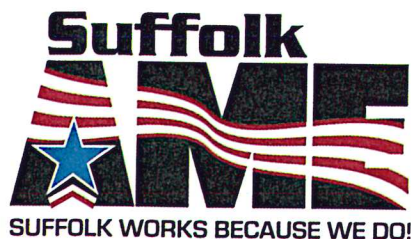


**TERRY MACCARRONE**  
PRESIDENT  
**ANA MARIE CUCCINIELLO**  
TREASURER  
**JOSEPH M. CALLARI**  
VICE PRESIDENT  
**ROBERT LEECH**  
VICE PRESIDENT



**ANNETTE MAHONEY-CROSS**  
EXECUTIVE VICE PRESIDENT  
**MICHELE A. O'CONNELL**  
RECORDING SECRETARY  
**DESIRÉE EVANGELISTA**  
VICE PRESIDENT  
**JOANMARIE VACCARO**  
VICE PRESIDENT

## Board of Directors

**Marybeth Tannacore**  
CSEB  
**Jay Selleck**  
Consumer Affairs  
Civil Service  
**Donnalee Morris**  
Crossing Guards  
**Samantha Janus**  
District Attorney  
**Michael Johnson**  
Finance & Technology  
**Christopher Weiner**  
Family Services  
**John Manzi**  
FRES  
**Joseph Muncey**  
Hauppauge South  
**Palma Barnes**  
Health Services  
**Andrew Jellett**  
H. Lee Dennison Unit  
**James Eddings**  
Labor Dept.  
**JoanMarie Vaccaro**  
Medicaid  
**Sarah Serventi**  
Medical Examiners  
**Michael Arnoni**  
Parks Dept.  
**Desireé Evangelista**  
Patient Care  
**Christina Caldea**  
Police Civilian  
**Barbara Gordon**  
Police Emergency  
**Nicholas Mangelli**  
DPW Buildings  
**Frank DiGirolamo**  
DPW Sanitation Blue  
**Matthew Arendt**  
DPW Sanitation White  
**Shaun Fitzpatrick**  
DPW Blue  
**Geoff Mascaro**  
DPW White  
**Josephine Riley**  
Retirees  
**Pauline Jenkins**  
Riverhead County Center  
**William Mirra**  
Sheriff/Probation Civilian  
**Carinne Lespinasse**  
Dept. of Social Services  
**William Jones**  
SCCC Blue  
**Thomas Lima**  
SCCC Security  
**Josephine Makowski**  
SCCC White  
**Brian Viggiano**  
Vector Control

## **BOARD OF DIRECTORS**

### **Draft Meeting Minutes**

**July 18, 2025**

**Immediately following the PAC, Inc. Meeting**

### **NOT PRESENT:**

Christina Caldea, Police Civilian Unit President  
Frank DiGirolamo, DPW Sani Blue Unit President  
William Jones, SCCC Blue Unit President

### **PROXIES:**

Santina Fawes, EVP Police Civilian Executive Vice President  
Erik Hartman, Secretary DPW Sani Blue Unit  
Steve Satorino, Sec/Treas SCCC Blue Unit

### **EXCUSED:**

Crossing Guard Unit President, Donnalee Morris was excused from the meeting at 12:00 pm.  
Parks Unit President Mike Arnoni, was excused from the meeting at 12:24pm  
Vector Control Unit President Brian Viggiano was excused from the meeting at 1:00 pm.  
SCCC Security Unit President Tom lima was excused from the meeting at 1:15 pm.

## **1. CALL TO ORDER**

The meeting of the Suffolk County Association of Municipal Employees Board of Directors was called to order on Friday July 18, 2025, at 10:15 am. President Terry Maccarrone was present. Recording Secretary Michele A. O'Connell was excused.

Quorum was established.

## **2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was said at the start of the PAC Meeting.

## **3. MINUTES**

### **A. May 2, 2025, Special BOD**

**MOTION** by Josephine Makowski, SCCC White Unit President, seconded by Palma Barnes, Health Services Unit President to approve the 5/2/25 Special BOD minutes. Motion was adopted unanimously.

