years of service shall receive a 10-year increment of $.10 to be added to their hourly rate and also an additional longevity increment of $.10 after completion of 15 years of service; an additional longevity step of $.10 to be added to their hourly rate at completion on 18 years of service. Effective January 1, 2000 this increment shall be maintained as an integral part of the salary structure and paid on the anniversary date of the employee. An additional longevity step of $.10 to be added to their hourly rate at completion on 24 years of service, effective January 1, 2011.

Section 3. All new employees permanently hired after July 2, 1977 shall receive longevity increments at the completion of seven (7) years of service, ten (10) years of service, fifteen (15) years of service, eighteen (18) years and twenty-four (24) years of service. A longevity increment for twenty-four (24) years of service becomes effective January 1, 2005. Such longevity increments will be payable on the first day of the first full pay period following the date of completion of the longevity service requirement. All employees permanently hired prior to the above date shall continue to receive longevity increments in accordance with Section 1 or Section 2 of this article.

ARTICLE V

Work Day and Work Week

Section 1. All full time employees other than those employed by Maplewood Manor, the County Sewer District or the Department of Public Works, are employed on a five (5) day per week, seven (7) hour per day work week, excluding a one-hour lunch period (35-hour work week). The hours of work shall be from 9:00a.m. to 5:00p.m.

Section 2. All full-time employees of the DPW/Highway Department are employed as follows:

(A) DPW/Highway Clerical - 35-hour workweek; 9:00a.m. to 5:00p.m. inclusive of a one (1) hour lunch period.

(B) DPW/Highway Engineering - 35-hour workweek; 9:00a.m. to 5:00p.m. inclusive of one (1) hour lunch period.

(C) DPW/Highway Hourly - 40-hour work week exclusive of a one-half (1/2) hour lunch period.

(D) DPW/Maintenance - 40-hour workweek; 7:30a.m. to 4:00p.m. inclusive of a one-half (1/2) hour lunch period.

(E) DPW/Cleaning Salaried Employees - 40-hour work week; 3:00p.m. to 11:30p.m. inclusive of one-half (1/2) hour lunch period.

Section 3. In the Maplewood Manor, all full time employees shall work a thirty-seven and one-half (37 1/2) hour week, exclusive of one-half hour lunch period, for each of the three shifts established.

The normal work period for Maplewood Manor employees shall be ten (10) days for each 14-day period, which shall be defined as the fourteen (14) consecutive day period beginning seven (7) a.m. Friday. The remaining four days off shall be given in two units of two days each, but such two-day units may be split to one-day units, with the consent of the individual employee involved.

MAPLEWOOD MANOR

Effective January 1, 2011, all twelve (12) hour shifts at the facility shall be eliminated.

The parties will continue to discuss the implementation of mandatory overtime.

Section 4. Maintenance and grounds personnel assigned to Maplewood Manor shall work a 40 hour work week; 7:30a.m. to 4:00p.m. inclusive of a one-half (1/2) hour unpaid lunch period.

Section 5. Sewer District

A. Operations personnel will work on a rotating shift on the following basis:

DAY	HOUR	SHIFT
1	12	11:30AM - 12 Midnight
2	12	11:30AM - 12 Midnight
3	8	3:30PM - 12 Midnight
4	8	3:30PM - 12 Midnight
5	8	3:30PM - 12 Midnight
6	8	3:30PM - 12 Midnight
7	8	3:30PM - 12 Midnight
8	OFF	
9	OFF	
10	8	7:30AM - 4:00PM
11	8	7:30AM - 4:00PM
12	8	7:30AM - 4:00PM
13	8	7:30AM - 4:00PM
14	8	7:30AM - 4:00PM
15	OFF	
16	OFF	
17	8	11:30PM - 8:00AM
18	8	11:30PM - 8:00AM
19	8	11:30PM - 8:00AM

DAY	HOUR	SHIFT
20	8	11:30PM - 8:00AM
21	8	11:30PM - 8:00AM
22	12	11:30PM - 12 Noon
23	12	11:30PM - 12 Noon
24	OFF	
25	OFF	
26	OFF	
27	OFF	
28	OFF	

B. Laboratory Technical personnel are employed on a five (5) day per week, seven and one-half (7 1/2) hour per day workweek excluding a one-half hour lunch period (37 1/2 hour work week.)

C. Maintenance personnel are employed on a five (5) day per week, eight (8) hour per day work week, excluding a one-half hour lunch period. (40-hour work week).

D. All other employees of the Sewer District are employed on a five (5) day per week, seven (7) hour per day work week exclusive of a one hour lunch period (35-hour work week).

Section 6. Normally, employees shall have two consecutive 24-hour days, a total of 48 consecutive hours off each week.

Section 7. Where, however, the hours of employment for any County employee are different from the hours hereinabove set forth, those hours, as previously established, shall continue.

ARTICLE VI

Overtime, Compensatory payment and Other Benefits

Section 1. DPW/Highway employees work a 40-hour work week, exclusive of Clerical and Engineering personnel.

For those employees listed above and for all employees whose normal work week is 40 hours, all hours worked beyond 40 hours per week shall be compensated at a rate of time and one-half the affected employees hourly rate or at compensatory time off as stated in Section 7.

To determine the employee's overtime rate, the current salary of the highway employee shall be divided by the number of hours consistent with the annual pay periods set by the County Treasurer's Office.

Employees of the Maplewood Manor work a normal work week as indicated in Article V (3). All hours worked in excess of 80 in said work period will be compensated at a rate of time and one-half of the affected employees hourly rate or with compensatory time off as described in Section 7. To determine the employee's overtime rate, the current salary of the employee shall be divided by the number of hours consistent with the annual pay periods set by the County Treasurer's Office.

Section 2. In all other Departments, compensation for hours worked in excess of 35 per week shall be received. This compensation shall be in the form of:

a. Equal time off for hours worked between 35 and 40 hours; or

b. The employee will be paid straight time at his/her current hourly rate.

c. See Section 7 for details.

The Department Head shall decide the form of compensation to be granted, and such compensation will be given within 60 days of the date on which the excess hours were worked.

To determine the hourly rate for salaried employees covered in this section, the current salary that employee is receiving shall be divided by the number of hours consistent with the annual pay periods set by the County Treasurer's Office.

In no event will overtime, as hereinabove set forth, be paid to any County employee not covered by the Fair Labor Standards Act or exempted from the Fair Labor Standards Act as Executive, Administrative, or Professional. All current titles eligible for overtime as of December 31, 1994, shall continue to be eligible for overtime.

Section 3. Shift Differential Relative to Maplewood Manor employees, Cleaners assigned to DPW and Public Health Nurses:

Those employees working an afternoon shift (3:00p.m. to 11:00p.m.) will be paid an additional 3 1/2% of their actual rate. Those employees working the night shift (11:00p.m. to 7:00a.m.) will receive an additional 7% of their actual rate. Effective 9/14/05, Public Health Nurses who work a shift that includes 4:00PM will receive 3 ½% additional on their hourly rate for hours from 4:00PM until the end of that shift.

Section 4. Hourly employees in the DPW/Highway Department will be paid overtime based on the actual hours shown on their time cards in tenths of an hour.

Section 5. All County employees will be paid a minimum "show-up pay" of three hours straight time pay for the first two hours, or any fraction thereof, worked. Anything in excess of the first two hours will be paid at the rate of time and one half for each hour or fraction of an hour thereof. This paragraph is intended to cover and does cover only those situations where an employee is called out outside of regular work hours on an emergency and his/her employment as the result of said emergency is terminated outside of his/her regular work hours.

Section 5 B. All Child Welfare and HEAP employees and employees of Public Health who are on-call Monday through Friday shall receive twenty-five ($25.00) dollars per night in addition to any wages earned when such employees are required to work. The on-call fee shall be paid for each twenty-four (24) hour period or part thereof between Monday and Friday. Additionally, such employees who are on-call during a weekend (Saturday and Sunday) shall receive sixty-five dollars ($65.00).

Such employees who are on-call on a holiday shall receive *thirty dollars ($30.00) for each holiday the employee is on-call. For the following listed three holidays: Thanksgiving, Christmas and New Year's the on-call rate will be ($65.00) sixty-five dollars.*

Fees paid for weekend(s) or holiday(s) shall be in addition to any wages earned when the employee(s) is required to work on a weekend or holiday. Wages paid shall be at the applicable straight or overtime rate.

Section 6. When computing overtime, any leave time taken and deducted from an employee's accumulated credit, shall be considered as a day worked.

Section 7. All persons eligible for overtime under this agreement shall be allowed to take compensatory time off if they so desire at the rate of time and one-half (1 1/2) for the hours worked beyond forty hours or paid at the rate of time and one-half (1 1/2) for all such hours. Compensatory time shall only be taken with the approval of the Department Head. Compensatory time may be accrued up to a maximum of 100 hours per employee.

Section 8. In Maplewood Manor:

When an employee is called in to work on his/her normal day off, he or she shall be compensated therefore on the basis of time and one-half of his or her hourly rate of pay.

A. Distribution of Overtime at the Maplewood Manor

1. Available overtime for non-supervisory work shall be distributed on the basis of overtime rosters by title or by groups of titles by work location equitably among qualified employees who normally do such work under the supervisor responsible for assigning the overtime involved. Original placement on overtime rosters shall be based on seniority.

2. Overtime shall first be offered to employees in seniority order from the overtime roster. Refusal of voluntary overtime shall be treated as overtime worked for the purpose of placement on the voluntary overtime roster. If no employee elects to accept the overtime assignment, it shall be assigned on a mandatory basis to employees in reverse order of seniority. Any employee who is passed over on the mandatory overtime roster as a result of his or her not being on duty when mandatory overtime is distributed, shall retain his or her position on the mandatory overtime roster.

3. Nothing contained herein shall limit the development of departmental labor/management procedures regarding the distribution of overtime.

4. Departmental procedures should provide notice to employees of the possibility of a mandatory overtime assignment. When it is known, notice of such overtime shall be given to employees at the beginning of their regular shift.

B. Distribution of Overtime at the Sewer Department.

The assignment of voluntary overtime shall be first offered to employees in a rotating seniority order from the overtime roster, subject to the employee being qualified to perform such work.

Section 9. The Employer agrees to furnish one meal allowance of ten dollars $10.00 for Highway and Sewer District employees for twelve (12) consecutive hours worked and two meal allowances of $10.00 each for sixteen (16) consecutive hours worked in any one day. For purposes of this section, Sewer District employees working the regular twelve (12) hour shift (Article V, Section 5) shall receive such allowances after sixteen (16) or twenty (20) consecutive hours worked.

For purposes of this section, one (1) day shall be defined as a twenty-four (24) hour period beginning when the employee starts work and ending twenty-four hours later.

Section 10. The Employer agrees to continue the lunch allowance of $10.00 for those salaried employees who heretofore have been paid for such noon meals. However, employees who are not now receiving payments for noon meals and all employees hired after July 1, 1981, will not be reimbursed for such noon meals.

Section 11. A Registered Nurse or LPN designated to be in charge of a unit shall receive an additional compensation of $1.25 for each hour worked.

Section 12 A. Effective 1/1/92, all full-time employees who are regularly scheduled to work weekends on a routine basis will receive an additional five (5%) percent of their actual rate for all weekend days worked, exclusive of on-call status as per Article VI, Section 5B.

Section 12 B. For the purpose of determining which employees are eligible for weekend differential pay:

In the Maplewood Manor, for the 11:00p.m. to 7:00a.m. shift ONLY, the weekend will start at 11:00p.m. Friday night, and will end at 7:00a.m. Sunday morning.

In the Sewer District, for the 11:30p.m. to 12 noon shift ONLY, the weekend will start at 11:30p.m. Friday night and will end at 12 midnight on Sunday.

All Public Health Nurses regularly scheduled to work on a weekend effective September 14, 2005 are also eligible for weekend differential pay.

Section 13. Department of Public Works (DPW) employees assigned to operate a one-person plow will be paid a differential of $2.00 per hour for all hours working driving the one-person plow. The one-person plow will be the large or big trucks otherwise normally known as the "large dump trucks" heretofore operated by two DPW employees. The $2.00 per hour differential for the applicable work will be used in calculating the employee(s) overtime rate, as applicable.

ARTICLE VII

Retirement and Health Insurance

As of January 1, 2011 The County shall no longer offer the "Traditional Blue 907" (Formerly "Par Plus") health insurance plan. Instead the County shall offer the Traditional Blue Preferred Provider Organization 835 and the Traditional Blue POS 218 plans in Point of Service. The County shall continue its current health plan in its entirety until January 1, 2011 when the following changes to the health plan coverage shall become effective. The Benefit Comparisons as presented by the County involving Traditional Blue 907, Traditional Blue 835, and the POS 218 shall be included as attachments to this MOA. Employees may elect to switch between the Traditional Blue Preferred Provider Organization 835 and the Blue Shield Point of Service 218 plans during open enrollment periods.

