

**BUFFALO FISCAL STABILITY AUTHORITY**  
**Analysis of the Proposed Labor Agreement between the City of Buffalo Urban Renewal Agency and the Civil Service Employees Association, Local 1000, AFSCME, AFL-CIO, Local 815**

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**Introduction**

The City of Buffalo (the “City”) has negotiated a proposed Memorandum of Agreement (“MOA”) with the Civil Service Employees Association, Local 1000, AFSCME, AFL-CIO, Local 815 (“Local 815”), representing employees of the Buffalo Urban Renewal Agency (“BURA”). The proposed MOA replaces the previous agreement which expired June 30, 2017, and will be effective through June 30, 2020.

The Local 815 employees covered by the MOA are funded through a combination of U.S. Department of Housing and Urban Development (“HUD”) Entitlement Grants and Local Program Income. In addition to reviewing the CBA for the unionized employees, BFSFA has requested information related to exempt employees. BURA has communicated to BFSFA staff that the BURA Board of Directors are not required to approve increases for the exempt employees, and the amount provided in the analysis is an “amount not to exceed” for potential increases and will also be dependent on available funding from HUD in the out-years.

Employees covered by the CBA are in the non-uniform class of employees and are responsible for providing various administrative and programmatic functions through BURA to the residents of the City of Buffalo. The City has budgeted thirty-two covered positions of which thirty positions were filled as of February 28, 2018, leaving two positions vacant and representing a vacancy rate of 6.3 percent. This vacancy rate will most likely be held for the remainder of the year; the current average salary of a Local 815 employee is \$51,382.

There are over 20 titles covered by the Local 815 MOA, with several titles sharing a common salary grade, with the following providing some examples of the titles of the budgeted positions; this is not an exhaustive list but a snapshot of some of the titles and the respective salary grade:

Environmental Engineer and Senior Project Manager-33U;  
Community Planner and Assistant Grant Manager-22U;  
Demolition Coordinator and Land Use Coordinator-28U; and  
Loan Specialist-19U.

Exempt employees have historically received comparable increases that the covered membership received. Additionally, the BURA Administration provides the same health insurance benefits to exempt employees as provided for within the Local 815 labor contract. Exempt employees are in the non-uniform class of employees, are appointed by the BURA Board of Directors, and are responsible for providing various administrative oversight and management duties throughout BURA. Examples of titles for exempt employees include Deputy Director of Finance, Economic Development Specialist, Director of Planning, Housing Director and Secretary & General Counsel. The City has budgeted nine exempt positions of which all are currently filled as of February 28, 2018. The current average salary of an exempt employee is \$64,789.

The members of Local 815 ratified the proposed MOA on August 17, 2017, with a vote of 20 to 4 in the affirmative. After the BFSAs review is complete, it will be forwarded to the BURA Board of Directors which has final authority to approve the MOA. The BURA Board is scheduled to meet on April 26, 2018.

### **Summary of Key Contract Provisions**

A side-by-side comparison of this proposed MOA against the previous collective bargaining agreement and the approved labor agreement between the City of Buffalo and the American Federation of State, County, and Municipal Employees, Local 650, has been provided as Appendix A.

Previously there were two separate salary schedules that were used by BURA and Local 815 and were dependent on the employee's date of hire. Employees hired prior to January 1, 1983 were on a three-step schedule while employees hired subsequently were on a five-step schedule. Currently there are no remaining employees hired prior to January 1, 1983, and all employees are on the five-step schedule. With respect to exempt BURA employees, positions are negotiated at a specific starting salary and do not have step advancements.

Annual percent increases will go into effect on July 1<sup>st</sup> of each year covered by this MOA; corresponding wage schedules are included in the MOA for employees on the five-step schedule. Both the percent increases and step advancements are applicable to July 1 of each year of the MOA.

