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SUNY ECC ERIE COMMUNITY COLLEGE
STATE UNIVERSITY of NEW YORK

Jack Quinn
President

November 12, 2015

The Honorable John J. Mills
Chairman of the Erie County Legislature
Old Erie County Hall
92 Franklin Street, 4th Floor
Buffalo, NY 14202

Dear ~~Chairman Mills~~, Jack

As a follow-up to Erie Community College's recent legislative filings and ECC's request for immediate consideration regarding the collective bargaining agreements with the Faculty Federation of ECC (FFECC) and the Administrators' Association of ECC (AAECC) I wanted to take this opportunity to provide you and your fellow legislator's additional information.

Some of the more salient points for your information are as follows:

FFECC Collective Bargaining Agreement

1. Agreement covers eleven years from August 31, 2009 to August 31, 2020.
2. Covers approximately 405 full time and RPT employees and a thousand plus adjunct faculty.
3. Annual salary costs of approximately $25 million plus an additional $10 million for overload and adjunct wages plus miscellaneous additional compensation.
4. A ratification payment totaling $1.4 million covering the period from September 1, 2009 to December 31, 2015.
5. A 2% pay increase effective January 1, 2016 with annual increases of 2% each year thereafter through August 31, 2020.
6. In addition to item 5 above, starting instructor salary increasing from $36,986 to $40,000 which will help ECC in the recruitment of new faculty. Also a variable minimum provision in cases of demonstrated recruitment issues.
7. Significant health insurance changes for current employees moving to a new base plan of core plus with contributions starting/increasing effective January 1, 2016. All current FFECC members will be contributing 15% towards their health insurance effective September 1, 2018.
8. New employees will be enrolled in the core plus plan and contribute 15% towards the cost of health insurance.

ERIE COMMUNITY COLLEGE
Office of the President, 121 Ellicott Street, Buffalo, New York 14203
Telephone: (716) 851-1200 • Fax: (716) 851-1029
Email: JQuinn@ecc.edu

9. Changes to retiree's health insurance for some current employees who will not reach ten years of service prior to the date of their planned retirement.
10. Elimination of the current provision of fully paid employer health insurance upon retirement to a fixed dollar value based upon the number of sick leave hours an employee has at retirement.
11. Changes to retiree health insurance will lead to future declines in ECC's GASB 45 liability for post-employment benefits.
12. Incremental increases in the per contact hour rate paid to full time faculty teaching extra classes (overload) as well as to part time (adjunct) faculty.
13. Withdrawal of the FFECC appeal to vacate the 27th pay period arbitration award.
14. A wellness incentive that ECC will match if an employee participates in Phase I and Phase II wellness activities.
15. Increases in class size.
16. Effective January 1, 2017 elimination of summer hours.
17. A $1.5 million retirement incentive at one half an employee's 2014/2015 base salary with retirement notification by December 1, 2015 to retire by January 4, 2016.
18. Increased management role in search committee process

Application of all the contract provisions will increase ECC's operating costs over status quo (doing nothing through 2020 in terms of changes to the existing contract) by approximately $6.9 million for a contract effectively covering eleven years. In order for ECC to fund this increase Erie County has committed $2.0 million towards the cost and the withdrawal of the FFECC appeal of the 27th pay period arbitration (#13 above) contributes almost one more million.

The remaining cost will be funded over the next five years including ECC's current fiscal year although it is anticipated that with the retirements and changes to health insurance for current employees the college will experience a significant shift in its employee demographics that will contribute significant savings in terms of both salaries and benefits. The $6.9 million noted above includes an allocation of $1.5 million for a retirement incentive which does not factor in a projected 100% payback within two years.

AAECC Collective Bargaining Agreement

1. Agreement covers nine years from August 31, 2011 to August 31, 2020.
2. Covers approximately 171 full time, RPT and part time employees.
3. Annual salary costs of approximately $10.
4. A ratification payment totaling approximately $.6 million covering the period from September 1, 2011 to August 31, 2015.
5. A 3% pay increase effective September 1, 2015 not added to base with annual increases of 2% added to base each year thereafter through August 31, 2020.
6. Significant health insurance changes for current employees moving to a new base plan of value with contributions starting/increasing effective September 1, 2016. All current AAECC members will be contributing 15% towards their health insurance effective September 1, 2018.
7. New employees will be enrolled in the value plan and contribute 15% towards the cost of health insurance.

8. Changes to retiree's health insurance for some current employees who will not reach certain years of service prior to the date of their planned retirement.
9. Elimination of the current provision of fully paid employer health insurance upon retirement to a fixed dollar value based upon the number of sick leave hours an employee has at retirement.
10. Changes to retiree health insurance will lead to future declines in ECC's GASB 45 liability for post-employment benefits.
11. New salary schedule for employees hired after ratification which smooth's the year to year pay increase to 2% or less.
12. A wellness incentive that ECC will match if an employee participates in Phase I and Phase II wellness activities.
13. Effective January 1, 2017 elimination of summer hours.
14. A $.5 million retirement incentive at one half an employee's 2014/2015 base salary up to $40,000 with retirement notification by December 15, 2015 to retire by January 4, 2016.

Application of all the contract provisions will increase ECC's operating costs over status quo (doing nothing through 2020 in terms of changes to the existing contract) by approximately $1.6 million for a contract effectively covering nine years. The cost will be funded over the next five years including ECC's current fiscal year although it is anticipated that with retirements and changes to health insurance for current employees the college will experience a significant shift in its employee demographics that will contribute significant savings in terms of both salaries and benefits. The $1.6 million noted above includes an allocation of $.5 million for the retirement incentive which does not factor in a projected 100% payback within two years.

The last major point to be aware of is that ECC has received notification of a 27% increase in its health insurance rates effective January 1, 2016. Without significant changes in our trends the college is facing catastrophic health care cost increases in the future. Many of the proposals above, shifting insurance plans, changes to contribution rates as well as the retirement incentive, are all focused on changing the college demographics which will improve our usage trends that than could lead to future health care premium reductions.

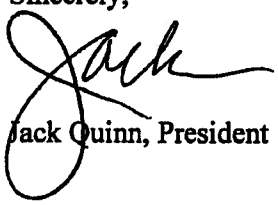
I apologize in advance for requesting immediate consideration of the two collective bargaining agreements but the college is currently in an open enrollment period for its employee's health insurance choices and we are attempting to impact trends as soon as possible without delay. Without approval by the Erie County Legislature we will be unable to implement the needed health insurance changes.

In closing, just as significant as the contractual changes discussed above is the fact that the negotiations with both the FFECC as well as the AAECC have gone for many years and caused some ill will between management and labor. Approval of these contracts was priority #1 in **ECC Excels** and will lead to a new found collegial work atmosphere where management and labor will work together towards our ultimate goal of Student Success.

I look forward to answering any questions that you and the other members of the Erie County Legislature may have concerning these contracts.

Thank you in advance for your unwavering support of ECC – Erie County's Community College.

Sincerely,



Jack Quinn, President

cc: The Honorable Joseph Lorigo, Majority Leader, Erie County Legislature
The Honorable Betty Jean Grant, Minority Leader, Erie County Legislature
The Honorable Kevin Hardwick, Chair, Community Enrichment Committee
Karen McCarthy, Clerk Erie County Legislature
Stephen Boyd, Chair, ECC Board of Trustees