Section 1 (a). The Employer agrees to continue to provide the Improved Non-Contributory State Career Retirement Plan 75(i), known as the Non-Contributory "25 Year Career" Plan for all employees hired on or before June 30, 1976 (as other than a CETA employee) and all employees hired under the CETA program prior to September 1, 1975. The Employer further agrees to continue, for all employees the option of applying unused sick leave as additional service credit upon retirement and the prerogative of purchasing service credit for World War II military service.

(b) All employees hired on or after July 1, 1976 (as other than a CETA employee) will be enrolled as members of the contributory New York State Employee's Retirement System's Coordinated Escalator Plan (Tier 3). This section shall be amended to the extent necessary to reflect changes in the Retirement and Social Security Law of the State of New York, as it applies to "Tier 3" employees.

(c) All permanent full-time employees hired on or after September 1, 1983 will be enrolled in the contributory New York State Employees' Retirement System as Tier 4 members.

Section 2. Health Insurance

All permanent employees shall be eligible for membership in the Saratoga County Health Insurance Plans or such Health Plan as may be selected by the County pursuant to the terms of this agreement.

Effectively 1/1/11, the Saratoga County Health Plan shall discontinue the Blue Shield hospital, surgical and medical coverage formerly known as Traditional Blue 907. In its place the County shall provide the Traditional Blue Preferred Provider Organization 835 as described in the Benefit Comparison attached to the ratified memorandum of agreement between the parties for contract years 2010 and 2011. In addition to such benefits which were heretofore provided, the Health Insurance Plan will incorporate the following provisions:

The Saratoga County Health Plan shall offer the Blue Shield coverage known as Point of Service 218.

(a) For those members enrolled in the Blue Shield POS 218 health insurance coverage, the co-pay for office visits for the year 2010 shall be $20.00. This co-pay shall rise to $25 effective January 1, 2011.

(b) All employees enrolled in all Blue Shield coverage shall have a drug card issued for filling of prescriptions. The co-pays for prescription drugs shall be five dollars($5.00) for generic, twenty dollars ($20.00) for formulary and fifty-five dollars ($55.00) for non-formulary.

For employees hired by the County before January 1, 2001 the County shall pay the total cost of the Saratoga County Health Insurance Plan or other health insurance plan selected by the County for individual and dependent coverage as selected by the employee. For employees hired by the County on or after January 1, 2001, the County shall pay 85% of the cost of the Saratoga County Health Insurance Plan including dental coverage or other health insurance plan selected by the County for individual and dependent coverage as selected by the employee and the employee shall be responsible for the remaining 15% of such cost. Effective January 1, 2001, the County shall offer to employees an alternative health plan which will be known as the Point of Service Plan. For those employees hired by the County before January 1, 2001, the Employer shall pay the total cost of the Point of Service Plan. For those employees hired by the County on or after January 1, 2001, the County will pay the 85% of such costs and the employee shall pay the remaining 15% of the costs of individual or dependent coverage for such plan.

For employees hired by the County on or after January 1, 2011, the Employer shall pay 80% of the cost of the Saratoga County Health Insurance Plan including dental coverage or other health insurance plan selected by the Employer for individual and dependent coverage as selected by the employee and the employee shall be responsible for the remaining 20% of such costs.

The County shall explore the cost of securing an insurance rider for orthopedics, prosthetics, and durable equipment. The County shall obtain such rider if the cost to the County is ten-thousand dollars ($10,000) or less, annually.

In the event of a change of the health insurance carrier, such change shall be made by the employer only after not less than sixty (60) days written notice to and consultation with CSEA. The terms "Carrier" or "Private Carrier" shall include the County of Saratoga under any self-insurance plan. The benefits provided by the new carrier shall be substantially equal to or better than the benefits provided by the coverage in effect at the time of such change. Any private carrier must be approved and licensed by the Insurance Department of the State of New York.

From and after the date of execution of this Agreement and for employees retiring on or after January 1, 1974, the County will assume the payment of said retiree's health insurance premiums which become due following the date of the execution of this Agreement, in accordance with the coverage (individual or family) which the employee had at the time of retirement.

Effective June 1, 1981, the Employer will implement an experimental policy, for the duration of this contract, to allow employees eligible for participation in the Saratoga County Health Insurance Plan to provide for their own health insurance. Each employee (except employees whose spouses are eligible for the plan) eligible for the Saratoga County Health Insurance Plan may elect to refuse participation in the plan and provide for their own health insurance.

The County will place $150.00 in a trust account for each month that the employee is eligible but does not elect coverage under the County Health Insurance Plan. The employee will receive the funds so accumulated by December 15 of each year or upon termination from the County. The County acknowledges that in the event that an employee elects to provide for his or her own health insurance coverage, and such self-provided.

Section 3. The Employer shall continue to provide New York State Disability Insurance for all employees covered under this Agreement. Each employee shall pay the maximum weekly amount as provided under statute. The employer reserves the right to change carriers provided the benefits are equal to or better than those currently available.

Section 4. The Employer agrees to continue to provide Malpractice Insurance for all public health nurses and all employees of Maplewood Manor involved in patient care. The Employer shall pay the full cost of such insurance.

Section 5. Employees who are absent due to a work-incurred injury or disability covered under Workers' Compensation, shall continue to be covered under the County's Health Insurance Plan as though they were actively employed, for a period of six (6) months, beginning with the onset of such absence. At the end of such six (6) months, the Personnel Officer will review the matter and may, at his/her discretion, grant an additional period of coverage up to six (6) additional months.

Section 6. Dental Plan

Effective January 1, 1986, all permanent employees of the County payroll will be eligible for the Saratoga County Dental Plan. The Employer will provide the Blue Shield Dental Plan with basic coverage and rider A-1.

(A) The Employer shall pay the cost in the same formula as other health insurance coverage of the aforesaid dental plan or other plans selected by the Employer for individual and dependent coverage as selected by the employee. In case of a husband and wife where both spouses are eligible employees and one enrolls for family coverage, the other spouse is not eligible for coverage except as a dependent of the enrolled spouse.

(B) The County acknowledges that in the event that an employee elects to provide for his or her own dental plan coverage, and such self-provided coverage is subsequently terminated, said employee will be granted coverage under the County Plan at the earliest possible date following notification of termination of the other dental coverage.

(C) In the event of a change of the dental plan carrier, such change shall be made by the Employer only after not less than sixty days written notice to and consultation with CSEA. The terms "carrier" or "private carrier" shall include the County of Saratoga under any self-insurance plan.

The benefits provided by the new carrier shall be substantially equal to or better than the benefits provided by the coverage in effect at the time of such change. Any private carrier must be approved and licensed by the Insurance Department of the State of New York.

(D) This dental plan will not be provided to persons after retiring from County employment.

Section 3. If a holiday(s) falls within a vacation period of an employee, the vacation period of such employee shall be extended by the holiday(s) that falls within the employee's vacation period.

Section 4. An employee scheduled to work on the day before a holiday, a holiday or the day after a holiday shall report to work or forfeit his or her holiday pay. This provision shall be waived when such employee is on sick leave, duly authorized personal leave, bereavement leave or other type of duly authorized paid leave. In this instance(s) the employee shall be deemed to have worked and shall receive his or her holiday pay as well as any other pay due him or her.

Section 5. Any full-time County employees required to work on a holiday as depicted in Section 1 shall have the option of receiving time and one-half for the holiday worked in addition to an alternative day off (i.e., bank the holiday). The employee may otherwise elect to receive double time and one-half for the holiday worked, exclusive of on-call status per Article VI, Section 5B. In no event shall the calculation of time worked on a holiday exceed the benefit detailed above with the exception of four (4) "Super" holidays: New Year's Day, 4th of July, Thanksgiving Day and Christmas, whereas the employee can elect to receive double time and ½ for all hours worked.

Section 6. Employees who work on a "Super" holiday - New Years Day, 4th of July, Thanksgiving Day, Christmas Day, shall receive 2 ½ x hourly rate for all hours worked. (The "Super" holiday shall be the actual holiday.)

ARTICLE IX

Vacation

Section 1. An employee shall be entitled to vacation only upon completion of one year of service.

For purposes of computing vacation entitlement, employee's anniversary date shall be defined as the date of original appointment with Saratoga County (exclusive of time spent in CETA work experience program) provided there was no break in service of more than one year. The anniversary date will be adjusted to reflect unpaid leaves of absence of more than three months.

After completion of one year of service and until completion of seven (7) years of service, an employee shall be entitled to two weeks paid vacation.

After completion of seven (7) years of service and until completion of eleven (11) years of service, an employee shall be entitled to three weeks paid vacation.

Upon completion of eleven (11) years of service, an employee shall be entitled to four (4) weeks paid vacation.

Upon completion of fifteen (15) years of service, employees may receive an additional five (5) days of vacation. Such fifth week of vacation shall be in exchange for five (5) sick days. However, these five (5) sick days will not be removed from the employee's sick bank unless the employee gives notice to the County thirty (30) days prior to his/her anniversary date that such a benefit is wanted. The employee must have at least five (5) sick days in his/her bank to qualify.

For employees hired on or after January 1, 1971, the anniversary date of his or her employment shall determine his or her eligibility for vacation period. Accrued vacation shall be taken within the twelve month period following the anniversary date of his or her employment.

For employees hired prior to January 1, 1971, vacations shall continue to be taken during the following calendar year.

Section 2. An employee upon termination of his or her service with the Employer shall receive cash payment for all vacation days due the employee at the time of his or her termination.

No vacation shall accrue until the completion by the employee of twelve months of employment and vacation periods thereafter shall accrue only upon the completion of each twelve month period of employment.

Section 3. With good reason shown and with the written approval of the Department Head and the Personnel Officer, all or part of any employee's vacation may be carried over to the succeeding year providing that application is made to the Department Head not less than 30 days prior to the termination of the period of employment during which said vacation period would normally be taken.

Section 4. If an employee becomes ill while on vacation, such employee shall be allowed to use sick leave for the illness and have his or her vacation time adjusted provided such employee notifies his or her immediate supervisor of the change and submits a physician's statement to such supervisor upon his or her return to work.

Section 5. Should a death occur in the immediate family of an employee on vacation, such employee shall be allowed to use his or her bereavement leave as stated in this Agreement and have his or her vacation credited with the number of days used.

Section 6. Unless otherwise modified by the above, the vacation selection policy of the County shall continue in full force.

Section 7. Departmental Seniority (as defined in Article XII, Section 1) shall be a determining factor in evaluating request for use of leave accruals.

Section 8. Vacation Requests for Employees of the Maplewood Manor.

A. All vacation requests shall be responded to, in writing, within two (2) weeks of submittal.

B. It is expressly recognized that a response stating "At this time the request cannot be approved", shall be accompanied by a reason for such denial.

C. The practice of rotating vacation leave (limited to 2-3 days) around holidays (Christmas) will continue, as determined by the Supervisor.

ARTICLE X

Leave Policies

Section 1. Sick leave with Pay.

A. An employee of Saratoga County shall be granted sick leave with pay of one working day per month or 12 working days per year. An employee may accumulate sick leave to a maximum of **250** days, which leave may be taken in one-hour units or full days units as needed and provided for by the provision of this Article.

B. (1) Any employee covered under this Agreement shall be allowed to take sick leave with pay up to the maximum amount accumulated by the employee because of personal sickness or disability or up to a maximum of one-third (1/3) of their accumulated sick leave in any year because of sickness or disability of a member of such employee's immediate family. Immediate family shall be defined as spouse, mother, father, or children. In addition, the employee shall be allowed to take sick leave for other members of the family meeting the Internal Revenue Service dependency definition and who are living in the same household.

(2) An employee who is absent because of illness or disability for more than two (2) consecutive days *may be required by his or her Department Head to provide a physician's statement* of sickness or disability. In the event a pattern of abuse is discerned by the Department Head, a physician's statement may be required at any time

and the employee may be ordered to be examined by a physician selected by the County at the expense of the County.

(3) Allowable and allowed sick leave time as well as other paid leaves under this Agreement shall be considered for all purposes as continuous service.

(4) Any employee isolated or quarantined because of exposure to a communicable disease while performing his or her duties shall receive full pay for the period of isolation or quarantine without loss of sick leave or other type of leave. In order to receive such full pay without loss of sick leave or other type of leave, the employee shall be quarantined or isolated by a public health officer.

Any employee isolated or quarantined because of exposure to a communicable disease while not in the performance of his or her duties shall be allowed to use his or her accumulated sick leave as per this Article.

