



NEWS FROM THE OFFICE OF  
ERIE COUNTY COMPTROLLER  
**David J. Shenk**

95 Franklin Street, Buffalo, New York 14202  
Phone: 716.858.8404 Facsimile: 716.858.7404

**FOR IMMEDIATE RELEASE**

August 23, 2012

Contact: Erich Weyant  
858-8801

## **Erie County Comptroller David Shenk Releases Financial Findings on the Tentative C.S.E.A. Contract**

(Erie County, NY) Erie County Comptroller David J. Shenk has completed an analysis of the proposed contract for Erie County's C.S.E.A. (Civil Service Employees Association). The C.S.E.A is the County's largest union, with more than 2,600 C.S.E.A. employees (not including the Erie County Medical Center or Erie Community College) working in professional or white collar positions. The contract covers a ten year period, running retroactively from January 1, 2007 through December 31, 2016.

"I calculate the estimated financial overall net cost to the County is between \$6-8 million during the years 2012-2016," said Shenk. "The union members receive a raise and the assurance of a contract after so many years of uncertainty, and the County will be able to better manage the rising costs of health care."

The raise would be implemented between 2012-2016 at a rate of 2% for the first three years and 2.5% for the final two years, which would result in an estimated final cost of \$36-\$40 million. The contract also contains a signing bonus in lieu of back pay with scheduled disbursements in 2012 and 2015. This would cost the County between \$2.5 and \$3 million. The Erie County Fiscal Stability Authority currently has efficiency grants available that could be used to reimburse the County for approximately 60% of the costs of the bonus, with the remaining 40% coming from state and federal reimbursements.

Employee health care contributions will range from \$11-14 million during the period covering 2013-2016. The County will also realize productivity savings due to the elimination of summer hours and two holidays. These net a range of \$7-9 million. Therefore the overall cost to the County is \$6-8 million.

By eliminating retiree health insurance for new hires, the County will realize savings during the course of the next several decades when employees leave the County workforce and assume the cost of their own post-employment coverage. In addition, the County will achieve savings from the fact that employees hired after ratification will immediately contribute 15% towards the cost of their health insurance.

Finally, there a number of provisions that should lead to an increase in productivity: a provision that allows employees to "sell back" unused vacation time will eliminate gaps in personnel that occur as employees try to make use of quickly accruing time; the elimination of summer hours and two holidays

should increase productivity and lead to overtime savings at County facilities that maintain 24-hour operation, such as the Sheriff's Department, Erie County Medical Center and the County Detention Facility.

The exact amount of the contract is difficult to pinpoint. The savings from employees who accelerate their retirements to meet the June 30, 2014 deadline for fully paid retiree health insurance will emerge as the deadline approaches. It is also difficult to calculate the savings that will be achieved as retirees are replaced by new employees who will enter the workforce at lower steps and will be enrolled in the New York State and Local Retirement System as Tier VI.

###

###