### **B. May 30, 2025**

- April 2025 Operating report  
Line 7b, second bullet point should state  
– expenditures.

- Page 4, correct dialogue to reflect remarks removing the word “negative”.

**MOTION** by Tom Lima, SCCC White Unit President, seconded by John Manzi FRES Unit President, to approve the May 30, 2025, BOD minutes as corrected. Motion was adopted unanimously.

#### 4. ANNOUNCEMENTS

President Maccarrone thanked everyone for serving the membership.

- Discussed training: Today’s training is on fiduciary training. Training will happen at each BOD meeting.
- No one on your phones in the meeting. Please be attentive.
- Be respectful. When someone is talking don’t talk, listen to each other.
- Liaisons are assigned. There will always be someone around and aware and involved in unit issues.
- Onsite visibility with the membership, get your unit meetings scheduled so we can be onsite with you to hear what is going on.
- We are opening the hall. 2 gen mem meetings. Streamed live. During the 1<sup>st</sup> live was between 60-80 (85 at the height) and the second about 70 watchers at the height of the meeting.
- Next General membership meeting will be held in September, date to be determined. We will be holding General membership meetings quarterly to start.
- Benefit fund: parted ways with the administrator.
- New trustees: Terry Maccarrone, Annette Mahoney-Cross, Michele A. O’Connell, Robert Leech, and Lou Viscusi.
- Benefit funds are concerning: many issues. We have to do a very deep dive into the benefits, their cost, their utilizations how they are being paid for and how we can make corrections. Here is an example of one of the current financial concerns facing the trustees. We receive 1.7 million every 2 months from the County and the dental alone costs 1.2 million.
- Executive Vice President Annette Mahoney-Cross discussed Benefit Fund Reporting: we will be providing a report at every BOD. We will be getting the information back to you and increasing transparency. This is the fiscally responsible thing to do for our members and the strength of the fund.
- Josephine Makowski, SCCC White Unit President: questioning the benefits and how they have changed. Discussed utilization and needing to move away from the per member pricing.
- President Maccarrone discussed that per member utilization does not work and that is what we are reviewing.
- Matthew Arendt DPW Sani White Unit President discussed the separation of the current Fund Administrator. Was there a settlement

President Maccarrone requested a motion to enter executive session to discuss the current situation with the benefit Fund administrator.

**MOTION** by John Manzi FRES Unit President, seconded by Shaun Fitzpatrick, DPW Blue Unit President to enter Executive Session at 10:33 am. Motion was adopted unanimously.

Discussion ensued. No motions made in Exec. Session.

**MOTION** by Michael Arnoni, Parks Unit President, seconded by Tom Lima SCCC Security to exit Executive Session at 10:42 am. Motion was adopted unanimously.

**5. A. GRIEVANCE REPORT**

Executive Vice President Annette Mahony-Cross discussed the grievance process and the need for training.

Marian Webster Patient Care Unit President had questions regarding time limits on grievances.

Executive Vice President Annette Mahoney-Cross advised that our goal is to communicate with the members every step throughout these processes.

**B. HEALTH & SAFETY REPORT**

Executive Vice President Annette Mahoney-Cross discussed the documentation needed for us to follow up on H&S issues. We need any internal attempts to address and any pictures to document the concerns. These items need to be thoroughly evaluated to determine the best path forward.

Donnalee Morris, Crossing Guard Unit President wanted to know how the UP's will be notified.

Executive Vice President Annette Mahoney-Cross discussed communication with the unit boards. The mechanism of that communication is to be determined.

Geoff Mascaro, DPW White Unit President discussed differences between a grievance and a gripe regarding the violation of Employees rights. Employees were not advised regarding their options if they do not have contractual grievance and will the AME attorneys assist in these endeavors. Discussed possible Dute of Fair Representation (DFR) concerns if we do not work with these members.