(5) An employee who becomes pregnant and is an employee of the County of Saratoga shall be allowed to work for as long as she is physically able. The employee shall notify her Department Head by the fifth month of such pregnancy and present a doctor's statement of fitness by the seventh month. Prior to beginning her leave, the employee shall provide her Department Head with a statement noting the length of the leave and the date of her expected return. The employee shall be allowed to take a leave of absence for a period not to exceed one year. Upon her return from the leave, the employee shall be reinstated to the position she vacated and her seniority returned. In addition, such employee shall be placed on the same step of salary schedule which she had attained at the time such leave began. If unpaid leave portion of employee's maternity leave amounts to 90 calendars days or less, all unused accrued sick leave, etc., shall be reinstated and anniversary date will not be affected.

(6) An employee who is injured because of his/her employment and is unable to perform his/her work may use his/her accumulated sick or vacation time, thereby receiving his/her full pay; or, he/she may elect to be paid the Workers' Compensation rate directly by the Self-Insurance Pool. His/her pay from the Self-Insurance Pool will be based on his/her degree of disability up to a maximum of 2/3 of his/her regular pay during the prior year for total disability. The total rate cannot exceed the current maximum Workers' Compensation rate.

If an employee has no accumulated sick or vacation days, he/she will be paid directly by the Self-Insurance Pool at the compensation rate.

In the event the employee uses his/her accumulated sick time, the Self-Insurance Pool will reimburse his/her employer at the proper compensation rate up to 2/3 of salary, and the employer in turn will reinstate the equivalent sick or vacation days up to a maximum of 2/3 of the sick or vacation days used by the employee.

Lump-sum payments made for schedule loss injuries shall be retained by the employee after deducting the advance salary paid the claimant during his/her recovery period by his/her employer and/or any advance payments previously made directly to him/her for any period during which his/her right to benefits under the Workers' Compensation Law were not determined. This reimbursement will be made according to an order by the Workers' Compensation Law Judge.

Section 2. Personal Leave:

After one year of service and on prior approval of the Department Head, all employees shall be granted personal leave with pay not to exceed four work days in any year, which leave may be taken in one hour units or full days units as needed. Such personal leave days when used shall not be deducted from employee's sick leave accumulation credits and, if not used, shall be added to employee's sick leave accumulation.

Section 3. Bereavement Leave.

A. Employees shall be allowed to be absent without loss of pay, by reason of each death in the immediate family for 5 consecutive calendar days dating from the death of the relative. For purposes of this section, the term "immediate family" shall mean parent, brother, sister, spouse, child, step-parent or step-child.

B. Employees shall be allowed to be absent without loss of pay, by reason of each death of close relative for three consecutive calendar days dating from death of the relative. For purposes of this section, "close relative" shall be defined as grandparent, grandchild, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law of employee.

C. At the employee's request and at the Department Head's approval, one (1) bereavement day may be reserved for a later date due to unusual circumstances.

Section 4 A. Leave of Absence:

A leave of absence without pay not to exceed the maximum period permitted by law may be granted for full-time employees, upon recommendation by the Department Head to the Personnel Officer and with said Personnel Officer's approval.

Notice of such leave of absence may be filed with such Department head. Leave of absence may be granted for the following reasons only: Professional training or improvement, extended personal or family illness and military service. An employee who is granted a leave of absence by the Department Head and the Personnel Officer shall at the termination of the leave of absence, upon application therefore, be reinstated with seniority and all accrued benefits to the position he or she held at the commencement of the leave of absence. In addition, such employee shall be placed on the same step of the salary schedule which he or she had attained at the time the leave began.

Section 4 B. Leave under the Family and Medical Leave Act would begin when the employee goes on unpaid leave status and may be used for any of the following reasons only:

-- to care for the employee's child after birth, or placement for adoption or foster care;

-- to care for the employee's spouse, son or daughter, or parent, who has a serious health condition;

-- for a serious health condition that makes the employee unable to perform the employee's job.

Employees taking leave pursuant to the Family and Medical Leave Act, due to their own serious health condition, shall be required to use their accrued sick time (if any) during such leave.

Section 4 C. Military Leave of Absence

1. Any employee who is required by any branch of the Armed Forces of the United States of which he/she is a reserve member, the National Guard, or the State Militia, to render military service, including daily drills, shall be granted a military leave of absence at full pay for all such period, not to exceed thirty (30) calendar days a year, pursuant to Section 242 and 243 of the Military Laws of the State of New York.

2. In addition, due to the strong support by Saratoga County of the dedication and sacrifice of all members of the Reserve and National Guard Forces of this State or Nation, the County will, in the event of the involuntary activation of a County employee to serve in the Reserve or National Guard Forces of this State and Nation:

a. continue any existing health insurance benefit coverage for such employees for a period of such involuntary activation not to exceed the first 180 days of such service; and also,

b. pay, upon application, to such employee the difference, if any, between the employee's normal County salary and the military pay for a period of such involuntary activation not to exceed the first 180 days of such service.

Section 5. Reinstatement. Reinstatement shall be governed by the recommendation of the Department Head to the Personnel Officer and with said Personnel Officer's approval. If an employee leaves a department for any reason, and is rehired by the same or another department of the County after no more than 90 calendar days, all accrued sick leave, etc., shall be reinstated.

Section 6. Jury Duty:

Any employee will be paid the difference between his or her Jury Duty pay and his or her regular pay. Employees are to return to regular duties provided he or she has four or more hours left of his or her regular scheduled day.

ARTICLE XI

Working Conditions

Section 1 A. All employment vacancies throughout the County shall be posted within all facilities and worksites for forty-eight (48) hours, except in an emergency situation, unless a civil service eligibility list exists. Copies of said postings shall be forwarded to the union president at the time of posting. During the period of such posting, interested employees may apply on the form provided by the department administrator.

The selection of the employee for placement shall be made by the department administrator based on his/her determination of the qualifications and seniority of all employees so applying. If the qualifications are deemed to be equal, the senior employee shall be selected and the administrator's decision shall be final.

The parties agree that this provision shall not be so interpreted so as to preclude the consideration of non-employee applicants for the position by the administrator.

Section 1 B. Where the employment in a department is carried on by shifts, no person who has been employed on a particular shift for a period of one year or more shall be changed to a different shift except temporarily during an emergency without the consent of the employee except where, in the discretion of the Department Head, such change is necessary for the efficient operation of such Department, in which case the CSEA shall be notified at least 2 weeks in advance of such change and the reasons therefore.

In all cases of change in shift assignments, temporary or permanent, reasonable notice thereof where possible shall be afforded to the employee to allow necessary changes of that employee to accommodate the change.

Section 2. All County employees shall be placed on a 26-payroll period, whereby an employee shall receive his or her paycheck every two weeks.

Section 3. Mileage:

A. Authorized use of personal vehicles for official County business shall be reimbursable at the maximum allowed rate set by the Internal Revenue Service. Such rate changes will occur the first day of January following the publication of said rate changes by the I.R.S.

B. The County will provide excess insurance coverage on its auto insurance policy up to a one million dollar limit at no cost to the employee. Such coverage is for the employee's protection but only when the employee is using his/her private vehicle on official County business. The excess coverage is effective once the limits of the employee's personal insurance have been reached.

C. The County will provide the defensive driving course at no cost to the employees who are issued a blue card by the County.

Section 4. DPW/Highway Merit Ratings:

Any increase in the hourly rate of a DPW/Highway employee shall be made by the Commissioner of Public Works only after notice thereof has been given to the CSEA Unit President who shall be given a reasonable opportunity to express his/her views thereon. CSEA shall have the right to challenge any such increase where CSEA reasonably believes that such increase may undermine the "merit" system. Such challenge shall be made pursuant to the grievance procedure.

An increase based upon merit or granted to retain the services of a valued employee shall not be the basis for challenge. The question of merit and the extent of any raise, however, shall be subject to review in a grievance procedure.

Section 5. In the event of a reduction in personnel (see Article XII) in a department, the County shall endeavor to offer these employees other suitable County employment.

Section 6. All non-competitive and labor class employees who have two (2) years of service shall be covered under the procedure set forth in Article XIX as it relates to removal and/or suspension.

Section 7. The County shall furnish all employees of the County check stubs showing deductions from their pay.

Section 8. Coffee breaks and/or rest periods shall be allowed to continue but said coffee breaks and/or rest periods shall not exceed two (2) per day and no period shall exceed ten (10) minutes duration. The Department Head shall schedule coffee breaks and/or rest periods for all employees.

Section 9. Free health examinations will be given to an employee, when required by the County, to include lab, x-ray and Doctor's fee. The doctor will be selected by the County.

Section 10. The Employer and the CSEA reaffirm the concept of Central Maintenance as established in Board Resolution 230 of 1972. If it should be necessary for an employee to report to a new work site (e.g., Maplewood Manor, Solar Building, Outside Crew, etc.) on a regular basis, the selection of the employee(s) affected shall be made by the Deputy Commissioner of Buildings and Maintenance based on his determination of the qualifications and seniority of all employees of DPW Central Maintenance. If the qualifications are deemed to be equal, the least senior employee shall be moved.

ARTICLE XII

Layoff of Non-Competitive and Labor Class Employees

Section 1. Definitions

Seniority shall be defined as the length of continuous service with the Employer from the date of last hire of the employee(s).

Title Seniority shall be defined as the length of continuous service of an employee since date of last entry of such employee(s) into the title.

Departmental Seniority shall be defined as the length of continuous service of an employee since date of last entry of such employee(s) into the Department.

Days - Unless otherwise specified, for the purpose of this Article, days shall mean calendar days.

Section 2. Whenever positions in the non-competitive or labor class are abolished, layoffs shall be made among employees holding the same job title in the affected department in the inverse order of original appointment on a permanent basis in the classified service of Saratoga County. In instances where two or more employees have the same date of original appointment, their relative seniority shall be determined by the drawing of lots which shall be conducted under the supervision of the Saratoga County Personnel Officer with CSEA Unit President or designee as an observer.

Section 3. For the purposes of this Article, the original appointment of an employee shall mean the date of his first appointment on a permanent basis in the classified service followed by continuous service in the classified service on a permanent basis up to the time of the abolition of the position. Continuous service shall not be interrupted by any of the following circumstances:

(A) Resignation of employee and reinstatement or reappointment to the classified service within one year.

(B) Termination of an employee due to disability resulting from occupational injury as defined in the Workers' Compensation Law and subsequent reinstatement to County service.

(C) A period of employment on a temporary or provisional basis or in the unclassified service immediately preceded and followed by permanent service in the classified service.

(D) A leave of absence without pay which is granted pursuant to the rules of the Saratoga County Personnel Officer

(E) Time spent on layoff status while awaiting a recall. Such time may not exceed four years or the date on which a recall is offered, whichever comes first.

Section 4 A. If an employee is laid off in his or her job title, the employee shall exercise his or her right to displace an employee in a lower job title who has less department seniority, provided that if there is a question regarding ability to do the job, the bumping employee shall be given a probationary period of up to thirty (30) calendar days to demonstrate his or her ability to do the job. Recalls shall be in the inverse order of layoff. The Employer shall notify the employee of his or her recall by registered mail with return receipt requested at the employee's last known address. Such recall notification must be acknowledge by the employee within seven (7) working days of receipt. If the employee does not acknowledge such notification within the above stated period and return to work upon a date designated by the Employer, he/she shall be considered to have resigned from his or her position with Saratoga County unless there are extenuating circumstances as determined by the Employer.

Section 4 B. All part-time and temporary employees in each title shall be laid off prior to the layoff of full-time employees. The layoff procedure for full-time employees as stated herein shall be used in the event of the layoff of any temporary and then part-time employees.

Section 4 C. Any employee(s) who is laid off and is able to bump into a lower title shall be slotted into the seniority list of the lower title in accordance with his or her departmental seniority. Any further layoff of an employee(s) shall be in accordance with the seniority of the employee(s) as provided in this subsection. If an employee(s) is recalled to the position(s) into which he or she bumped, the employee(s) shall be allowed to use his or her departmental seniority to prevent another layoff. In the aforementioned instance, an employee(s) shall not be forced to accept the recall to such position. The employee's refusal to accept the recall shall not prejudice his or her right to be recalled to the position(s) from which he, she or they were originally laid off. The Employer shall recall employees to positions as provided in Section 4A of this Article. When an employee(s) is recalled to the position from which he or she was originally laid off, the type of seniority described in Section 1 for an employee(s) shall be adhered to in case of any future layoffs.

Section 4 D. An employee who is laid off and bumps into a lower title shall be paid at a rate of pay in the lower title which is commensurate with the number of increments received by such employee when the layoff occurred or which is commensurate with the same relative position on salary schedule, including all longevity steps and increments or merit raises which the employee had attained when layoff occurred.

