

**RULES, ENACTMENTS & INTERGOVERNMENTAL RELATIONS COMMITTEE  
HELD IN ROOM #318  
PUTNAM COUNTY OFFICE BUILDING  
CARMEL, NEW YORK 10512**

**Members: Chairwoman Addonizio and Legislators Ellner & Gouldman**

**Wednesday**

**6:00pm**

**August 16, 2023**

The meeting was called to order at 6:03pm by Chairwoman Addonizio who requested Legislator Gouldman lead in the Pledge of Allegiance. Upon roll call Legislators Ellner, Gouldman and Chairwoman Addonizio were present.

**Item #3 – Acceptance of Minutes – June 21, 2023**

The minutes were approved as submitted.

**Item #4 – Approval/ Litigation Settlement/ Orlando v. County of Putnam**

Personnel Director Paul Eldridge stated this litigation settlement pertains to an individual who worked with the County for many years and opted to retire. He stated during their employment and at the time of retirement, October 2016, this individual was not enrolled in the County's health insurance plan. He stated the CSEA Union agreement states that if a person is eligible for retiree health insurance they can apply for and obtain a buyout. He stated the buyout would be half the value of the individual coverage of the plan with the most employees in it, which would be the NYSHIP plan. He stated when this individual retired, they did not first discuss their plans to retire with Personnel, but simply provided notification of retirement. He stated at the time of his retirement, the individual applied for the buyout, although he was not enrolled in the health insurance plan at the time. He stated the contract states an employee is eligible for the buyout if they are eligible for retiree health insurance. He stated because this employee was not enrolled in a health insurance plan at the time of retirement, the County deemed them ineligible to receive a buyout. He stated at the time, the County believed this was a straightforward situation. He stated the employee then filed a suit against the County and went through the Supreme Court Appellate Division and they ruled against the County. He stated the Court basically ignored the requirement that an employee must be enrolled in a health insurance plan at the time of retirement. He stated this is a requirement of the New York State Health Insurance Program (NYSHIP) and the County must abide by the rules of the program. He stated this is a State program for state employees and participating agencies. He stated with the information he submitted today is the manual for NYSHIP participating agencies, specifically the section that speaks to "Eligibility for NYSHIP Benefits at Retirement." He read the eligibility: *"An employee of a NYSHIP Participating Agency will be eligible to continue coverage in retirement if they meet ALL of the following minimum requirements:*

- 1. The employee must be in a class or category of employee that is eligible for coverage in retirement.*

2. *The employee must have completed the agency's minimum service requirement.*
3. *The employee must satisfy requirements for retiring as a member of a retirement system.*
4. *Be enrolled in coverage through an employer that participates in NYSHIP.*

*Employees who otherwise meet all other eligibility requirements for coverage in retirement and are not enrolled as an enrollee or dependent at the time of retirement, are not eligible for retiree coverage through NYSHIP and may not enroll at a later date."* He stated this individual was not enrolled in coverage as stated in item #4 on the above list. He stated the final sentence makes it clear that this employee was not eligible for retiree health insurance. He stated this employee was not enrolled in the health insurance plan with the County, rather they were enrolled through their spouse's plan (they worked outside of Putnam County Government and did not have NYSHIP insurance). He stated this employee was ineligible to enroll in a County health insurance plan at retirement, therefore it was clear to the County that this individual was not eligible to receive the buyout. He stated the Court ruled against the County after looking only at the Union contract. He stated it was appealed but the Court of Appeals refused to take it on. He stated this could have statewide implications if municipalities are told that the Court focuses only on what is written in the contract. He stated he has been doing this work for a long time and this is the first time he has seen this happen. He stated he does not understand how this conclusion was reached, but the County has no choice at this point. He stated he will be taking steps to reserve the County's rights moving forward.

Chairwoman Addonizio questioned if this has happened anywhere else in the State.

Personnel Director Eldridge stated he is not aware of it happening anywhere else.

Legislator Ellner stated this individual was part of the plan for several years in the past. He questioned if the individual being part of the plan previously had any impact on the decision.

Personnel Director Eldridge stated it did not; employees have to be part of the plan at the time of their retirement.

Legislator Ellner stated his concern was the possibility of them setting a precedent where retired employees receive buyouts even if they do not qualify for them.

Personnel Director Eldridge stated his belief that this would set a precedent, and requested going into Executive Session to explain what actions he would take from this point forward.

First Deputy County Attorney John Cherico stated Personnel Director Eldridge explained the issue perfectly, and stated his belief that Executive Session was warranted. He stated it was unfortunate that the lower and appellate courts came to their decisions, and that there was nowhere else the County could go from here. He

stated maintaining the position that the County is correct would not help now, but that if the issue is addressed, it will provide some insurance and protection in the future.

At 6:14pm Chairwoman Addonizio made a motion to go into Executive Session to discuss litigation; Seconded by Legislator Ellner. All in favor.

At 6:25pm Chairwoman Addonizio made a motion to come out of Executive Session; Seconded by Legislator Ellner. All in favor.

No action was taken.

Chairwoman Addonizio made a motion to pre-file the revised resolution; Seconded by Legislator Ellner. All in favor.

#### **Item #5 – Approval/ Fund Transfer 23T201/ Board of Elections/ Election Management Server**

Chairwoman Addonizio stated this motion involved the transfer of \$37,710, with \$28,433 going toward computer equipment, and \$9,277 going toward contracts and other equipment.

Legislator Ellner questioned why other equipment was distinguished from computer equipment, since all equipment relating to a server should be computer equipment.

Legislative Counsel Robert Firriolo stated if the County Auditor was present, he believes she would say that because this is a fund transfer from “computer equipment and contracts” into “other equipment,” the particular server in question is categorized by Munis as “other equipment,” and so it might have been in the wrong line because of the Munis category.

Chairwoman Addonizio made a motion to pre-file the necessary resolution; Seconded by Legislator Ellner. All in favor

#### **Item #6 – FYI/ Litigation Report**

Chairwoman Addonizio stated last month, the litigation report contained 20 cases, whereas this report had only 6. She questioned why this was the case.

First Deputy County Attorney Cherico stated his belief that the list was being streamlined and updated, leading to the omission of older cases which had already been settled or otherwise resolved from the report.

Legislative Counsel Firriolo stated this was not the case. He stated there are cases which were just noticed – there was a notice of claim, there were still pending cases that disappeared from the list.

First Deputy County Attorney Cherico stated the issue would be looked into.

**Item #7 – Other Business – None**

**Item #8 – Adjournment**

There being no further business at 6:29pm, Chairwoman Addonizio made a motion to adjourn; Seconded by Legislator Gouldman. All in favor.

Respectfully submitted by Administrative Assistant Beth Robinson.