

Town Sports International

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To the members of the NYC Council Date: 11/17/2009

Please be advised that Town Sports International is opposed to the passing of the **proposed bill Int 1059** and would like the following entered as part of today's hearing:

Town Sports International, LLC, operating under the name of the New York Sports Clubs in the 5 boroughs would be adversely affected if this bill is passed. Just like the budgets of NYC and NY State, we have been impacted by the recession. We provide a high quality gym membership experience at a competitive rate and do not want to pass along any additional cost to our members or have to eliminate jobs in order to balance our budget because of this legislation.

Just a couple of bullet points related to Town Sports' impact if the proposed legislation is passed:

Based on our last NYC payroll:

- We have 55 New York Sports Clubs operating in the 5 boroughs
- Our business model (like many other companies) use 30 hours per week as the eligibility requirement for employee benefits including paid time off.
- 1300 employees would be impacted the rest already are eligible for full benefits.
- Average hourly wage of the 1300 is \$18.00
- Annualized Gross Pay for this group is \$10.8 million
- 3.33% of this amount (1/30) equates to an extra \$360,000 of additional payroll expense for this group
- This amount doesn't consider the time lost that would have to be replaced possibly at overtime rates

 Doesn't consider the extra cost pertaining to the added administrative burden

Furthermore, by the time employees would be eligible for the full benefit — hopefully it will no longer be needed since this current flu epidemic will have passed. Plus if this group handles Paid Time Off in the same way as many employees do in our company and other companies, they are not saving this time in the event of a medical necessity. Another approach needs to be taken in order to meet the concerns of the Council regarding employees staying home due to the H1N1 flu.

We hope that a better solution can be developed that will not have such a negative impact on the local business community.

Thank you.

Respectfully,

Tom Brzostowski

Director of Compensation and Benefits Human Resources

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Improving lives through exercise!

Som Brodown.

nationalgrid

November 17, 2009

Honorable Christine Quinn Speaker, New York City Council City Hall New York, NY 10007

Re: Paid Sick Leave

Dear Speaker Quinn:

National Grid does not dispute the good intentions of the proposed paid sick leave bill, and, in fact, our current sick leave policy is over and above the provisions of the proposed bill for most employees (our policy also includes additional paid days for sickness in family and paid personal days, which are all separate and above benefits from an employee's annual paid sick leave allotment.) However, we are concerned that the bill --as currently drafted -- could lead to widespread abuse and make us powerless to manage our workforce. As you know, National Grid provides a critical service to the city of New York and not being able to appropriately oversee and schedule our workforce could impede our ability to provide safe and reliable service 24-7.

Our specific concerns with the bill as drafted are as follows:

- 1. It prohibits National Grid from any disciplinary action. It does not allow us to ask for doctor's lines after 3 days. Therefore, as written, an employee could abuse this by taking 1 or 2 days at a time over and over throughout the year.
- 2. Nine days of undocumented sick time per year per employee is a financial and scheduling burden. There are 2,600 employees in NYC, 1,800 of which are union members. 9 days for each of the 1,800 employees equates to 16,200 days lost. At an average daily rate of \$273, we will be paying out \$4,422,600 in sick time alone. Additional costs include the overtime to cover absent employees, lost revenue for cancelled jobs and possible fines/penalties for gas system violations (not making it to gas leaks on time, etc).

Also of very much concern is the heightened safety risk to workers due to extra shifts or extended hours to make up for absent workers. Tired workers are more likely to make mistakes or get hurt.

- 3. Paid sick time can be used for almost anything. It is too broad and not well defined. As written, employees can take time off to take their kids for well visits and shots, go to their chiropractor for an adjustment, get their annual physical, see their social worker, or see a massage therapist for stress management. Wellness is important but there is no reason why employees need to tend to these issues on paid company time when these services are available nights and weekends.
- 4. The definition of a relative is vague and overly broad and the level of care provided is undefined.

Again, National Grid realizes the need for paid time off and will continue to offer a fair and balanced policy for all employees. However, this bill creates unnecessary burdens which will prevent National Grid from providing the services this city demands and expects of our company.

We thank you for your consideration of these concerns and would be happy to meet with you at your earliest convenience.

Best Regards,

Eileen Cifone

Manager, Government Relations

New York City

cc: Council Member Gale Brewer