Upon being recalled to a position(s), the employee(s) recalled shall receive the rate of pay that he or she was receiving when the layoff occurred or if an increase has been provided, such employee(s), shall receive such increase in pay in addition to the aforementioned rate of pay. Such increase shall be added to the rate of pay.

Section 5. Seniority Lists:

In the event of a contemplated layoff, the Employer shall provide the Union with lists containing title, departmental and County-wide seniority dates of each employee not less than thirty (30) days prior to the date of the contemplated layoff.

Section 6. Notice of Layoff:

The Employer shall give the Union President thirty (30) days notice of layoff of an employee(s) in the bargaining unit and meet with the Union to discuss the anticipated layoffs if requested to do so by the Unit President or other representative of such Union.

Section 7. Coverage of Employees:

This Article shall apply only to those non-competitive and labor class employees who have not less than two (2) years of service.

ARTICLE XIII

Layoff of Competitive Class Employees

All competitive employees shall be governed under the appropriate provisions of the Civil Service Law as it pertains to layoff, bumping and recall.

ARTICLE XIV

Separability

Section 1 A. If any article or part thereof in this Agreement or any addition thereto should be decided as in violation of any federal, state or local law; or if adherence to or enforcement of any article or part thereof should be restrained by a court of law, the remaining articles of the Agreement, or any addition thereto, shall not be affected.

Section 1 B. If a determination or decision is made as per (A) of this Article, the original parties to this Agreement shall convene immediately for purposes of negotiating a satisfactory replacement for such article or part thereof.

ARTICLE XV

Reciprocal Rights

The Employer recognizes the right of the employees to designate representatives of the CSEA Inc. to appear on their behalf to discuss salaries, working conditions, grievances and disputes as to the terms and conditions of this Contract and to visit employees during working hours. Such employee representatives shall also be permitted to appear at public hearings before the Legislative Body upon request of the employees.

Section 1. The Employer and the CSEA shall so administer its obligations under this Contract in a manner which will be fair and impartial to all employees and shall not discriminate against any employee by reason of sex, age, nationality, race or creed, color, disability or sexual orientation.

Section 2. The CSEA, Inc., shall have the right to post notices and other communications on bulletin boards maintained on the premises and facilities of the Employer. The officers and agents of the CSEA, Inc., all have the right to visit the Employer's facilities for the purpose of adjusting grievances and administering the terms and conditions of this Contract. Prior to entering or at the time of entering the facilities of the Employer, the officers and/or agents of CSEA shall notify the Department Head or his/her designee if available of the visit.

Section 3. Employees who are designated or elected for the purpose of adjusting grievances or assisting in the administration of this Contract shall be permitted a reasonable amount of time free from their regular duties to fulfill these obligations, which have as their purpose the maintenance of harmonious and cooperative relations between the Employer and the employees and the uninterrupted operation of Government. Such free time, however, shall be charged against the time allowed by Article XV, Section 6, hereof.

Section 4. The CSEA agrees to do its utmost to see that its members perform their respective duties loyally, efficiently and continuously under the terms of this Agreement. The CSEA and its members will use their best endeavors to protect the interests of the County of Saratoga, to conserve the property, protect the public and to give service of the highest quality.

Section 5. Labor-management meetings may be called by Management or the Union at the request of the employee of any Department, not to exceed two per year, with two employee representatives from the Department. Should Management call for such a meeting, Union time shall not be charged. The Department Head will notify employee representatives within three days of the request for a meeting of the time and place for such meeting and hold the meeting not more than 10 working days following initial notification. CSEA and the County may each select a representative to appear at said hearing.

Section 6. The County of Saratoga shall allow representatives of CSEA a total of three hundred and twenty (320) hours per year for the purpose of conducting CSEA business. However, it must be limited to two hundred (200) hours for any one employee. They shall be compensated at their regular rate of pay for this time off. It is the responsibility of the employee to complete the necessary leave form furnished by the Employer which will give a 72-hour notice to his or her immediate supervisor. Provided, however, that where 72-hour notice is impracticable and there is good cause showing why the 72-hour notice could not be given, then a minimum of 24-hours notice to the supervisor must be given. The form will be forwarded by the supervisor to the appropriate Department Head, thereby properly notifying the Department Head. The Department Head will forward the form to the Personnel Officer, who will return copies as indicated on the form.

Section 7. The Employer shall supply the CSEA Unit President with 100 copies of this Contract.

Section 8. Safety:

The parties hereto agree and acknowledge the duty and obligation of the County to provide a safe working environment for all County employees. The parties also agree and acknowledge the duty and obligation of all County employees to abide by such standards and rules promulgated by the County and/or New York State Department of Labor (as may be applicable) to ensure such a safe working environment. The failure to observe and/or abide by such standards and rules may constitute a basis for disciplinary action by the County.

ARTICLE XVI

Past Practice Clause

All terms and conditions of employment previously granted to the employees by the Employer, unless specifically excluded by or in conflict with this Agreement, shall be continued except where it is determined by the Department Head that the work load or the efficiency of operations is impaired thereby. The "Employer" is defined as the Board of Supervisors and not the Department head.

ARTICLE XVII

Uniforms

Section 1. All employees of the Maplewood Manor (including store clerks), all Public Health Nurses, and all Home Health Aides, who are required to wear a uniform by the Employer and/or the State of New York shall receive a uniform allowance of two hundred ($200) dollars per year effective January 1, 2001. Such allowance shall be paid to each employee by the first (1st) pay period in March.

Section 2. For first year employees, the pro rata uniform allowance will be paid on the first pay period in March of their second calendar year based upon their appointment date in the previous year as indicated below:

(a)	January 1 to March 31	100%
(b)	April 1 to June 30	75%
(c)	July 1 to September 30	50%
(d)	October 1 to December 31	25%

Section 3. Employees authorized to receive a uniform allowance who take an unpaid leave of absence will have their adjusted uniform allowance determined by the following formula:

Uniform allowance divided by twelve, multiplied by number of months leave of absence, subtracted from total uniform allowance, equals adjusted uniform allowance. For purposes of this Section, one month shall be the equivalent of thirty calendar days, with each additional month being determined by the completion of each additional thirty calendar days.

Section 4. A safety shoe allowance of $75 per calendar year effective January 1, 2000 shall be provided for operators and maintenance personnel in the Sewer District and all employees in D.P.W. except clerical. It is understood that it will be required for operators and maintenance personnel in the Sewer District and all D.P.W. employees except clerical to wear safety shoes when engaged in the performance of their duties as Saratoga County employees.

Section 5. A uniform laundry service will be provided for employees of the D.P.W. Building and Grounds Division. It is understood that those employees will be required to wear the uniform when engaged in the performance of their duties as Saratoga County employees. The uniform service is not available to D.P.W./Highway employees.

Section 6. Dietary Aides shall be furnished three (3) aprons in each calendar year.

ARTICLE XVIII

Grievances

Section 1. The grievance procedure for the employees in the bargaining unit shall be the following:

1. Definitions

As used herein, the following terms shall have the following meaning:

(a) "Employee" shall mean any person directly employed and compensated by the County of Saratoga, except persons employed in the legislative or judicial branch thereof.

(b) "Grievance" shall mean any claimed violation, misinterpretation or inequitable application of the employment contract, existing laws, rules, procedures, regulations, administrative orders or work rules of the County of Saratoga or a department thereof, which relate to or involve employee health or safety, physical facilities, materials or equipment furnished to employees,or supervision of employees; provided, however, that such term shall not include any matter which is otherwise reviewable pursuant to law or any rule or regulation having the force or effect of law.

(c) "Department" shall mean any office, department, board, commission or other agency of the government of the County of Saratoga.

(d) "Immediate Supervisor" shall mean the employee or officer on the next higher level of authority above the employee in the department wherein the grievance exists and who normally assigns and supervises the employee's work and approves his time record or evaluates his work performance.

(e) "Department Head" shall mean that person so designated pursuant to charter, local law, administrative code, rule or resolution of the Board of Supervisors as the head of a department, as defined in subdivision "c" hereof.

(f) "Decision" shall mean the ruling, determination or report or disposition made by an immediate supervisor, Department Head or grievance board after a grievance is heard or submitted as in this act provided.

(g) "Days" shall mean all days other than Saturdays, Sundays and legal holidays. Saturdays, Sundays and legal holidays shall be excluded in computing the number of days within which action must be taken or notice given within the terms of this act.

2. DECLARATION OF BASIC PRINCIPLE

Every employee of this County shall have the right to present his grievance in accordance with the procedures provided herein free from interference, coercion, restraint, discrimination or reprisal, and shall have the right to be represented by a person of his own choosing at all stages of grievance procedure. Should the employee choose not to be represented in such matter, he/she shall do so in writing with a copy going to the Union President.

3. INITIAL PRESENTATION

(a) An employee who claims to have a grievance shall present his grievance to his immediate supervisor, orally, within ten (10) days after the grievance occurs.

(b) The immediate supervisor shall discuss the grievance with the employee, shall make such investigation as he deems appropriate and shall consult with his supervisors to such extent as he deems appropriate, all on an informal basis.

(c) Within five (5) days after presentation of the grievance to him, the immediate supervisor shall make his decision and communicate the same to the employee presenting the grievance, and to the employee's representative, if any.

4. SECOND STAGE

(a) If an employee presenting a grievance be not satisfied with the decision made by his immediate supervisor, he may, within five (5) working days thereafter, request a review and determination of his grievance by the Department Head. Such a request shall be in writing and shall contain a statement of the specific nature of the grievance and the facts relating to it. Such request shall be served upon both the Department Head and the immediate supervisor to whom the grievance was originally presented. Thereupon, and within five (5) days after receiving such request, the immediate supervisor shall submit to the Department Head a written statement of his information concerning the specific nature of the grievance and the facts relating to it.

(b) The Department Head or his designee, may and at the request of the employee shall, hold an information hearing within seven (7) days after receiving the written request and statement from the employee. The employee and his representatives, if any, may appear at the hearing and present oral or written statements or arguments.

(c) Within ten (10) days after the close of the hearing, or within ten (10) days after the grievance has been submitted to him if there be no hearing, the Department Head, or his designee, shall make his decision in writing and communicate the same to the employee presenting the grievance and to the employee's representative, if any.

5. GRIEVANCE BOARDS

(a) A grievance board of three (3) members to be appointed by, and to serve at the pleasure of, the Chairman of the Board of Supervisors, is hereby established to hear appeals from decisions of department heads on grievances. In the event of the disqualification, unavailability or other disability of a member or members of the Grievance Board to hear a specific appeal, the Chairman of the Board of Supervisors is authorized to bring the Grievance Board to full complement for such case by appointing, temporarily, the necessary member or members.

Such Grievance Board shall have jurisdiction over grievances involving all County employees.

(b) A hearing of any matter before the respective grievance board may be conducted by any one or more members of the board, designated by the Board to act on its behalf; provided, however, that if less than the full board presides at such hearing, the member or members thereof conducting such hearing shall render a report thereon to the full board and the full board shall thereupon make its report.

(c) Two concurring votes shall be necessary to determine any official report or action of the grievance board.

(d) Necessary funds, supplies, facilities and personnel to implement operation of the grievance boards shall be provided by the Board of Supervisors.

(e) The respective grievance board may make and amend rules and regulations for the conduct of its proceedings not inconsistent with the provisions of this act. A complete and up-to-date set of such rules and amendments shall be kept on file in the County Clerk's Office.

6. APPEALS TO GRIEVANCE BOARDS

(a) An employee may appeal from the decision of the Department Head or designee of the Department Head within ten (10) days after the notice of such decision. The appeal shall be taken by submitting a written statement to the Grievance Board, and a copy of the Grievance Appeal shall be submitted to the Personnel Office signed by the employee taking the appeal, containing:

(1) The name, residence address, and Department of employment of the employee presenting the grievance.

(2) The name, residence address, and Department of employment of each other employee or official involved in the grievance.

(3) The name and address of the employee's representative, if any, and his Department of employment if he be a fellow employee.

(4) A concise statement of the nature of the grievance, the facts relating to it and the proceedings and decisions of the grievance up to the time of the appeal.

(5) A request for a review of the decision of the Department Head or his nominee.

(b) The respective grievance board may request the Department Head to submit a written statement of facts, including a summary of the record of the hearings, if there was a hearing, and the original or a true copy of any other record or document used by the Department Head or his designee in making his decision. Such written request shall be submitted within ten (10) days after request by the grievance board.

(c) The respective grievance board shall hold a hearing within ten (10) days after receiving the written request for a review. It shall give at least three (3) days' notice in writing of the time and place of such hearing to the employee, the employee's representative, if any, and the Department Head or his designee, all of whom shall be entitled to be present at the hearing.