### ***Salary Increases***

The proposed MOA covers July 1, 2017 through June 30, 2020, and has been included in the out-years of the current 2018-2021 Financial Plan. The contract includes annual increases of 2 percent effective July 1, 2017, 2018 and 2019 for all covered employees. In addition, covered bargaining employees will receive an incremental step increase as of July 1, 2017, and again on July 1, 2018. Beginning with July 1, 2019, step increases are not automatic and will be made on a case-by-case basis with recommendation by the BURA Executive Director and approval by the BURA Board of Directors. Payment of the July 1, 2018 incremental increases are conditioned upon the aggregate federal allocations for HOME and CDBG funding not being reduced by twenty percent or greater.

Prior to this agreement step increases for the members of Local 815 were not automatic, as is the case for most other unions, and the provisions regarding recommendation and approval were applicable.

Those members who have retired, resigned, or were otherwise summarily dismissed from City employment between July 1, 2017, and the ratification of the contract will not receive retroactive compensation for this period.

The following schedule provides an example of salary increases for two selected Local 815 positions at the top step of the salary schedule and reflects the annual 2 percent increases, along with the average salaries and associated increases for all employees over the term of the proposed MOA:

<b>Salary Increases</b>					
<b>Effective Date</b>	<b>Increase</b>	<b>Top Step</b>		<b>Average Salary</b>	
		<b>Community Planner</b>	<b>Sr. Project Manager</b>	<b>Local 815</b>	<b>Exempt</b>
Current Salary	-	\$50,388	\$78,930	\$51,382	\$64,789
July 1, 2017-June 30, 2018	2%	\$51,396	\$80,509	\$52,410	\$68,028
July 1, 2018-June 30, 2019	2%	\$52,424	\$82,119	\$53,458	\$71,430
July 1, 2019-June 30, 2020	2%	\$53,472	\$83,761	\$54,527	\$72,858

Using the example above, the increase in the salary at the top step from the expiration of the labor contract to July 1, 2017 is \$1,008 (2.0 percent) for a community planner and \$1,579 (2.0 percent) for a senior project manager.

It is noted that for those covered employees who receive a single step increase on July 1, 2017 and July 1, 2018, each step increase ranges between 0.5 to 0.8 percent.

Under the proposed contract terms, members of Local 815 will on average receive a 6.1 percent increase in base salary from July 1, 2016 to June 30, 2020, representing an average annual increase of 2.0 percent over the time period. With the inclusion of step increases in the first two years, the average increase is 7.5 percent from July 1, 2016 to June 30, 2020, representing an average annual increase of 2.5 percent over this time period.

For exempt employees, the proposed salary increase is not to exceed 5 percent on July 1, 2017 and July 1, 2018, and 2 percent on July 1, 2019. Exempt employees will on average receive a 12.5 percent increase in base salary from July 1, 2016 to June 30, 2020, representing an average annual increase of 4.2 percent over this time period. Exempt employees are not on step schedule. The final rate of salary increase to be provided to exempt employees is being finalized.

The proposed MOA covers the first three years of the current financial plan and expires at the conclusion of the third year.

### ***Health Insurance***

There are minimal healthcare provision changes in the proposed MOA. The main change is the codification of healthcare changes made via a previous MOA dated June 23, 2016. Major provisions included in the previous MOA dated June 23, 2016 included:

- The identification of Blue Cross Blue Shield of Western New York (“BCBS”) as the health insurance carrier;
- prescription drug co-payments by health plan;
- a reduction in the waiting period to receive health insurance for an employee from 6 months to 60 days after date of hire; and

- increases to the amounts for payments in-lieu of health insurance from \$60 to \$120 per month for single coverage, and an increase from \$100 to \$200 per month for those selecting employee/spouse or employee children or for family coverage.

Local 815 members can currently enroll in one of four health insurance plans administered by BCBS. Based on a previously performed cost-benefit analysis, it was not economically advantageous for BURA to self-insure for health and prescription costs, and was deemed more efficient to maintain healthcare plans with BCBS.