Bruce Levine, AME General Counsel responded to Unit President Mascaro's query. He advised that it is not the union's responsibility to advise membership of every possible avenue to pursue. It is the union's responsibility to represent membership within the terms of the collective bargaining agreement.

Geoff Mascaro, DPW White Unit President responded to AME Counsels remarks and feels that as an attorney, "it would be wise" to advise regarding other options and feels that the Union will be opened to DFR claims if membership is not given additional options.

AME General Counsel Bruce Levine responded and reiterated that AME should not be responsible for advising people what their rights are. This is not a black and white issue. AME is charged with representing our membership under the collective bargaining agreement.

President Maccarrone added that every situation is unique, some will be grievances, some will be slippery slopes, and we need to individually carefully navigate these situations.

Annette Mahoney-Cross, Executive Vice President responded that there are many items that we need to work on that are not grievances such as workplace violence, SA, hostile working environment, etc.,

Josephine Makowski, SCCC White Unit President spoke regarding any member that gets an outside attorney to represent them or any member that has outside counsel must communicate with AME throughout the entire process.

Sarah Serventi, Medical Examiners Unit President discussed the opening of the lines of communication and finally being able to ask questions. Discussed how to get the UP's informed of the operations in their areas.

Chris Weiner, Family Services Unit President asked for clarification regarding AME counsel and when an AME member would need to seek out their own counsel.

AME General Counsel Bruce Levine responded that it depends on the circumstances surrounding the concern. Counsel advised that before a member should be advised to get their own counsel they should speak with the EB.

Andrew Jellet, H-Lee Dennison Unit President discussed disciplinary matters. Members are advising Unit Boards after disciplinarys are completed. We need to improve communication.

President Maccarrone agreed that this will become easier with open communication and training.

**\*\*Lunch break was held from 12:24-12:50 pm.**

**6. ELECTRONIC BALLOTS**

None.

**7. TREASURERS REPORT**

**A. May 2025 Operating Report**

- May operating report bank balances are trending up nicely.

VSF fund update: operating account: \$25,846.84

Investment accounts: 18,610,321.56

We are on track for the 2025 contributions and have confirmed the amounts based on the 1% of payroll.  
SCCC: \$185,169.73  
County: \$3,111,138.97

Geoff Mascaro, DPW White Unit President asked if the VSF fund was going to make a distribution this year.

President Terry Maccarrone responded that this is the first year that we are supposed to do a distribution. We are working on the calculations to determine who is eligible for distribution as well as the amount of funds available for distribution.

Josephine Makowski SCCC White Unit President. How does distribution occur, when will you be eligible? She is requesting if the information for this program can be brought to the BOD, so they know the parameters.

President Terry Maccarrone discussed several points of clarification we need to figure out regarding the VSF fund.  
We will put together a memo with salient information for the BOD.

Marian Webster, Patient Care Unit President, requested additional clarification regarding who is eligible.

Stephen Saturnino, SCCC Blue Collar Unit, inquired if the payments will be automatic.

President Maccarrone stated that we will follow up on all of the questions to verify the information and get it back out to the BOD.

AME Cares Balances:  
General Account: \$20,846.45  
Scholarship Account: \$26,676.52

Suffolk Credit Union is going through system upgrades. We are working through the glitches.

Financials cannot be submitted without the June statements. Treasurer Cucciniello will make sure to get that information out to the BOD as soon as it's received so the financials can be completed.

Josephine Makowski, SCCC White Unit President detailed some banking issues with the credit union that are occurring during this update.

Geoff Mascaro DPW White Unit President discussed the problems he sees with the credit union. Can we look at other banking institutions?

Treasurer Ana Marie Cucciniello responded that the credit union is working with us to fix these issues. If we continue to have issues we can pursue other options.

**MOTION** by Carinne Lespinasse, DSS Unit President, seconded by Mike Arnoni, Parks Unit president to accept the treasurers report. Motion was adopted unanimously.