(d) The hearing on the appeal may be held in public or in private as determined by the grievance board.

(e) New evidence, testimony or argument, as well as any documents, exhibits, or other information submitted to the Department Head or his designee at the hearing held by him may be introduced at the hearing by the employee, by the Department Head, or his designee or upon the request of the grievance board.

(f). The hearing may be adjourned from time to time by the grievance board if in its judgment such adjournment is necessary. The total of all such adjournments, however, shall not exceed ten (10) days, except that adjournments consented to by both the employee and the Department Head shall not be counted in determining the total days of adjournment as herein limited.

(g) The grievance board shall not be bound by formal rules of evidence.

(h) A written summary shall be kept of each hearing held by the grievance board.

(i) The grievance board shall make its report in writing within ten (10) days after the close of the hearing. It shall immediately file its report and the written summary of the proceedings with the County Clerk and shall at the time send a copy of its report to the employee, the employee's representative, if any, and the Department Head. The report shall include a statement of the board's findings of fact, conclusions and advisory recommendations.

7. ARBITRATION

If the CSEA Inc. is not satisfied with the decision of the Grievance Board and the CSEA Inc. determines that the grievance is meritorious, it may submit the grievance to arbitration by written notice to the Chairman of the County Board of Supervisors within fifteen (15) working days of the decision at the Grievance Board stage.

Within five (5) working days after such written notice of submission to arbitration, the County Board of Supervisors or its designee and the CSEA Inc. will agree upon a mutually acceptable arbitrator competent in the area of the grievance and will obtain a commitment from said arbitrator to serve. If the parties are unable to agree upon an arbitrator, or to obtain such a commitment within a specified period (five (5) working days from agreeing upon an arbitrator), a request for a list of arbitrators will be made to the Public Employment Relations Board by either party. The parties will then be bound by the rules and procedures of the Public Employment Relations Board in the selection of an arbitrator.

The selected arbitrator will hear the matter promptly and will issue his decision not later than thirty (30) calendar days from the date of the close of the hearings, or, if oral hearings have been waived, then from the date the final statements and proofs are submitted to him. The arbitrator's decision will be in writing and will set forth his findings of fact, reasoning and conclusions on the issues. The cost of the arbitrator shall be borne equally by both parties. The arbitrator's decision shall be sent to all parties involved in the grievance.

The arbitrator's decision will be advisory. Within ten (10) working days of the receipt of the arbitrator's decision, the Grievance Board shall meet and make a final determination on the grievance. The Grievance Board shall base its determination on the arbitrator's findings of fact and reasoning and shall submit such determination in writing to aggrieved and to the Saratoga County General Unit President.

8. WAIVER OR EXTENSION OF TIME; TIME FOR DISCUSSIONS AND HEARINGS.

(a) The time limitations for presentation and resolution of grievances as hereinabove fixed may be waived or extended by mutual agreement of the parties involved.

(b) All discussions and hearings between an employee, his immediate supervisors, Department Head and grievance board shall, so far as practicable, be conducted during working hours.

(c) The CSEA unit president shall have the right to initiate a grievance at Step 2 of the grievance procedure which involves more than one unit member or employee. Such grievance shall contain a general description of the employees involved in the matter, including, if possible the name of such employees, the title and work location of such employees.

ARTICLE XIX

Discipline and Discharge

SECTION 1. An employee covered by this Agreement who has successfully completed his/her probationary period shall utilize the following procedure for disciplinary and discharge matters in lieu and in place of procedures specified in Section 75, 76 and 77 of the Civil Service Law.

SECTION 2. All employees within the non-competitive and labor class of the County shall receive, after two (2) years of full-time consecutive service, access to this provision.

SECTION 3. Disciplinary action shall include, but is not limited to written reprimands, suspension, demotion, discharge, fines or any combination thereof or other such penalties as may be imposed by the

Employer. A notice of such discipline shall be made in writing and served upon the employee with a copy to the County Personnel Officer and to the CSEA Unit President or his/her official designee. The specific acts for which discipline is being imposed and the penalty shall be specified in the notice. In the event that an employee is to receive a penalty of suspension without pay or a penalty of termination, a pre-suspension or termination hearing will be held to comply with existing case law, which hearing will involve the County, the affected employee, and representative from the Union if the employee so elects. The purpose of this hearing is solely to comply with case law regarding the need for such a hearing prior to a suspension or termination of a tenured public employee. An employee must be served with a notice of discipline either personally or, if the employee is on a leave of absence or is unavailable due to an unauthorized leave of absence, then by certified mail, return receipt requested to the employee's last known residential address. A penalty may not be imposed for at least one working day after service is complete.

SECTION 4. If the employee disagrees with the disciplinary action imposed, the employee may submit a request for independent arbitration to make a binding determination. If CSEA does not support the employee's desire to contest the discipline and penalty at arbitration, the employee shall be responsible for his/her prorata share of the cost of the fees and expenses of the arbitrator. Failure to submit a written opposition within eight (8) working days of receipt of the notice of discipline will constitute acceptance of the imposed penalty by the employee and the matter will be settled in its entirety. Both parties agree to use the services of the New York State Public Employment Relations Board panel in the selection of the arbitrator. Subject to a mutual written agreement between the employee and the County Personnel Officer, the time limit herein above specified may be extended. The fees and expenses of the arbitrator shall be divided equally between the County and CSEA or the employee, as specified above.

SECTION 5. An employee shall have the right to be represented in disciplinary matters by a CSEA representative if the employee elects to do so. Should the employee choose not to be represented in such matter, he/she shall do so in writing with a copy going to the Union President. Nothing contained herein shall be construed as limiting the right of an employee to informally resolve the disciplinary matter by settlement with the Department Head and the employee may waive his/her rights to the procedure as outlined herein. Any settlement agreed upon between the parties shall be reduced to writing and shall be final and binding upon all parties.

SECTION 6. No disciplinary action shall be commenced by the County more than eighteen (18) months after the occurrence of the alleged act(s) for which discipline is being considered; provided, however, that such time limitation shall not apply where the act(s) would, if proved in a court of appropriate jurisdiction, constitute a crime.

ARTICLE XX

Miscellaneous

Section 1. The Employer agrees to provide Mobile Phone/Beepers to employees who are on call in the Child Welfare Division of the Saratoga County Department of Social Services and those on-call nurses in Saratoga County Public Health. The Employer shall pay the full cost of the Mobile Phone/Beepers.

Section 2. Employees in the Sewer District may apply to County designated physician(s) for medical authorizations to conduct an annual laboratory examination of blood, urine and stool to determine levels of bacteriological residue and/or toxicity. The County will assume the cost of such procedure not covered by the employee's health insurance coverage. It is understood that the procedure will be conducted during the non-working time of the employee, as scheduled by the laboratory.

Section 3. Food Maintenance Maplewood Manor:

The current food maintenance practice at the Maplewood Manor shall be modified effective June 1, 1981 in accordance with the following:

(A) Employees hired after 6/1/81 shall not be eligible for coverage under the Food Maintenance Policy.

(B) An annual option to participate or not participate in the Food Maintenance Policy shall be offered to all other employees, with such first option to take effect 6/1/81 and extend to 5/31/82.

(C) Costs of meals to employees (including costs of coffee and cold beverages) to be determined by the County and communicated each 5/15 to employees in advance of said option date. The basis for determining such meal price shall be shared with the CSEA.

(D) If the manner of food serving on the 3rd shift is violative of any sanitary law or regulations, the food maintenance will be abandoned on that shift.

Section 4. Education. Upon the prior approval of the Department head, an employee may be reimbursed sixty percent (60%) of the cost of college tuition up to a maximum of $600.00 per semester effective 1/1/01, up to a maximum of $700.00 per semester effective 1/1/02, and $800 effective 9/13/05 with a maximum being two semesters per calendar year, provided the courses involved are job-related or part of a recognized degree program. No employee shall receive such reimbursement unless the employee receives a grade of C or better in said course. All such courses must be taken during other than normal duty hours and nothing in this section is intended to imply that employees will be given time off to attend college courses.

Section 5. Gender: any reference in this contract to the male gender, also refers to the female gender.

ARTICLE XXI

Transfers

Section 1. A transfer of employee shall be defined as the geographic movement of an employee from one work site to another within Saratoga County within the same job title or classification except within the Village of Ballston Spa, New York.

Section 2. The Employer shall be allowed to make permanent transfers only through a bidding process. The Employer shall announce the existence of the transfer for ten (10) days. At the end of such period, the Employer shall select one of the applying employees. The major factor in making such selection shall be the length of continuous service of each applying employee. The most senior applying employee shall generally receive the transfer.

Section 3. The Employer shall be allowed to transfer an employee(s) from one job site to another when an emergency exists for up to ten (10) ***work*** days duration. The employee involved in such a transfer shall be compensated for any additional mileage involved in traveling from his home to the temporary work site in accordance with Section 3 of Article XI.

Section 4. Transfers mandated by the elimination of work sites or job titles shall be made in accordance with the layoff procedures contained in this Agreement. Transfers caused by the creation of work sites or job titles shall be made in accordance with Section 2 of this Article.

Section 5. If no one applies for the transfer, the Employer shall offer the position to employees in lower titles as a promotion by again posting the position for ten (10) days. The Employer shall select an employee based on qualifications and seniority. If the qualifications of the applying employees are equal, the applying employee with the most seniority shall receive the promotion.

Section 6. All employees hired by the Department of Motor Vehicles on or after January 1, 1991, may be temporarily transferred to any one of the Department's substations, upon notice by the Department Head, for a period exceeding ten (10) days, but less than permanent. An employee that is involved in a temporary transfer shall be compensated for any additional mileage involved in traveling from his/her home to a substation in accordance with Section 3 of Article XI.

ARTICLE XXII

Employee Evaluations

Section 1. Effective July 2, 1977, all employees of Saratoga County except hourly DPW/Highway employees are subject to an annual performance evaluation by Department Heads. An Employee Performance Evaluation form will be used for this purpose and is set forth in Appendix C of this contract. A copy of the annual evaluation will be filed with the County Personnel Officer and be made a part of the employee’s permanent record.

If the employee is not satisfied with evaluation, the employee may seek redress through the grievance procedure contained in this contract. The use of the grievance procedure shall be limited to an employee who has received less than a satisfactory rating. The employee shall receive a copy of the evaluation upon its review with the employee's supervisor.

Section 2. An employee shall have the opportunity to review their official personnel folder kept on file in the County Personnel Office, in the presence of an appropriate official of the Personnel Department and the employee's Union representative. Such access shall not extend to confidential pre-employment reference material.

ARTICLE XXIII

Due Process Hearings

Where the County is required to negotiate the procedures for a due process hearing, the following shall be the negotiated procedure utilized:

The County may appoint a Hearing Officer who shall have the authority to receive testimony and evidence, issue subpoenas and issue an opinion and award. All parties to the hearing shall have the right to be represented by counsel at their own expense. The CSEA Unit President shall be notified that a hearing will be held and the subject matter of the hearing. The award may be appealed by the County or the employee pursuant to Article 78 of the Civil Practice Law and Rules. Such hearing officer may be a County employee provided such employee is unrelated to the case.

ARTICLE XXIV

Mandatory Legislative Clause

IT IS AGREED BY AND BETWEEN THE PARTIES THAT ANY PROVISIONS OF THIS AGREEMENT REQUIRING LEGISLATIVE ACTION TO PERMIT ITS IMPLEMENTATION BY AMENDMENT OF LAW OR BY PROVIDING THE ADDITIONAL FUNDS THEREFORE SHALL NOT BECOME EFFECTIVE UNTIL THE APPROPRIATE LEGISLATIVE BODY HAS GIVEN APPROVAL.

ARTICLE XXV

Zipper Clause

This Agreement is the entire Agreement between the County and the CSEA, terminates all prior Agreements and understandings and concludes all collective negotiations during its term. During the term of this Agreement, neither party will unilaterally seek to modify its terms through legislation or any other means. The parties agree to support jointly any legislation or administrative action necessary to implement the provisions of this Agreement. The parties acknowledge that, except as otherwise expressly provided herein, they have fully negotiated with respect to the terms and conditions of employment and have settled them for the term of this Agreement in accordance with the provisions thereof.

ARTICLE XXVI

Term of Contract

THIS AGREEMENT SHALL BECOME EFFECTIVE JANUARY 1, 2010 AND SHALL TERMINATE AT THE CLOSE OF BUSINESS ON DECEMBER 31, 2012.

Thomas N. Wood III
FOR THE COUNTY OF SARATOGA

CSEA President

For CSEA Inc.