The 2017-18 premium costs for the four offered plans are as follows:

<b>Annual Premium Cost</b>				
<b>Plan</b>	<b>Single</b>	<b>Employee with Children</b>	<b>Employee with Spouse</b>	<b>Family</b>
Bronze Standard	\$ 4,518	\$ 7,680	\$ 9,036	\$ 12,876
Silver Standard	\$ 5,343	\$ 9,084	\$ 10,687	\$ 15,229
Gold Aqua	\$ 6,088	\$ 10,350	\$ 12,176	\$ 17,351
Platinum Standard	\$ 6,977	\$ 11,861	\$ 13,954	\$ 19,884

#### Active Employees

All employees shall have the option to select one of four plans: Platinum Standard Plan, Gold Aqua Plan, Silver Standard Plan or the Bronze Standard Plan. For those hired prior to January 1, 2011, an employee will have a minimum contribution rate of 15 percent of the premium cost for family coverage, employee with children coverage, or employee with spouse coverage, or 20 percent of the premium cost for single coverage. Those hired on or after January 1, 2011, shall contribute 20 percent of the premium cost for family, employee with children, or employee with spouse coverage, or 25 percent of the premium cost for single coverage. All employees will now receive the flexible spending 105(h) account.

The following is a summary of the benefits available to active employees based on their original hire date.

#### *Employees hired prior to January 1, 2011*

- All current employees will have the option to participate in one of four plans: Platinum Standard Plan, Gold Aqua Plan, Silver Standard Plan or the Bronze Standard Plan.
- A flexible spending 105(h) plan is provided and is \$400/year for those in single coverage, \$550/year for those in employee/spouse or employee/children coverage, and \$750/year for family coverage.
- Current employees will contribute towards the cost of health insurance at a rate of 15 percent for family and other multi-person plans and 20 percent for single coverage.

*Employees hired on or after the January 1, 2011*

- All current employees will have the option to participate in one of four plans: Platinum Standard Plan, Gold Aqua Plan, Silver Standard Plan or the Bronze Standard Plan.
- A flexible spending 105(h) plan is provided and is \$400/year for those in single coverage, \$550/year for those in employee/spouse or employee/children coverage, and \$750/year for family coverage.
- All employees contribute 25 percent of the premium cost for single coverage and 20 percent for family coverage and other multi-person plans.

The following chart demonstrates the required contribution rates as of July 1, 2017, for employees based on their hire date and the selected plan.

<b>Required Contributions:</b>	<b>Single</b>	<b>Employee with Children</b>	<b>Employee with Spouse</b>	<b>Family</b>
<i>January 1, 2011-Pre</i>	<b>20%-Single Coverage</b>	<b>15%-Multi person</b>		
Bronze Standard	\$ 904	\$ 1,152	\$ 1,355	\$ 1,931
Silver Standard	\$ 1,069	\$ 1,363	\$ 1,603	\$ 2,284
Gold Aqua	\$ 1,218	\$ 1,552	\$ 1,826	\$ 2,603
Platinum Standard	\$ 1,395	\$ 1,779	\$ 2,093	\$ 2,983
<i>January 1, 2011-Post</i>	<b>25%-Single Coverage</b>	<b>20%-Multi person</b>		
Bronze Standard	\$ 1,129	\$ 1,536	\$ 1,807	\$ 2,575
Silver Standard	\$ 1,336	\$ 1,817	\$ 2,137	\$ 3,046
Gold Aqua	\$ 1,522	\$ 2,070	\$ 2,435	\$ 3,470
Platinum Standard	\$ 1,744	\$ 2,372	\$ 2,791	\$ 3,977

Using current premium rates, an employee’s contribution towards the selected plan would range from \$904-\$1,395 annually for single coverage or \$1,931-\$2,983 annually for family coverage, for those hired prior to January 1, 2011. For those hired after January 1, 2011, the contribution towards the selected plan would range from \$1,129 to \$1,744 annually for single coverage or \$2,575 to \$3,977 annually for family coverage. There are now options available for employees that span the difference between the single rate and the family rate, including employee and spouse, and employee and child(ren); both of those plans require the employee to contribute at the family rate determined by the hire date.

## Retired Employees

There have been no changes to the provisions affecting employees at retirement other than the plans available to them at the time of retirement as compared to the previous contract.