**8. INDEPENDENT DISCIPLINARY COUNSEL**

Executive Vice President Annette Mahoney-Cross spoke regarding the IDC and that the IDC is not sustainable or working. The C&B committee will be working on a proposal for the convention to possibly return to a judicial Panel.

**9. COMMITTEE REPORTS**

**A. Audit Committee Appointments**

**MOTION** by Josephine Riley, Retiree Unit President, seconded by Josephine Makowski, SCCC White Unit President, to remove member Minerva Rivera and add Sal Arnhold (SCCC White) and Ann Marie Martano (Dept. of Labor) to the Audit Committee. Motion was adopted unanimously.

**B. Social Committee Report**

- Working on the Picnic. Please let your units know about the picnic! 9-13-25.
- Golf outing 10/9/25 at Baiting Hollow golf course. info to follow.
- 10/18/25 trunk or treat
- 11/6 Veterans' dinner
- 12/13 Children's holiday party

Matthew Arendt DPW Sani White Unit President asked if additional help was needed and if he could help.

Jo Riley, Crossing Guard Unit President discussed the retirees and the dues invoice when you have members retiring. It's \$40.00 per year for retirees. Please get the applications to your members as they are retiring.

Committee Open house: we are looking to schedule this in early fall (September) to reinvigorate the AME Committees.

**10. UNFINISHED BUSINESS**

None.

**11. GROUP DISCUSSION**

Vice President Joan Vaccaro, had a question regarding wild cat motions. BOD SOP. We need to bring it back to the BOD next meeting.

**12. COUNSEL REPORT**

AME General Counsel Bruce Levine spoke about staying with AME after the election and that they are looking forward to working with us and earning our trust.

**13. NEW BUSINESS**

**A. 2025 Convention Delegate Selection Process**

**MOTION** by Josephine Makowski, SCCC White Unit President, seconded by Geoff Mascaro, DPW White Unit President to approve the Unit Boards appointing and approving delegates for the 2025 AME Convention. The Unit Boards will forward the minutes appointing their delegates to AME HQ. Motion was adopted.

- *Unit Presidents will nominate the required number of delegates from Unit members in good standing, with ratification of those nominees by the Unit Board by no later than **August 21, 2025**.*
- *Once those 2025 Delegates are finalized, meeting minutes including the motions and votes taken appointing/electing the 2025 Delegates should be sent to the Association for eligibility verification and processing. Please send these minutes to [AMEPresident@scame.org](mailto:AMEPresident@scame.org)*
- *Provided there are no issues with eligibility or submitted minutes, the Unit Presidents will be informed of the approved Delegates. Minutes cannot be accepted if all motions and votes of delegate appointment are not included.*

Santina Fawes, Executive Vice President Police Civilian Unit spoke on the AME Bill of Rights and Governance in our union and feels that delegates should be elected.

Executive Vice President Annette Mahoney-Cross responded that the EB agrees but that with this convention we have multiple concerns and time constraints. A proposal will need to be worked on with the C&B Committee to be presented to the delegate body for approval.

Josephine Riley, Retiree Unit President discussed the election of Retiree delegates. All delegates should be elected.

Executive Vice President Annette Mahoney-Cross spoke that the unit election procedure was botched in the C&B.

#### B. 2025 Convention Venue

Gurneys (Montauk)

Hyatt Regency (Hauppauge)

President Terry Maccarrone spoke about touring the facility and advised that they have great spaces available for our committees, delegates, additional meeting rooms and convention spaces. There is an approximate \$40,000 reduction in price from the Gurneys Montauk quote.

Geoff Mascaro, DPW White Unit President discussed if this was going to be an away convention and asked if people were going to stay.

President Terry Maccarrone spoke that this is an away convention and that delegates are expected to stay and participate fully over the course of the three-day convention.

Danielle Botkin, Parks Unit Executive Vice President asked if there will be a mandate that the delegate have to stay at the hotel. Can you also provide the total amounts for the 2 convention quotes.

President Terry Maccarrone responded that the approximate totals are Gurneys: \$128,000 and Hyatt: \$85,000.

