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COUNTY OF ERIE

MARK C. POLONCARZ
COUNTY EXECUTIVE

December 17, 2012

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

IMMEDIATE CONSIDERATION REQUESTED

RE: Teamsters Local 264
2005-2016 Successor Collective Bargaining Agreement

Dear Honorable Members:

Please find enclosed for your consideration a memorandum and a proposed resolution for approval expressing legislative assent and directing implementation of a successor collective bargaining agreement between Erie County and the International Brotherhood of Teamsters Local 264 ("Teamsters") representing sworn and civilian personnel in the Sheriff Office and the Division of Correctional Health Services.

The proposed agreement covers the period between January 1, 2005, and December 31, 2016, and provides Teamsters' members with wage increases, in exchange for necessary cost reforms to active health insurance, retiree health insurance, and work time. Erie County and the Teamsters have negotiated in good faith and are pleased to have reached this accord.

Should your Honorable Body require further information, I encourage you to contact Commissioner David Palmer at the Department of Labor Relations. Thank you for your consideration on this matter.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/bb
Enclosure

cc: Commissioner David Palmer, Department of Labor Relations
Erie County Fiscal Stability Authority

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Labor Relations
Re: Teamsters Local 264
2005-2016 Successor Collective Bargaining Agreement
Date: December 17, 2012

SUMMARY

The Department of Labor Relations requests Legislative approval of a successor collective bargaining agreement between Erie County and International Brotherhood of Teamsters Local 264 ("Teamsters"). Teamsters is comprised of approximately 540 staff, and their contract expired on December 31, 2004.

FISCAL IMPLICATIONS

Under the contract, members will receive cost-of-living adjustments (COLA) of 2% in 2012-2014 and 3% in 2015-2016. Additionally, a modest signing bonus of $300 for each year worked from 2005-11 is also included, though no other retroactive payment for past years is included.

Savings to Erie County include requiring new hires (employees hired after contract ratification) to pay 10% of the Core Plan premium for health insurance, and all current Teamsters employees will pay 10% of the Core Plan premium beginning January 1, 2014. Current employees that retire after December 31, 2016, will pay 10% of their retiree premiums, while employees hired after ratification will not receive any County-paid health care upon retirement. The Teamsters have also agreed to the elimination of "summer hours," which were equivalent to three additional paid days off. These measures will result in significant long-term savings and fiscal certainty to the County.

REASONS FOR RECOMMENDATION

Erie County and Teamsters have been operating pursuant to an expired collective bargaining agreement since January 1, 2005. The successor agreement provides Teamsters members annual wage increases, in exchange for necessary cost reforms to active health insurance, retiree health insurance and work time. Additionally, the agreement adjusts the wage scale for the Holding Center Medical Staff and makes those positions financially competitive with the market, thus allowing for the hiring of medical staff, which will reduce the need for contracted medical services that are substantially more expensive than using County employees.

BACKGROUND INFORMATION

Erie County and the Teamsters have not had a contract since January 1, 2005 and Teamsters members have been working under an expired contract since that time.

CONSEQUENCES OF NEGATIVE ACTION

The proposed agreement would be deemed null and void and Erie County and Teamsters would continue to negotiate for a new successor agreement with no savings to the County from

members paying for health insurance and the need to use contracted medical services would continue.

STEPS FOLLOWING APPROVAL

Teamsters' members would work under the new collective bargaining agreement.

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF LABOR RELATIONS

RE: Teamsters Local 264
2005-2016 Successor Collective Bargaining Agreement

WHEREAS, Erie County is a municipal corporation and is bound by the New York State Taylor Law to negotiate terms and conditions of employment with duly elected employee organizations; and

WHEREAS, the International Brotherhood of Teamsters ("Teamsters") is an employee union organization and represents employees; and

WHEREAS, the existing collective bargaining agreement between Erie County and Teamsters Local 264 expired on December 31, 2004, but has remained binding pursuant to the Taylor Law; and

WHEREAS, Erie County and negotiated a successor collective bargaining agreement, covering the period between January 1, 2005 and December 31, 2016; and

WHEREAS, the Teamsters membership recently approved the successor agreement.

NOW, THEREFORE, BE IT

RESOLVED, the successor agreement between Erie County and the Unit is hereby approved; and be it further

RESOLVED, all terms and conditions of the successor agreement shall be implemented in full; and, be it further

RESOLVED, certified copies of this resolution be forwarded to the Erie County Executive, Erie County Comptroller, Department of Budget and Management, Department of Labor Relations, Department of Personnel and the Erie County Fiscal Stability Authority.