All employees, upon retirement and until death, shall receive the plan they selected at the time of retirement. The City will provide employees with a health insurance open enrollment period prior to their retirement, at which time the employee will have the option of selecting any healthcare plan available to them. Those hired prior to January 1, 2011, and who retire from BURA service before July 30, 2020, have the option of one of the four plans offered through BCBS. Most retirees are expected to select the Platinum Standard Plan, since that plan most closely mirrors the previous POS 201 and POS 204 plans offered and the related prescription co-payments.

Retirees are required to enroll in Medicare Part A and B when eligible to enroll, and employees will be responsible for payment of Medicare Part B premiums.

In addition to the active employee contribution rate paid during employment the employee will pay a portion of BURA's contribution based on the employee's hire date and years of service.

To qualify for health insurance in retirement an employee hired prior to January 1, 2011, must have:

- been an employee for at least twenty years of continuous service and contribute 15% for family or multi-person coverage and 20% for single coverage, or;
- have at least fifteen years of continuous service and pay an additional 10% of the premium costs, which is 25% for a family or multi-person plan or 30% for a single plan, or;
- have at least ten years of continuous service and pay an additional 20% of the premium costs, which is 35% for a family or multi-person plan or 40% for a single plan, and;
- retire from the NYS Employee Retirement System and be receiving pension payments immediately following the employee's retirement from BURA service.

To qualify for health insurance in retirement an employee hired after January 1, 2011, and prior to May 28, 2015, must have:

- been an employee for at least twenty years of continuous service and contribute at the same rate they were during employment plus an additional 20% of the premium cost, which is 40% for family or multi-person coverage and 45% for single coverage or;
- have at least fifteen years of continuous service and pay an additional 35% of the premium costs, which is 55% for a family or multi-person plan or 60% for a single plan, or;
- have at least ten years of continuous service and pay an additional 50% of the premium costs, which is 70% for a family or multi-person plan or 75% for a single plan, and;
- retire from the NYS Employee Retirement System and be receiving pension payments immediately following the employee's retirement from City service.

To qualify for health insurance in retirement an employee hired after May 28, 2015, must have:

- been an employee for at least twenty years of continuous service and contribute at the same rate required during employment plus 50% of the premium cost, which is 70% for family or multi-person plan and 75% for single coverage or;
- have at least fifteen years of continuous service and pay an additional 70% of the premium costs, which is 90% for a family or multi-person plan or 95% for a single plan, and;
- retire from the NYS Employee Retirement System and be receiving pension payments immediately following the employee’s retirement from City service.
- Those retirees with less than fifteen years of service are not eligible to receive health insurance coverage in retirement.

The following chart summarizes the required rate of retiree contribution based on an employee’s hire date, and years of service.

<u>Years of Service</u>	<u>Retiree Contribution</u>		
	<u>Pre</u>	<u>Post</u>	<u>Post</u>
	<u>1/1/2011</u>	<u>1/1/2011</u>	<u>5/28/2015</u>
20+ years of service			
Family Coverage	15%	40%	70%
Single Coverage	20%	45%	75%
>15 and < 20 years of service			
Family Coverage	25%	55%	90%
Single Coverage	30%	60%	95%
>10 and < 15 years of service			
Family Coverage	35%	70%	N/A
Single Coverage	40%	75%	N/A
Pre 5/28/2015			
< 10 years of service			
Post 5/28/2015			
< 15 years of service			
No coverage at retirement provided			

Upon becoming eligible for Medicare, retirees will be required to enroll in Medicare Part A & B and pay for Medicare Part B.

Retirees who qualify for health insurance and then move from the coverage area on a permanent basis are permitted to acquire health insurance through an available Health Maintenance Organization (“HMO”); the City will pay the same amount that would have been paid on an annual basis.

### **Summary of Other Contract Provisions**

The following contract provisions are deemed to have a less significant financial impact or reflect managerial efficiencies.

#### ***Paid Time-Off and Vacation Leave***

The proposed MOA has no changes to paid leave time, however there are modifications to the amount of vacation time an employee may bank annually as well as to the increments the time may be used for. For employees with six to fifteen years of service, they may bank up to 25 days, compared to 20 days previously. For employees with sixteen plus years of service, they can bank up to 30 days of vacation compared to 20 days previously. Additionally, vacation leave may be utilized in increments of two hours, as opposed to the previous requirement of four hour increments.