Treasurer Ana Marie Cucciniello discussed the teambuilding and networking that was held at the Montauk Venues and wanted to know the cost associated with holding the team building and networking events in addition to the cost of the Hyatt Regency venue.

President Terry Maccarrone responded that there is an indoor pool and a gym. There is sufficient space to hold the corn hole and other team building events at the Hyatt.

Executive Vice President Annette Mahone-Cross added that space at the Hyatt is much more comfortable for the delegate body.

**MOTION** by Matthew Arendt, seconded by Sara Serventi, Medical Examiners Unit President to hold the 2025 AME Convention from 11/19-11/21 at the Hyatt Regency, Hauppauge at an estimated price of \$85,000. Motion was adopted unanimously.

Convention dates 11/19-11/21.

C. 2025 Convention Per Diem

**MOTION** by Geoff Mascaro, DPW White Unit President, seconded by Tom Lima SCCC Security Unit President, to approve the \$50.00 per diem for the 2025 convention. Motion was adopted unanimously.

D. Unit President Cell Phone Discussion

President Maccarrone discussed that the Executive Board had discussed the Unit's cell phone usage and that many Unit presidents preferred utilizing their own cell phones and were not using the AME phones and if they are not using the phones if they could be returned as they could be utilized in a different capacity.

Discussion Ensued.

Marian Webster, Patient Care Unit President asked if there was a legal reason they would need to utilize the AME cell phone.



Samantha Janus, DA Unit President stated that in the course of her work for the DA's office she subpoenas cell phones all the time.

Chris Weiner, Family Service Unit President acknowledged the DA's Unit Presidents comments and followed up with the fact that the cell phones were issued to unit presidents only and that the rest of the unit boards were utilizing their own cellphones.

Danielle Botkin, Parks Executive Vice President added that the union only pays for the BOD members cell phones.

**E. EB Fleet Cars Discussion**

President Terry Maccarrone discussed the current AME cars. He discussed that the previous vehicles were assigned to the President and Executive Vice President. The rest of the EB was given a stipend. A choice was given to the Executive Board to either utilize a pool car or get the car allowance and 4 officers chose a pool car, and 4 officers chose the stipend.

Bill Mirra, Sheriff Civilian Unit President, asked if we needed an AME pick up truck.

President Terry Maccarrone advised that there are several Executive Board Officers that have pickup trucks if we need them and advised that if a truck was needed for an event like the picnic, we could rent a truck for that event.

Joe Muncey Hauppauge South Unit President asked about the increased insurance rates adding additional vehicles.

President Terry Maccarrone advised we were still getting the quotes for the insurance.

**MOTION** by John Manzi, FRES Unit President, seconded by Matt Arendt to approve the leases of 4 (2025) Jeep Grand Cherokees in the amount of \$573.00 per month per vehicle and the return of the current leased AME vehicles (Jeep Grand Cherokee and Dodge Ram 1500). Motion was adopted unanimously.

**F. STAFFING**

President Terry Maccarrone discussed that Fran Grafing and Meridith Mirabelli have been conducting interviews for these positions which are a Receptionist (Account Clerk Typist) 11(4)/ (5) \$45,000 and an Administrative Assistant (Head Clerk) 18(2)/ (3) \$57,400.

Matthew Arendt, DPW Sani White Unit President asked if AME is making sure to hire at the correct amounts and that anyone hired will receive the salary correction when and if the study is completed.

President Terry Maccarrone advised that AME would make sure that the salaries have parity.

**MOTION** by Tom Lima, SCCC Security Unit President, seconded by Carinne Lespinasse, DSS Unit President to approve the hiring and staff salaries for the 2 open positions which are a Receptionist (Account Clerk Typist) 11(4)/ (5) \$45,000 and an Administrative Assistant (Head Clerk) 18(2)/ (3) \$57,400. Motion was adopted.

#### **14. UNIT REPORTING**

Matthew Arendt, DPW Sani-White Unit President, wanted to thank the Executive Board for the quick signing of the MOA for standby pay.