Tentative Agreement Between

The County of Erie/the Sheriff of Erie County

And

Teamsters Local 264

Date: November 26, 2012

This proposal is an alternative to the Employer's August 31, 2012 proposal. If this proposal is rejected the County will revert to its August 31, 2012 proposal.

Wages

1/1/12 – 2%
1/1/13 – 2%
1/1/14 – 2%
1/1/15 – 3%
1/1/16 – 3%

Note: Step/increment increases shall be frozen at the expiration of this contract until a successor agreement has been ratified. Upon ratification of a successor agreement, all affected employees will be placed on the appropriate step/increment with no loss of seniority.

Pay Scale for Medical Employees

1. Effective upon ratification - New pay scale for Medical Personnel as follows:

Step	0	1	2	3	4	5	6	7	A	B	C	D	E
#7	20.10	20.77	21.44	22.11	22.78	23.45	24.12	24.79	25.46	26.13	26.80	27.47	28.14
#8	21.65	22.36	23.07	23.78	24.49	25.20	25.91	26.62	27.33	28.04	28.75	29.46	30.17
#10	25.25	26.11	26.97	27.83	28.69	29.55	30.41	31.27	32.13	32.99	33.85	34.71	35.57
#12	29.97	31.00	32.03	33.06	34.09	35.12	36.15	37.18	38.11	39.06	40.04	41.04	42.07

Note: Upon ratification of this agreement the County will withdraw the appeal of PERB Case No. U-29239. Additionally, the parties agree that if at any time Teamster represented nurses are unavailable

for overtime assignments, the County may utilize agency nurses to fill required vacancies in the schedule.

3. Effective 1-1-13: Upgrade Records Clerks to Grade 6 civilian scale.

4. **Signing Bonus**: Effective upon ratification as follows:

   A bonus payment of $300 per year, for each full year on the JMD/ECDOH payroll (2005-2011), shall be distributed to bargaining unit members.

5. **Holidays** – County withdraws its proposal for elimination of two holidays

6. **Summer Hours**

   Effective 1/1/13 – Eliminate Summer Hours

ARTICLE 19 - HEALTH INSURANCE

Section 19.4 – Modify as follows

1. Effective January 1, 2014 employees hired prior to ratification of this agreement shall pay 10% of the Core Plan premium, capped at $2,000.
   Effective 1/1/15 – capped at $2,500
   Effective 1/1/16 – capped at $3,000
   Effective 1/1/17 – capped at $3,500

   Employees hired after ratification of this agreement shall contribute 10% of the Core Plan premium. Annual contributions shall be capped as above.

   a) In addition, employees who choose the Enhanced Plan shall pay the difference in the cost between the Core Plan and the Enhanced Plan plus the 10% premium of the Core Plan. The employee will bear the expense, through bi-weekly payroll deductions, of any amount in excess of the employer contribution.

   b) For employees who choose the Value Plan, the employer shall deposit fifty percent (50%) of the difference in the monthly premium cost, single or family, based on the employee's enrollment status, between the Core Plan and the Value Plan in an I.R.S. Section 105-h account. Monies deposited in such account shall roll over year to year. Funds shall remain available for use during active employment, regardless of plan enrollment or waiver and into retirement until expended. Upon termination or

in the event of the employee or retiree's death, any unexpended funds shall revert to the County.

c) Open Enrollment: Employees may select from among the insurance plans, annually, during the open enrollment period. The open enrollment period will take place after the annual rates are received from the insurance provider.

d) The negotiated provisions of the collective bargaining agreement regarding dental coverage will remain in effect.

Note: Employee paid health insurance premiums shall be frozen at the amount in effect at expiration of this contract until a successor agreement has been ratified. Upon ratification of a successor agreement, employees shall contribute the appropriate premiums as set by the LMHF.

2. Modify 19, Section 9.4 (d) as follows:

Effective 1/1/13 employees, who waive insurance coverage, shall be eligible for a monthly stipend as follows:

a.) Employees eligible for single coverage shall receive $150, to be paid in two equal installments of $75 each.

b.) Employees eligible for family coverage shall receive $300, to be paid in two equal installments of $150 each.

* **Note:** However, where such employee is or is eligible to be covered by another County employee, no waiver payments shall be due.

Note: Employees and their spouses are required to enroll in Medicare Parts A and B when first eligible.