APPENDIX A - 2010 SALARY PLAN FOR EMPLOYEES HIRED AFTER 7/2/77

There shall be no change in the salary plan for contract year 2010 other than the one time payment discussed in Article III, Compensation, Section 3A.

APPENDIX A - 2011 SALARY PLAN FOR EMPLOYEES HIRED AFTER 7/2/77

					2011					
BASE	1st	2nd	3rd	4th	5th	7th	10th	15th	18th	24th
59660	60222	60782	61351	61912	62464	63380	64301	65210	66119	67035
58883	59447	60006	60575	61136	61689	62604	63524	64433	65343	66258
57813	58375	58942	59503	60065	60618	61542	62444	63353	64263	65182
57173	57742	58301	58871	59423	59991	60908	61812	62729	63633	64549
56226	56781	57348	57912	58476	59030	59949	60866	61775	62675	63595
55325	55886	56455	57014	57569	58136	59046	59956	60873	61791	62709
55127	55689	56256	56817	57371	57939	58847	59759	60676	61594	62511
54714	55282	55848	56402	56965	57524	58433	59351	60268	61179	62096
53272	53819	54364	54907	55444	55993	56882	57755	58653	59539	60458
53103	53671	54231	54793	55346	55915	56831	57736	58658	59578	60494
52650	53221	53780	54342	54903	55470	56372	57299	58202	59111	60029
51730	52289	52849	53416	53992	54552	55470	56381	57299	58214	59133
51677	52245	52804	53364	53926	54494	55369	56322	57231	58136	59054
51632	52194	52754	53315	53884	54445	55362	56271	57166	58083	59000
50096	50658	51225	51777	52346	52913	53823	54727	55644	56555	57470
49806	50354	50898	51444	51979	52529	53416	54290	55187	56073	56993
49559	50125	50686	51247	51816	52370	53286	54197	55107	56015	56935
49494	50061	50623	51175	51741	52310	53204	54124	55033	55951	56869
48859	49421	49974	50541	51110	51663	52580	53491	54400	55319	56235
48635	49196	49755	50325	50887	51439	52354	53275	54184	55092	56010
48567	49129	49694	50265	50824	51379	52294	53198	54116	55026	55941
47157	47725	48292	48859	49421	49974	50892	51800	52725	53635	54551
46413	46963	47505	48048	48587	49135	50024	50897	51795	52681	53599
46217	46763	47331	47897	48466	49031	49937	50849	51764	52675	53593
46001	46544	47114	47682	48247	48801	49713	50629	51547	52450	53366
45425	45977	46535	47105	47674	48241	49144	50061	50964	51873	52791
45387	45939	46508	47076	47644	48190	49108	50019	50935	51844	52761
44908	45467	46026	46596	47140	47709	48635	49537	50447	51364	52280
44694	45261	45822	46385	46938	47504	48430	49326	50240	51154	52071
43721	44279	44840	45407	45962	46523	47445	48343	49268	50177	51095
43144	43711	44270	44834	45400	45948	46872	47781	48693	49603	50521
42926	43495	44047	44615	45168	45729	46653	47541	48466	49383	50301
42512	43063	43633	44192	44754	45321	46239	47129	48050	48967	49887
42322	42887	43443	44004	44564	45126	46043	46938	47861	48780	49697
41988	42554	43106	43676	44234	44790	45714	46607	47527	48444	49362
41762	42330	42898	43449	44011	44570	45488	46407	47304	48218	49139
41603	42162	42729	43296	43853	44418	45321	46246	47134	48050	48967
41128	41686	42264	42825	43392	43960	44870	45781	46697	47615	48532
40953	41522	42087	42627	43197	43755	44675	45577	46494	47410	48329
40755	41323	41891	42430	42998	43558	44478	45387	46297	47215	48132
40036	40585	41129	41672	42209	42757	43647	44521	45419	46305	47223
39585	40146	40713	41273	41827	42394	43314	44228	45126	46043	46961
39388	39947	40516	41077	41629	42196	43114	44034	44926	45839	46756
38872	39439	39999	40553	41123	41686	42591	43509	44425	45335	46253
38604	39161	39722	40283	40843	41405	42322	43238	44141	45051	45969

APPENDIX A - 2011 SALARY PLAN FOR EMPLOYEES HIRED AFTER 7/2/77

2011	BASE	1st	2nd	3rd	4th	5th		7th	10th	15th	18th	24th
	37813	38375	38936	39497	40056	40618	0	41535	42453	43351	44264	45183
	37793	38348	38914	39468	40036	40597	0	41515	42418	43326	44245	45164
	37637	38209	38767	39330	39896	40451	0	41367	42285	43187	44105	45022
	37545	38106	38660	39220	39780	40342	0	41259	42176	43094	44011	44926
	37456	38026	38593	39148	39715	40268	0	41186	42105	43013	43922	44840
	37226	37793	38348	38914	39468	40036	0	40947	41849	42757	43676	44594
	37052	37621	38186	38740	39307	39862	0	40779	41686	42599	43515	44432
	36875	37443	38010	38572	39132	39694	0	40604	41522	42425	43339	44259
	36695	37262	37828	38399	38952	39513	0	40423	41339	42250	43159	44077
	36686	37257	37823	38392	38942	39505	0	40413	41333	42234	43149	44069
	36604	37174	37741	38310	38862	39423	0	40331	41250	42152	43068	43986
	36410	36977	37526	38079	38646	39220	0	40123	41033	41943	42862	43780
	36061	36628	37195	37756	38317	38872	0	39780	40698	41610	42524	43444
	35861	36433	36999	37560	38121	38674	0	39557	40501	41410	42330	43247
	35798	36366	36906	37474	38040	38610	0	39519	40423	41339	42250	43169
	35558	36097	36665	37231	37802	38359	0	39264	40174	41092	42001	42918
	35224	35791	36359	36899	37466	38034	0	38942	39862	40771	41680	42598
	35121	35678	36249	36817	37385	37938	0	38841	39758	40677	41586	42506
	35114	35672	36244	36810	37377	37931	0	38834	39744	40661	41579	42494
	34982	35544	36092	36657	37226	37793	0	38697	39606	40516	41427	42346
	34882	35441	36010	36575	37130	37683	0	38610	39519	40437	41354	42272
	34613	35178	35733	36284	36854	37420	0	38332	39243	40146	41054	41973
	34327	34889	35456	36023	36593	37138	0	38048	38965	39877	40793	41710
	34319	34882	35441	36010	36575	37124	0	38040	38958	39868	40785	41705
	34289	34852	35418	35986	36556	37094	0	38019	38929	39845	40764	41681
	34133	34682	35225	35767	36305	36853	0	37742	38616	39513	40398	41316
	33331	33888	34458	35019	35588	36154	0	37052	37967	38877	39788	40706
	33295	33882	34452	35013	35582	36149	0	37048	37960	38871	39782	40699
	33199	33760	34314	34882	35436	36010	0	36906	37823	38735	39643	40559
	33143	33702	34264	34830	35399	35966	0	36862	37785	38690	39606	40524
	33104	33665	34233	34800	35369	35906	0	36833	37742	38660	39569	40487
	33005	33563	34109	34668	35238	35805	0	36709	37627	38535	39445	40362
	32944	33506	34066	34633	35201	35769	0	36665	37590	38492	39403	40320
	32882	33441	34007	34575	35121	35678	0	36607	37501	38418	39337	40255
	32581	33143	33702	34264	34830	35399	0	36301	37219	38129	39029	39945
	32537	33104	33672	34239	34805	35377	0	36284	37202	38121	39029	39945
	32064	32624	33184	33746	34307	34857	0	35785	36686	37603	38522	39439
	31146	31708	32275	32834	33404	33963	0	34857	35785	36686	37603	38522
	31223	31785	32347	32909	33481	34172	0	34934	35862	36774	37687	38616
	30593	31146	31701	32250	32806	33361	0	34233	35143	36032	36918	37837
	30148	30692	31239	31780	32329	32876	0	33735	34631	35507	36381	37286
	29909	30449	30992	31529	32072	32615	0	33467	34357	35226	36092	36991
	28962	29485	30010	30530	31057	31582	0	32408	33269	34111	34949	35819
	28205	28714	29226	29732	30245	30756	0	31560	32399	33219	34036	34883
	28057	28529	29023	29496	29994	30464	0	31244	32038	32810	33597	34513
	28108	28579	29156	29630	30141	30651	0	31452	32280	33105	33919	34763
	27012	27500	27990	28475	28965	29456	0	30225	31029	31814	32596	34408
	26770	27245	27739	28211	28709	29180	0	29961	30753	31526	32311	33230

APPENDIX A - 2012 SALARY PLAN FOR EMPLOYEES HIRED AFTER 7/2/77

					2012						
BASE	1st	2nd	3rd	4th	5th		7th	10th	15th	18th	24th
60853	61426	61997	62578	63150	63713	0	64647	65587	66514	67442	68376
60060	60636	61206	61786	62358	62922	0	63856	64794	65722	66650	67583
58969	59542	60121	60693	61266	61830	0	62773	63693	64620	65548	66486
58317	58897	59467	60049	60612	61191	0	62126	63048	63984	64905	65840
57351	57917	58495	59070	59645	60211	0	61148	62084	63011	63928	64867
56431	57004	57584	58154	58720	59299	0	60227	61155	62090	63026	63963
56229	56803	57381	57953	58518	59098	0	60024	60954	61889	62826	63761
55808	56388	56965	57530	58104	58674	0	59601	60538	61473	62402	63337
54337	54896	55451	56005	56553	57113	0	58020	58911	59826	60730	61668
54165	54745	55316	55889	56453	57034	0	57968	58891	59831	60770	61704
53703	54285	54855	55428	56001	56579	0	57500	58444	59366	60293	61230
52765	53335	53906	54485	55071	55643	0	56579	57508	58444	59379	60316
52711	53290	53860	54432	55005	55583	0	56476	57449	58376	59299	60235
52665	53238	53809	54382	54961	55533	0	56469	57397	58309	59245	60180
51098	51671	52250	52813	53393	53971	0	54900	55822	56757	57686	58619
50802	51361	51916	52473	53019	53580	0	54485	55375	56291	57195	58132
50550	51127	51700	52272	52852	53417	0	54352	55281	56209	57136	58074
50484	51062	51635	52199	52775	53356	0	54268	55207	56134	57070	58006
49836	50409	50973	51552	52132	52696	0	53632	54561	55488	56425	57359
49607	50180	50750	51331	51905	52467	0	53401	54340	55268	56194	57130
49539	50112	50688	51270	51840	52407	0	53340	54262	55198	56126	57060
48100	48679	49258	49836	50409	50973	0	51910	52836	53779	54707	55642
47341	47902	48456	49009	49558	50118	0	51024	51915	52830	53736	54671
47142	47698	48278	48855	49436	50012	0	50936	51866	52799	53728	54665
46921	47474	48056	48636	49212	49777	0	50707	51641	52578	53499	54434
46333	46896	47466	48047	48627	49206	0	50126	51062	51984	52911	53847
46295	46858	47438	48018	48597	49154	0	50090	51019	51953	52880	53816
45806	46376	46947	47528	48083	48664	0	49607	50528	51456	52391	53326
45588	46167	46739	47312	47877	48455	0	49398	50313	51245	52177	53112
44596	45165	45737	46315	46881	47454	0	48394	49310	50253	51180	52117
44007	44585	45155	45731	46308	46867	0	47810	48736	49667	50595	51531
43784	44365	44928	45507	46071	46643	0	47586	48492	49436	50371	51307
43362	43925	44505	45075	45649	46227	0	47163	48072	49011	49946	50885
43168	43745	44312	44884	45455	46028	0	46964	47877	48819	49756	50691
42828	43405	43968	44550	45119	45686	0	46629	47539	48477	49413	50349
42597	43177	43756	44318	44891	45461	0	46398	47335	48250	49183	50121
42435	43005	43583	44162	44730	45306	0	46227	47171	48077	49011	49946
41951	42520	43109	43681	44260	44839	0	45767	46696	47631	48567	49502
41772	42353	42929	43479	44061	44630	0	45568	46488	47424	48358	49295
41570	42150	42729	43279	43858	44429	0	45368	46295	47223	48159	49094
40837	41396	41952	42506	43053	43613	0	44520	45411	46327	47231	48167
40377	40949	41528	42099	42664	43242	0	44181	45113	46028	46964	47900
40176	40746	41327	41899	42462	43040	0	43977	44915	45824	46756	47691
39650	40228	40799	41364	41946	42520	0	43443	44379	45314	46242	47178
39376	39944	40516	41089	41660	42233	0	43168	44103	45023	45952	46889