Tom Lima, SCCC Security Unit President asked how the monthly BOD reporting was going to go moving forward. Was it going to be the same format.

Executive Vice President Annette Mahoney-Cross advised that for now we will be keeping it the same for now but that we will be reviewing efficiencies.

Tom Lima, SCCC Security discussed the possibility of amending the reporting to a scheduled phone call from the liaison monthly where they discuss the unit and go over a checklist of items. This would also allow for back-and-forth reporting because it seems that the reporting is only going one way.

Matthew Arendt, DPW Sani White Unit President stated he was part of creating the BOD reporting and that he believes that consistency is key.

Sarah Serventi, Medical Examiners Unit President advised that she uses the form each month and likes the format.

Geoff Mascaro, DPW White Color Unit, advised that a form with the checklist is a good document to have for the units as well as for tax time and the 1099 stipend.

President Maccarrone suggested an ad hoc committee to explore the best way for the BOD reporting to be received, reviewed and acted on by both the BOD and EB officers.

Andrew Jellet, H-lee Dennison Unit President, requested a consistent due date for BOD Reporting instead of it changing every month.

The due date of the reporting changes with the date of the BOD but we will explore options.

President Terry Maccarrone spoke to the fact the Recording Secretary Michele A. O'Connell was excused from this meeting and that we should include her in these discussions.

**MOTION** by Sarah Serventi, Medical Examiners Unit President, seconded by Joe Muncey, Hauppauge South Unit President to table the discussion regarding BOD reporting until Recording Secretary Michele A. O'Connell was able to be present to contribute to the discussion. Motion was adopted.

Chris Weiner, Family Services Unit President discussed that he was told he had to take the stipend. He does not want it. President Maccarrone stated that he does not need to take it.

Vice President Vaccaro advised that she puts it in writing that she does not want the stipend.

John Manzi, FRES Unit President discussed GPS in vehicles. We have supervisors that are threatening disciplinary action using the GPS. They are questioning members regarding why they are at certain sites at certain times etc., is this enough to use for discipline?

AME Counsel Bruce Levine advised that management could use GPS as evidence. The collective bargaining agreement does not address the use of GPS data. Members need to be aware that where they go and how fast they go can be monitored by the county.

Executive Vice President Annette Mahoeny-Cross spoke to issues surrounding the cars and that people are written up regarding excessive speed, etc.,

President Maccarrone spoke to the way this is handled by the County as well as the discrepancies in the administration of it from member to member.

President Maccarrone spoke to the fact that several UPs are having issues accessing their Unit Board AME email addresses. He advised that if any of the BOD are experiencing this that they need to contact us so we can resolve the concerns.

## **15. PUBLIC PORTION**

***Public Portion speakers will have a 3-minute time limit on the microphone.***

***Public Portion speakers must fill out a Public Portion card, including their full name, unit, and topic of discussion.***

No Members signed up for public portion.

President Maccarrone had several items that he wanted to discuss before moving to the next agenda item.

- There are many rumors surrounding the salary study and that we are working with Management to put together a list of bullet points and information on the status of it. For talking points for you. We have been told that it is still a work in progress and that we have been advised that it is in the final stages.

- Negotiating Committee: We are leaving the committees intact currently. We have many requests for people to join the committees and will be working on getting a team meeting together hopefully by the end of August or September.
- Salary Study: If anyone has any salary study write ups from their units, please forward them to us to look at and review for negotiations.
- Motion needed for the sidewalks and building repairs. We don't want to leave it to the next BOD meeting we would like to begin the repairs ASAP.
  - Danielle Botkin, Parks Executive Vice President asked for the scope of the initial repairs.
  - President Maccarrone responded that the first phase is the immediate perimeter around the building, the sidewalks, the curbing and the ADA ramps. The second phase is the parking lot and the drainage issues on the North side of the building which cause major flooding in rainstorms.
  - Marian Webster, Patient Care Unit President asked if there were going to be repairs to the building's roof.
  - President Maccarrone discussed that he has been on the roof and although there are pin hole leaks that need to be repaired they are not as pressing as the sidewalks and the curbs. The roof is only about 15 years old and in good overall shape, there are leaks that have been repaired but the ceiling tiles have not been replaced, and we will address that.
  - Tom Lima, Unit President SCCC Security requested to see the amounts in writing.
  - There were many questions for additional information regarding the capital improvement project.