3. Pre-Medicare Retirees: Employees hired prior to ratification of this agreement, with fifteen years of County service, who are eligible to retire and do so prior to December 31, 2016, shall have their retiree health insurance paid as follows:

The employer shall pay one hundred percent (100%) of the monthly premium single rate for the Core Plan for eligible employees who retire from County until age 65. The employer shall pay one hundred percent (100%) of the monthly premium family rate for the Core Plan for families of eligible employees who retire from County service until age 65, upon written proof of family status.

4. Pre-Medicare Retirees: Employees hired prior to ratification of this agreement, with fifteen years of County service, who are eligible to retire from County service and do so on or after December 31, 2016 shall pay the same percentage for retiree health insurance that they paid as an active employee.

5. Post-Medicare Retirees: Employees hired prior to ratification of this agreement, with fifteen years of County service, who are eligible to retire and retire prior to December 31, 2016 shall have their retiree health insurance paid as follows:

Employees and their eligible spouses shall be required to select the designated Medicare Advantage Plan or the equivalent, that includes prescription drug coverage and basic out-of-network benefits, **when first eligible**. Any employee who retires under this agreement, and his or her eligible spouse (and eligible child/children if applicable) who are under age 65, will be provided with a single or family Core Plan for the non-age 65 member(s). A post-Medicare retiree, and his or her eligible spouse aged 65/Medicare Eligible, may choose from Option A or B (Medicare Advantage HMO plans), or C (Medicare Advantage PPO plan) as referenced on the attached matrix. Both members must select the same option, and the employer will pay one hundred percent (100%) of the monthly premium for the single or double rate for Options A, B, or C. In addition, a post-Medicare eligible retiree who chooses Option D (Commercial PPO) shall pay the difference in the cost between the highest premium of Option A, B, or C, and the Option D (Commercial PPO) premium. Health care coverage will be provided for the lifetime of the retiree. Family coverage will be provided upon written documentation. All other employer contributions shall be eliminated.

6. Post-Medicare Retirees: Employees hired prior to ratification of this agreement with fifteen years of County service, eligible to retire and do so on or after December 31, 2016 shall have their retiree health insurance paid as follows:

Employees and their eligible spouses shall be required to select the designated Medicare Advantage Plan or the equivalent, that includes prescription drug coverage and basic out-of-network benefits, **when first eligible**. Any employee who retires under this agreement, and his or her eligible spouse (and eligible child/children if applicable) who are under age 65, will be provided with a single or family Core Plan for the non-age 65 member(s) and the employee shall pay the same percentage of the premium as active employees. A post-Medicare retiree and his or her eligible spouse, aged 65/Medicare Eligible, may choose from Option A or B (Medicare Advantage HMO plans), or C (Medicare Advantage PPO plan) as referenced on the attached matrix. Both members must select the same option, and the employee will pay the same percentages as current employees, of the monthly premium for the single or double rate for Options A, B, or C. In addition, a post-Medicare eligible retiree who chooses Option D (Commercial PPO) shall pay the difference in the cost between the highest premium of Option A, B, or C, and the Option D (Commercial PPO) premium. Health care coverage will be provided for the lifetime of the retiree. Family coverage will be provided upon written documentation. All other employer contributions shall be eliminated.

Note: Employees hired after ratification of this agreement shall not receive retiree health insurance paid by the employer.

7. The Union and the County agree that if a High-Deductible health plan is offered by the LMHF, such plan would be offered to employee covered by this agreement.

8. The County will pursue discussions with the LMHF for a blending of the experience pools to establish a blended rate for active and retiree health plan premiums. If blending of the pools is unsuccessful the parties agree to reopen negotiations for resolution of this issue.

Teamster October 9, 2012 – Part B Proposals

The County agrees to these proposals as part of this package. In the event this package proposal is not accepted by the Union the County considers the Part B Proposals null and void.

The parties agree that this tentative agreement is contingent upon ratification by the Teamster membership, release of the Efficiency Grant monies by the ECFCB and approval by the County Legislature.

IN WITNESS WHEREOF, *the duly sworn authorized representatives of the parties have signed their names below this day of November 26, 2012.*

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Mark C. Poloncarz, County Executive

County of Erie

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Mary Holl, President

Teamsters 264

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David A. Palmer, Commissioner

Erie County, Labor Relations

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Mark Wipperman, Undersheriff

Erie County Sheriff's Office

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APPROVED AS TO FORM