APPENDIX A - 2012 SALARY PLAN FOR EMPLOYEES HIRED AFTER 7/2/77

2%												
2012	38570	39143	39715	40287	40858	41431	0	42366	43302	44218	45149	46087
	38549	39115	39692	40257	40837	41409	0	42345	43266	44192	45129	46067
	38390	38973	39542	40117	40694	41260	0	42194	43131	44051	44987	45922
	38296	38868	39433	40004	40576	41149	0	42084	43019	43956	44891	45824
	38206	38786	39365	39931	40509	41073	0	42009	42947	43874	44801	45737
	37970	38549	39115	39692	40257	40837	0	41766	42686	43613	44550	45486
	37793	38373	38949	39514	40093	40659	0	41594	42520	43451	44386	45321
	37613	38192	38771	39344	39915	40488	0	41416	42353	43273	44206	45144
	37428	38007	38584	39167	39731	40303	0	41231	42165	43095	44022	44959
	37420	38002	38579	39160	39720	40295	0	41222	42160	43079	44012	44950
	37336	37917	38496	39076	39639	40211	0	41137	42075	42995	43930	44866
	37138	37717	38276	38840	39419	40004	0	40925	41853	42782	43720	44656
	36782	37361	37939	38511	39084	39650	0	40576	41512	42442	43374	44313
	36578	37162	37739	38312	38884	39448	0	40348	41311	42238	43177	44112
	36514	37093	37644	38223	38801	39382	0	40309	41231	42165	43095	44033
	36269	36819	37398	37976	38558	39126	0	40049	40977	41914	42841	43776
	35928	36507	37086	37636	38215	38794	0	39720	40659	41587	42514	43450
	35823	36391	36974	37553	38133	38697	0	39617	40553	41490	42418	43357
	35816	36386	36969	37546	38124	38689	0	39611	40539	41475	42411	43344
	35682	36255	36814	37390	37970	38549	0	39471	40398	41327	42256	43193
	35580	36150	36730	37307	37873	38437	0	39382	40309	41246	42181	43117
	35305	35881	36447	37010	37591	38168	0	39098	40028	40949	41875	42812
	35014	35587	36165	36744	37324	37881	0	38809	39744	40674	41609	42544
	35005	35580	36150	36730	37307	37866	0	38801	39737	40665	41600	42539
	34975	35549	36127	36705	37287	37836	0	38780	39708	40642	41580	42515
	34816	35376	35929	36483	37031	37590	0	38497	39389	40303	41206	42142
	33997	34566	35147	35719	36300	36877	0	37793	38727	39655	40584	41520
	33961	34560	35141	35713	36294	36872	0	37789	38719	39648	40578	41513
	33863	34435	35000	35580	36145	36730	0	37644	38579	39509	40436	41370
	33806	34376	34949	35527	36107	36686	0	37599	38541	39463	40398	41334
	33766	34338	34918	35496	36076	36624	0	37570	38497	39433	40360	41297
	33665	34234	34791	35361	35943	36521	0	37443	38379	39305	40234	41170
	33603	34176	34747	35326	35905	36485	0	37398	38342	39262	40191	41126
	33539	34110	34687	35266	35823	36391	0	37339	38251	39187	40124	41060
	33232	33806	34376	34949	35527	36107	0	37027	37963	38891	39810	40744
	33188	33766	34346	34924	35502	36084	0	37010	37947	38884	39810	40744
	32705	33276	33847	34421	34993	35555	0	36500	37420	38355	39293	40228
	31769	32342	32920	33490	34072	34642	0	35555	36500	37420	38355	39293
	31847	32421	32994	33567	34151	34855	0	35633	36579	37509	38441	39388
	31205	31769	32335	32895	33462	34028	0	34918	35846	36752	37656	38594
	30751	31306	31864	32416	32976	33534	0	34410	35324	36217	37109	38032
	30507	31058	31612	32160	32713	33267	0	34136	35044	35931	36814	37731
	29541	30075	30610	31141	31678	32214	0	33056	33934	34793	35648	36535
	28769	29288	29811	30327	30850	31371	0	32191	33047	33883	34717	35581
	28618	29100	29604	30086	30594	31074	0	31868	32679	33467	34269	35203
	28670	29151	29739	30223	30744	31264	0	32081	32926	33767	34597	35458
	27552	28050	28550	29045	29544	30045	0	30830	31650	32450	33248	35096
	27305	27790	28294	28775	29283	29764	0	30561	31368	32157	32957	33894

APPENDIX B

EVALUATION FOR EMPLOYEES HIRED AFTER 7/2/77

1. Definitions

Meritorious Rating - A meritorious rating is an overall point rating of more than 28 points with no single category rated as unacceptable.

Satisfactory Rating - A satisfactory rating is an overall point rating of between 22 and 27 points with no single category rated as unacceptable.

Unsatisfactory Rating - An unsatisfactory rating is an overall point rating of less than 22 points or an unacceptable rating in any category.

Anniversary Date - The anniversary date is based on the employees first date of permanent employment on a continuous basis in Saratoga County. As such, work performed as a provisional or temporary employee will not count toward the employee's original date of hire.

Department Head - For purposes of the evaluation system, Department Heads are those persons so designated by the Board of Supervisors as the ultimate supervisor of the employee involved, whose ratings are not subject to further review.

Days - Days shall mean all days other than Saturdays, Sundays and legal holidays.

2. Procedures to be followed

A. Insofar as possible, each employee shall be hired at the base salary for the position to be encumbered as stated in the compensation plan in effect when the employee is hired. If it is necessary to hire an employee at a salary higher than the base salary, the employee shall only be entitled to receive the remaining merit and longevity increases as provided in Article 3, Section 4 and Article 4, Section 3.

B. Four (4) months prior to each successive date of hire of each employee covered under this appendix, the Department Head shall evaluate the employee in accordance with the form contained in Appendix C. Within ten (10) days after the aforementioned date, the Department Head shall deliver a copy of the evaluation to the employee indicating the overall rating. All ratings should be accompanied by a written documentation and must deal solely with the factors set forth on the aforementioned evaluation form.

APPENDIX C

SARATOGA COUNTY PERFORMANCE APPRAISAL FORM

EMPLOYEE: ______________________ TITLE: ______________________

DEPARTMENT: ______________________ SALARY: ______________________

ANNIVERSARY DATE: ______________________ EVALUATION DUE DATE: ______________________

RATING PERIOD FROM: ______________ TO: ______________

TYPE OF EVALUATION MERIT ____ ANNUAL ____ PROBATIONARY ____

CATEGORY	SUPERIOR	ABOVE AVERAGE	AVERAGE	NEEDS IMPROVEMENT	UNACCEPTABLE
1. JOB KNOWLEDGE	4	3	2	1	0

Appraise how well employee understands job duties and responsibilities.

COMMENTS:

2. PRODUCTIVITY	4	3	2	1	0

Evaluate the volume of work or service in relation to department standards.

COMMENTS:

3. ACCURACY	4	3	2	1	0

Appraise overall quality of work.

COMMENTS:

4. DEPENDABILITY	4	3	2	1	0

Rate the ability to assume reponsibility and carry out instructions in a reliable manner.

COMMENTS:

5. COURTESY	4	3	2	1	0

Rate the degree of courteousness with clients, public and co-workers.

COMMENTS:

6. INITIATIVE	4	3	2	1	0

Rate how well the employee originates action beyond the scope of responsibilities.

COMMENTS:

7. ATTENDANCE	4	3	2	1	0

To what degree does the employee report for work regularly, understand and follow attendance rules.

COMMENTS:

CATEGORY	SUPERIOR	ABOVE AVERAGE	AVERAGE	NEEDS IMPROVEMENT	UNACCEPTABLE
8. PUNCTUALITY	4	3	2	1	0

Rate punctuality for the rating period.

COMMENTS:

9. COOPERATION/TEAMWORK	4	3	2	1	0

Rate ability and willingness to work cooperatively with co-workers, supervisor and other agencies.

COMMENTS:

10. DECISIVENESS	4	3	2	1	0

Evaluate individual's ability to make decisions and accept responsibility for them.

COMMENTS:

11. COMMUNICATIONS	4	3	2	1	0

Evaluate ability to express self verbally and in writing, ability to follow instructions.

COMMENTS:

TOTAL PERFORMANCE RATING POINTS:______________

COMPLETED BY:________________________________ DATE:________________

PERFORMANCE RATING

_______ Meritorious _______ Satisfactory _______ Unsatisfactory

My supervisor has discussed this performance evaluation with me. In signing this report, I am only acknowledging my awareness of the comments and do not necessarily agree or disagree with the final assessment.

Employee Signature:________________________________ DATE:____________________

COMMENT: ____

Department Head Signature:____________________________ DATE:________________

COMMENT: ____

WITNESS STATEMENT

The foregoing evaluation was discussed with ______________________________ on ________________.

Signature of witness (if necessary):______________________________

Refer to the Policy and Procudures Manual for instructions. Attach additional sheets of paper if needed.
Retain one copy for department records and return original to Personnel Office.

Mar-03

APPENDIX D

POSITIONS EXCLUDED FROM THE BARGAINING UNIT

ELECTED OFFICIALS, DEPARTMENT HEADS AND MANAGERIAL POSITIONS

Clerk to Board of Supervisors

Director of Real Property Services

County Clerk

County Treasurer

Director of General Services/ Contract Administrator

County Attorney

Assistant County Attorney(s)

Deputy Commissioner Bldg. & Maint.

Employment & Training Program Director

County Historian (PT)

Director of Veterans' Service

Director of Weights & Measures

County Auditor

Director of Probation

District Attorney

1st Assistant District Attorney

Assistant District Attorney

Deputy County Clerk (2)

Assistant Public Defender(s)

Coroners (2)

Commissioner of Social Services

Nursing Home Administrator

Accountant Maplewood

Medical Director(s)

Director of Planning

Commissioner of Public Works

Director, Youth Bureau

Commissioner of Elections (2)

Deputy Commissioner of Elections (2)

Deputy County Treasurer

Executive Director of Saratoga County Sewer District

Director of Emergency Services

Director of Office for Aging

Director of Patient Services

Deputy Clerk of the Board

Management Analyst

County Administrator	Research Assistant to County Administrator
Personnel Director	Personnel Associate
Self-Insurance Specialist	Personnel Safety & Health Coordinator
	Lead Systems Analyst
Director of Environmental Services	Assistant Social Services Attorney
Director of Finance	Animal Shelter Supervisor
Assistant Employment & Training Program Director II	Deputy Commissioner of Social Services
Director of Social Services	Director of Nursing Services
Deputy Director of Probation	
	Ass't Director Mental Health
Associate Psychiatrist	Associate Engineer
Supervisor Psychologist	Deputy Commissioner of Highways
Administrative Officer (Mental Health)	Chief Sewage Treatment Plant Operator
Ass't Director of Real Property	Ass't Director Patient Services
Deputy Commissioner of Solid Waste	Recycling Coordinator
Public Defender	

CONFIDENTIAL POSITIONS

DEPARTMENT HEAD	TITLE
Clerk of the Board	Legislative Clerk Confidential
County Auditor	Principal Account Clerk
County Attorney	Confidential Secretary to County Attorney

Commissioner of Public Works	Confidential Secretary DPW
Commissioner of Social Services	Confidential Secretary to Commissioner of Social Services
Executive Director of Sewer District	Senior Account Clerk 9/13/05 Return to CSEA when next vacant
Personnel Officer	Personnel Assistant (2) Confidential Secretary to Personnel Officer Senior Account Clerk Personnel Clerk (2) Information Processing Specialist Account Clerk
Nursing Home Administrator	Confidential Secretary to Nursing Home Administrator
District Attorney	Confidential Secretary
County Administrator	Confidential Secretary
Public Defender	Confidential Secretary
Treasurer	Confidential Secretary Payroll Clerk

NEW YORK STATE PUBLIC EMPLOYMENT RELATIONS BOARD

ARBITRATION PANEL

In the Matter of the Arbitration Between

CIVIL SERVICE EMPLOYEES ASSOCIATION, INC, LOCAL 846, AFL-CIO

-and-

COUNTY OF SARATOGA

Grievants: CLASS ACTION

CONSENT AWARD

CASES NO.
A2005-475
A2005-473
A2005-474
A2006-113

Having heard the positions of the parties and having reviewed the Association's grievances, the County's responses, the January 1, 2000 - December 31, 2004, CBA, and the Memorandum of Agreement dated August 30, 2005, I hereby Award the following:

1. In accordance with the Association's interpretation of the Memorandum of Agreement between the County and Association, any employees hired after July 2, 1977, whose salary is less than $30,000 as provided in the "Base" column of the Saratoga County Compensation Schedule, shall be entitled to reimbursement from the County for the increase of co-pays for physician/office visits and/or prescription drugs, up to $400.00 per year.
2. Regardless of whether a dental insurance percentage contribution was negotiated and should have appeared in the 2000-2004 CBA, it is clear that the County has been making those deductions for a period in excess of five years; the grievance filed on March 8, 2006, far exceeds the time period

provided in the CBA for bringing grievances from a time when the Association knew or should have known the deductions were being made by the County. The grievance relating to the dental insurance premiums, PERB A2006-113, is dismissed with prejudice.