**MOTION** by Palma Barnes, Health Services Unit President, seconded by Carinne Lespinasse to request that when there is more concrete information to send it out as a telephone vote to the BOD. Motion was adopted unanimously.

## 16. UNIT BOARD TRAINING/EDUCATION

- A. Fiduciary Training—led by AME Counsel Bruce Levine
  - a. What is a fiduciary: the term goes all the way back to Julius Caser. Fiducia which is Latin for trust. The definition is a person or an entity who is both empowered or authorized and obligated to act in the best interests of another person or persons.
    - i. For AME Officers: Who are we accountable too? Our members.
    - ii. How is that accountability tempered? It's tempered by the authority you have.
  - b. What are the contours of fiduciary duty?
    - i. People at all levels and understanding often stick our heads in the sand.

- ii. As fiduciaries there are responsibilities that you have to adhere to, such as the tenets in our governing documents.
  - iii. Not every act of a fiduciary is a fiduciary act.
- c. What is the duty of care or prudence: this means that you must do your job with care and take it seriously. It cannot be phoned in.
  - i. A member of the BOD has the duty to act as a reasonable person in your position who would be expected to act.
  - ii. Diligence: this means that you are looking into a matter to the extent that you would be expected to investigate the matter. There are degrees of diligence. The amount of diligence that you must expend depends on the circumstance.
  - iii. Duty of care requires reasonable judgment. You must have a rationale for the decisions that you make, and it must be reasonable and in good faith.
  - iv. Monitoring and Oversight: It is our jobs as fiduciaries to make sure that we monitor what we are doing and what is happening in our departments.
- d. Reasonableness: the right to be wrong.
  - i. Reasonableness in the context of fiduciary responsibility is the right to be wrong.
  - ii. What does this mean? You have responsibilities to do the absolute best that you can. This does not mean that you must be right, just that you try your best based on the information you had available to you at the time you made the decision.
- e. Duty of Loyalty:
  - i. Union Officials must act solely in the interest of the membership.
  - ii. Honesty & Transparency: This is fundamental. You must be honest and transparent.
  - iii. Conflicts of Interest: avoiding them. You must make sure that your personal beliefs do not get in the way of your fiduciary responsibility.
  - iv. Duty to follow the rules with proper authority. We are bound by our documents to perform our duties as prescribed by the Association.
- f. Relevant Legal Framework:
  - i. Common Law
  - ii. New York Labor Law Section 722 is a statute that spells out our duties as union officials in respect to our fiduciary responsibilities.
- g. Duty of Fair Representation
  - i. You must avoid decisions that are arbitrary, discriminatory, or in bad faith.
- h. Labor Law Section 722
 

**2024 New York Laws**

**722 - Fiduciary Obligations of Officers and Agents.**

§ 722. Fiduciary obligations of officers and agents. No officer or agent of a labor organization shall, directly or indirectly

1. Have or acquire any pecuniary or personal interest which would conflict with his fiduciary obligation to such organization; or
2. Engage in any business or financial transaction which conflicts with his fiduciary obligation; or
3. Act in any way which subordinates the interests of such labor organization to his own pecuniary or personal interests.

#### FIDUCIARY DUTIES HYPOTHETICAL WORKSHOP FOR AME BOARD OF DIRECTORS:

There are six members on the Executive Board of Local 300 of the Association of American Municipal Workers. Four members of the Executive Board are the elected officers of Local 300, namely the President, Vice President, Treasurer, and Recording Secretary. Two Executive Board members serve as Trustees and were appointed by the four elected officers. Local 300's bylaws state: "the appointed Trustees shall have the same rights and obligations as the Trustees who are also elected officers of Local 300." Local 300's bylaws define the Executive Board's duties to include overall control of the daily operations of Local 300 and oversight of all financial and administrative matters.