#### ***Residency***

There is no change in residency requirements; the MOA requires all employees to maintain active domiciled residency within the City of Buffalo throughout their employment with the City.

#### ***Overtime and Overtime Records***

The proposed MOA provides covered employees, excluding exempt employees, with compensatory time for each hour or part thereof that an employee works in excess of the normal work week. All paid leave, except for the one-hour paid lunch period, shall be considered as hours worked.

A record of overtime hours worked by covered employees shall be maintained by the head of BURA or his or her designee on a monthly basis. The union leadership may request the records from BURA, which requests shall not be unreasonably denied.

#### ***Work Boots/Foul Weather Gear***

Eligible employees will be reimbursed upon submission of receipts up to \$300 annually for the purchase of protective and foul weather gear necessary to perform their duties. The prior rate for foul weather gear was \$260/year.

#### ***Auto Allowance***

Employees required to use their personal automobiles on BURA business shall receive mileage reimbursement at the rate set by the Internal Revenue Service. Current reimbursement rate is \$0.535/per mile; an individual would have to travel 33.6 miles to meet the current reimbursement rate of \$18.00. Employees on average travel between 20-25 miles a day using their personal owned vehicle.

#### ***Licensures/Certifications/Professional Associations***

Should the employer require an employee to obtain and/or maintain certification, licensures, or membership in a professional association, the employer shall be required to pay for the costs and/or fees of such.

#### ***Implementation of a Drug & Alcohol Policy***

Implementation of a drug and alcohol policy for all employees of BURA.

## **Financial Impact**

Following is a summary of the expected costs of the terms of the proposed MOA for Local 815 and exempt employees over the life of the 2018-2021 Financial Plan, noting again that the contract expires on June 30, 2020, a year prior to the end of the current 2018-2021 Financial Plan:

<b>IMPACT OF PROPOSED CBA</b>						
<b>Cost:</b>		<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Total</b>
	Salary Increase/steps					
	Covered members	\$ 84,074	\$ 167,901	\$ 203,116	\$ 203,116	\$ 658,207
	Exempt employees	32,396	66,408	83,243	83,243	265,290
	Pension payment-15.2%	17,703	35,615	43,527	43,527	140,372
	Payroll taxes-7.65%	8,910	17,925	21,906	21,906	70,648
	Protective gear	320	320	320	320	1,280
	In-lieu of health insurance	5,460	11,100	11,100	11,100	38,760
	<b>Total</b>	<b>\$ 148,863</b>	<b>\$ 299,269</b>	<b>\$ 363,212</b>	<b>\$ 363,212</b>	<b>\$ 1,174,556</b>
<b>Savings:</b>						
	In-lieu of Health Insurance	\$ 27,908	\$ 27,908	\$ 27,908	\$ 27,908	\$ 111,632
	Overtime reduction	4,830	4,830	4,830	4,830	19,320
	IRS rate for auto allowance	3,894	3,894	3,894	3,894	15,576
	<b>Total</b>	<b>\$ 36,632</b>	<b>\$ 36,632</b>	<b>\$ 36,632</b>	<b>\$ 36,632</b>	<b>\$ 146,528</b>
	<b>Net Impact</b>	<b>\$ 112,231</b>	<b>\$ 262,637</b>	<b>\$ 326,580</b>	<b>\$ 326,580</b>	<b>\$ 1,028,028</b>

Current year costs are \$148,863, and consist of \$143,083 in salary increases including corresponding employer taxes and pension contributions, and \$5,780 combined for in-lieu of health insurance and increase to the protective gear allowance. Total costs over the 2018-2021 Financial Plan increase by approximately \$1.2 million. Over the course of the Financial Plan there are approximately \$146,500 in projected savings. Savings are estimated at \$28,000 a year for individuals opting to receive the increased in-lieu-of health insurance payment and have indicated they will drop family coverage, \$4,830 a year for reduction in overtime costs and almost \$3,900 a year for switching to the IRS reimbursable rate as opposed to a flat dollar rate for the auto allowance.