3. It appears that the practice with respect to paying upgrades retroactive to the effective date of the contract has varied from one contract period to another, sometimes by express agreement but also depending on the date of ratification in relation to the effective date of the contract. The County will pay to those employees whose titles are listed in Appendix "D" to the Memorandum of Agreement between the County and the Association, fifty (50%) percent of the amount they would have otherwise received had their salaries been upgraded retroactively to the effective date of the CBA (January 1, 2005), as opposed to the date the CBA was approved.

4. The County will provide both active Association represented employees and retirees with the option of enrolling in the indemnity health insurance plan with or without the drug card during the open enrollment period of November 1, 2007 – November 30, 2007. During such open enrollment period, the active employees and retirees will have the option on enrolling in the indemnity health insurance plan without such drug card. However, any employees or retirees who already chose to enroll in the POS plan are now prohibited from enrolling in the indemnity health insurance plan.

5. In accord with paragraph 4, above, the option provided to the active employees and retirees concerning the indemnity plan and the drug card will be a one-time option during the open enrollment period between November 1, 2007 – November 30,

2007. Once active employees and current retirees have chosen from the options available to them, that being either the indemnity plan with the drug card or the indemnity plan without the drug card, the employees and retirees will be provided such insurance pursuant to that option. After the open enrollment is closed on November 30, 2007, no employees will be provided the option of having the indemnity health insurance plan without a drug card as set forth in the CBA between the parties. In other words, after the open enrollment period closes on November 30, 2007, all active Association represented employees and retirees will only be entitled to enroll in the indemnity plan with the applicable drug card. Moreover, employees and retirees who chose the POS plan will have a drug card as part of such plan. However, any active employees who are currently receiving a buy-out "in lieu of" insurance coverage through the County pursuant to the CBA will retain the right to one final opportunity to opt into any of the three types of insurance currently available, namely: POS plan with drug card, Indemnity plan with drug card, or Indemnity plan without card. This right to opt-in at some point in the future is not limited to or foreclosed by the November 1, 2007 – November 30, 2007, open enrollment period as that period applies to other Association represented employees and retirees.

6. In accord with paragraphs 4 and 5, above, during the open enrollment period between November 1, 2007 – November 30, 2007, the county will provide guidance and direction on the impact of the indemnity plans with and without the drug card so that current employees and retirees can review the options available to them and make an informed decision on which option they want to chose.

This Consent Award resolves the four outstanding grievances referenced hereinabove finally and fully.

STATE OF NEW YORK)
COUNTY OF ALBANY) ss.:

I, Thomas M. Hines, do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed the Instrument, which is my Award.

THOMAS M. HINES
ARBITRATOR

DATED: July 17, 2007
Albany, New York

Side Letter Number 1

This document will serve as a side letter to the 1988-1990 contract between CSEA and Saratoga County and will explain the parties interpretation of Article XV, Section 6. The parties agree that where Saratoga County requests the presence of any Unit official to attend labor-management meetings or other meetings as the representative of CSEA (not in capacity of an employee of Saratoga County), then the time spent in attendance at such meetings will not be deducted pursuant to this section.

Saratoga County

Saratoga County

CSEA

CSEA

C120994asn1

Side Letter Number 2

This document will serve as a side letter to the 1995-1999 contract between CSEA and Saratoga County and will explain that the parties mutually agree that upon implementation of a computer system to efficiently maintain the County's payroll system, the two parties will meet and discuss the following matters:

1. The possibility of additional "authorized deductions" being taken from an employee's salary;

2. The possibility of the County furnishing to CSEA a list of all permanent County employees including their name, address, job title, work address, permanent date of hire, bargaining unit status, Union membership status and gross salary, whenever requested but no more than three (3) times annually; and

3. The possibility of having the County provide information concerning time accrual status in conjunction with the issuance of an employee's paycheck.

[signature]		4-25-95
Saratoga County	Saratoga County	Dated
Lorraine B. Daly, Pres.		4-25-95
CSEA	CSEA	Dated

Side Letter Number 3

This document will serve as a side letter to the 1991-1994 contract between CSEA and Saratoga County and will explain the parties mutually agree that the following additional changes will occur in the Saratoga County Health Plan:

Effective 1/1/91, the Saratoga County Health Plan shall be amended to provide that the following benefits shall be changed:

1. The plan shall have a $2,000 annual co-insurance waiver provision.

2. Psychiatric coverage under the plan will be limited to $5,000 annually.

3. The plan will provide for hospice coverage.

4. The lifetime maximum amount of coverage shall be increased from $250,000 to $1,000,000.

Saratoga County	Saratoga County	4-25-95 Dated
Corinne B. Daly, Pres. CSEA	CSEA	4-25-95 Dated

Side Letter Number 4.

This document will serve as a side letter to the 1991-1994 contract between CSEA and Saratoga County and will explain that the parties mutually agree that effective January 1, 1991, the release time procedure for a Union president to engage in Union activities will be as follows:

1. An employee who has been elected Union president will be allowed up to a 3 hour block of time per day in order to have the ability to perform his/her Union responsibilities as delineated in Article XI, Section 6, of the Agreement, as well as in the side letter to the 1988-1990 Agreement. During this period, his/her department head may not assign that employee any functions that would come into conflict with his/her Union obligations. However, if the employee is not engaged in Union activities during that time he/she must perform his/her regularly scheduled duties. Lastly, it is during this time frame that the Union president may engage in telephone conversations concerning his/her Union responsibilities.

2. If during the permitted period the Union president is needed to perform his/her Union responsibilities away from his/her work station, he/she must submit a request for release time slip to the Personnel Director. Upon receiving this request, it is the Personnel Director who makes the decision whether to grant the Union president permission to be released from his/her regular scheduled duties. If such request is granted, the Personnel Director will endeavor to notify the employee's Department Head 24 hours in advance of the release time being taken.

3. The Personnel Director or his designee shall be responsible for administering the Union leave provisions, rights, responsibilities on behalf of the County and the employee's Department Head may in no manner interfere with the Personnel Director's decision.

4. This side letter may be withdrawn by either party at any time after discussions of concern have taken place and remain unresolved.

Michael [signature]		4-25-95
Saratoga County	Saratoga County	Dated
Connie [signature] Pres.		4-25-95
CSEA	CSEA	Dated

Side Letter Number 5

SIDE LETTER AGREEMENT
BY AND BETWEEN THE
COUNTY OF SARATOGA AND THE
CIVIL SERVICE EMPLOYEES ASSOCIATION, INC.

The parties also recognize and agree that the Association and the County can use the Labor Management Committee established by Article XV Section 5 of the Agreement to discuss health insurance and other insurance issues relevant to the parties. More specifically, the parties agree that, at the request of either the Association or the County, labor management meetings can be called at least four times per year for the purpose of discussing issues or concerns that the parties have relating to health insurance plan, policies or revisions thereto.

The parties agree that if the premium applicable to the POS health insurance option exceed the premiums for the County's indemnification health insurance plan, the parties will meet in joint session(s) to discuss and resolve such issue.

FOR THE COUNTY OF SARATOGA

FOR THE CIVIL SERVICE EMPLOYEES ASSOCIATION

SIDE LETTER AGREEMENT
BY AND BETWEEN THE
COUNTY OF SARATOGA AND THE
CIVIL SERVICE EMPLOYEES ASSOCIATION, INC.

This Side Letter Agreement will confirm that the County will continue its practice of paying employees the appropriate shift differential pursuant to Article VI, Section 3 of the Agreement, for any time employees work into the afternoon (3:00 p.m. to 11:00 p.m.) or night (11:00 p.m. to 7:00 a.m.) shift. For example, an employee who normally works the day shift (7:00 a.m. to 3:00 p.m.) who works one (1) hour into the afternoon shift will be paid the 3 1/2% shift differential for the one hour work into the afternoon shift.

FOR THE COUNTY OF SARATOGA:

Dated: 7/7/08

FOR THE CIVIL SERVICE EMPLOYEES' ASSOCIATION:

Dated: 7/2/00

F:\RGF\ATTORNEY\JEG\agSideLetterSaratoga.wpd

Side Letter Number 7

SIDE LETTER AGREEMENT

BY AND BETWEEN
THE COUNTY OF SARATOGA
AND THE
CIVIL SERVICE EMPLOYEES ASSOCIATION, INC.

This Side Letter Agreement will confirm the parties understanding with respect to the approval and/or cancellation of vacation requests at the Health Related Facility and County Infirmary. The parties recognize that the approval of vacation requests are contingent upon nursing and staffing coverage. Moreover, the parties recognize that vacation requests which are initially approved may be subsequently canceled if the County determines that patient needs require such cancellation.

This side Letter Agreement is meant to supplement the provisions set forth in Article IX of the Agreement; it is not meant to contradict or substitute the provisions therein.

FOR THE COUNTY:

William D. Baker

FOR THE ASSOCIATION:

Ronald D. Reeves

SIDE LETTER AGREEMENT BY AND BETWEEN
THE COUNTY OF SARATOGA AND THE
CIVIL SERVICE EMPLOYEES ASSOCIATION,
LOCAL 1000 AFSCME AFL-CIO

Effective 1/1/06 those employees whose base pay remains under $30,000 these employees shall be held harmless regarding any increases in the Blue Shield NENY co-pays. These employees shall pay the increase when service rendered and, thereafter, request reimbursement from Saratoga County for such expense. These requests for reimbursement shall be permitted once per calendar quarter (4 times per year), up to a maximum reimbursement of $400.00 per calendar year.

FOR THE COUNTY:

DATED: 7/28/07

FOR THE ASSOCIATION:

Denise A Sawyer
Ronald A Revers

DATED: 7-27-07

Side Letter Number 9

SIDE LETTER AGREEMENT BY AND BETWEEN
THE COUNTY OF SARATOGA AND THE
CIVIL SERVICE EMPLOYEES ASSOCIATION
LOCAL 1000, AFSCME AFL-CIO

Upon ratification/approval of the agreement, Maplewood Manor and Saratoga County shall agree to hire the following nursing positions at base pay: LPN and CNA. Hiring rates for all other nursing positions shall remain at the County's discretion.

FOR THE COUNTY:

FOR THE ASSOCIATION:

Denise Sawyer

Ronald D Bevers

DATED: 7/28/07

DATED: 7-27-07

Side letter 10

SIDE LETTER AGREEMENT BY AND BETWEEN THE COUNTY OF SARATOGA AND THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC.

Effective immediately, this Side Letter Agreement will confirm that the County will pay Department of Social Services Case Workers, who are on-call Monday through Friday, shall receive twenty-five ($25.00) dollars per night in addition to any wages earned when such employees are required to work. The on-call fee shall be Monday thru Friday. Additionally, such employees who are on-call during a weekend (Saturday and Sunday) shall receive sixty-five dollars ($65.00).

Such employees who are on-call on a holiday shall receive thirty dollars ($30.00) for each holiday the employee is on-call. For the following listed three holidays: Thanksgiving, Christmas and New Year's the on-call rate will be ($65.00) sixty five dollars.

Fees paid for the weekend (s) or holiday (s) shall be in addition to any wages earned when the employee (s) is required to work on a weekend or holiday. Wages paid shall be at the applicable straight or overtime rate.

FOR THE COUNTY:

DATED:

8/30/2010

FOR THE ASSOCIATION:

DATED:

8/30/10

Side Letter Number 10

SIDE LETTER AGREEMENT

BY AND BETWEEN
THE COUNTY OF SARATOGA
AND THE
CIVIL SERVICE EMPLOYEE ASSOCIATION, INC.

This Side Letter Agreement will confirm the parties understanding with respect to Article VII, Retirement and Health Insurance in the agreement between the County of Saratoga and the Civil Service Employees Association, INC. Local 1000.

Effective 1/1/08 all employees must have ten (10) years of continuous full time service as a County employee and be eligible to collect a retirement allowance from a retirement administered by the State of New York or one of its civil divisions for the employee to be eligible for health insurance benefits in accordance with the level of payment and coverage the employee had at the time of his or her retirement. If the County policy on years of service requirement falls below 10 years, the requirement for County employees (CSEA) will be the same.

For the County

Personnel Director

For the Association

LRS

Dated: ______________________

Dated: 5-11-12