The Executive Board created the Employment Subcommittee ("Subcommittee"), consisting of two members of the Board. The Executive Board voted to appoint John, the Vice President, and Carol, who was one of the appointed Trustees to serve as the Subcommittee. John agreed to serve on the Subcommittee, but only after he failed to convince his fellow Board members that he didn't want the responsibility. The president promised John that the entire Board would fully support him and always have his back.

In 2016, the Executive Board approved the Subcommittee's recommendation to hire Martha to serve as Local 300's Executive Director. At the recommendation of Local 300's attorneys, Kolko and Levine, the Board retained a compensation consultant to assist in setting Martha's compensation. The Subcommittee recommended Martha's salary be set in accordance with the recommendations of the consultant. That report was available to the entire Executive Board, but not every member read it before voting to approve the compensation. The Executive Board adopted the Subcommittee's recommendations.

Attorney Kolko then completed the preparation of Martha's employment contract. None of the Executive Board members reviewed the completed contract, but instead relied on counsel to do so. This same process was followed in every year between 2016 and 2022. In May of 2022, attorney Kolko invited Vice President John to his house for a drink. John and Kolko were long-time friends and John thought nothing of the invitation. When he arrived at Kolko's house, however, he was surprised to see that Martha was also there.

John explained that Martha was with him because they wanted to tell John together that they were engaged in a romantic affair. John was happy for Kolko, but he asked if this created some kind of conflict, and Kolko assured him that it did not. John trusted Kolko and was satisfied that he could continue with business as usual. He didn't tell the rest of the Executive Board about the relationship because he trusted Kolko and didn't think it was necessary.

Martha's salary came up again for review several months after the relationship was disclosed to John. The consulting firm, which had been retained every year since 2016, was once again retained. It recommended a substantial increase for Martha. John and Carol, as members of the Employment Committee, reviewed the report and recommended that Martha be given the increase. Carol wrote a memo to the Executive Board stating that she believed that some members might object because it was a substantial increase, but she also wrote that she believed that Martha deserved the raise based on her stellar work performance, and because of the recommendations of the compensation

consultant. The Executive Board approved the increase, John advised Kolko, and Kolko again drafted Martha's amended agreement.

In 2024, Kolko and Martha decided to disclose their romantic relationship to the entire Executive Board. The Executive Board members, apart from John, were unaware of the relationship, and they were surprised by the news to say the least. Kolko and Levine sought to assure the Board that there was no reason to be concerned. The Executive Board opted to retain a different law firm to conduct an independent investigation of the circumstances.

The independent firm conducted its investigation and determined, among other things, that in their view Martha's salary was too high. The independent investigators were critical of the compensation analyses relied upon by the Employment Committee. They hired another consultant who determined that Martha was paid about 35 percent higher than other people doing her job.

After the investigation, the Executive Board decided to terminate Kolko and Levine as counsel, and to terminate Martha's employment. Martha's employment agreement, which Kolko had prepared every year since Martha was hired in 2016, stated that Martha would receive six months of severance pay if she were terminated without cause. The Executive Board rejected the severance demand, claiming that her failure to disclose the romantic relationship was cause for termination.

At this point, a group of Local 300 members threatened to sue the entire Executive Board, counsel, and Martha for breach of fiduciary duties and/or other relief.

1. What fiduciary duties could the members claim were violated by:
  - a. The Executive Board as a Whole.
  - b. The Subcommittee
  - c. Martha
2. What defenses are available to each of the above?

The BOD broke down into smaller groups to investigate the hypothetical situation and discuss the best possible solutions.

## **17. ADJOURN**

Meeting was adjourned after the training was completed at the end of the agenda.

**Respectfully Submitted from audio recording,**



**Michele A. O'Connell**  
**Recording Secretary**

**Next Meeting:** Friday, August 22, 2025, at 10:00 a.m.