Information related to key underlying assumptions made in the analysis follows:

### ***Total Gross Costs in the 2017-2018 Adopted Budget and 2018-2021 Financial Plan***

As previously noted, the proposed MOA includes three years of 2% annual increases for Local 815 members on July 1, 2017, 2018, and 2019, as well as automatic step increases for covered employees on July 1, 2017 and 2018. Step increases are not included beginning July 1, 2019. The calculation reflected the maximum amount of raises to exempt employees of 5% on July 1, 2017 and 2018 and 2 percent on July 1, 2019. The City's payments to the New York State Employees Retirement System ("NYSERS") and employer payroll taxes combined are estimated to be approximately 22.85% of the salary increases.

### ***Total Gross Savings in the 2017-2018 Adopted Budget and 2018-2021 Financial Plan***

Savings are limited to three components of the MOA. There is approximately \$112,000 in savings over the course of the Financial Plan in health insurance savings, since two employees will drop their health insurance coverage and pick up health insurance coverage through their spouses' employer. There is also \$19,000 in estimated savings in related overtime expenses, since the one-hour paid lunch will no longer be included in the calculation for time worked in calculating overtime. An estimated \$15,600 in savings related to the elimination of the flat rate of \$18/day for employees that use their personal vehicle to travel on BURA business, outside of the normal commute to and from the workplace.

### **OPEB Impact**

There is no expected impact on the OPEB liability, as any healthcare changes were made in 2016 and are reflected in the most recent actuarial evaluation. As of June 30, 2017, BURA's total unfunded actuarial accrued liability was \$20.2 million.

### **Recommendations and Conclusions**

Costs increases for the current fiscal year will be funded through available entitlement grants, program income, as well as the Justice Assistance Grant; it is noted that the estimated increases are within the established administrative cap restrictions.

Prospective cost increases for the agreement will be funded through entitlement grants, program income, and other grants available to BURA. BURA has demonstrated that it has the capacity to afford the salary increases, while still being within the established administrative caps for the various entitlement grants.

BURA's Financial Plan has numerous pressures on it, most importantly diminishing federal revenue estimates. While this contract appears to be affordable, the pressure on BURA's ability to maintain a balanced budget and stay within the authorized administrative caps must be emphasized.

In addition to the above, the following items of significance are noted:

- The MOA which expires the year prior to the end of the current financial plan provides BURA the City with some predictability of where Local 815 and Exempt employee costs will be over the next few years.
- BURA will continue to not participate in the City's self-insured medical insurance program due to the current workforce demographics. It has been determined that BURA will maintain its current contract with BCBS for the provision of health insurance.
- There are no new savings associated with health insurance for retirees. It is noted that previous labor contracts have negotiated favorable terms and that the BURA contract exceeds the terms provided to other labor organizations. There is no requirement for Medicare Part B to be the primary insurance for eligible retirees and this may be an area for future negotiation.

- Entitlement funding through HUD has decreased over the past four years, and is instrumental in funding this MOA. If there are any significant decreases in CDBG or HOME funds, BURA may not have the necessary resources to fund the MOA going forward and would have to identify new revenue sources or eliminate budgeted staff positions.
- The Federal 2018 Omnibus Budget Bill was passed on March 23, 2018 and includes unexpected increases on a year-to-year basis for many HUD supported programs. Funding received by BURA that would be impacted by this increase includes CDBG funding which is increasing by 7.8 percent and HOME funding which is increasing by 43.4 percent. Additionally,, Emergency Shelter Grants (“ESG”) is budgeted to increase 7.8 percent and Housing Opportunities for People with Aids (“HOPWA”) at 5.3 percent. Actual increases to BURA, specifically, are not yet known.

<b>CBA Clause</b>	<b>BURA CSEA LOCAL 815—Expired CBA</b>	<b>BURA CSEA LOCAL 815—Proposed CBA</b>	<b>AFSCME 650-White Collar City of Buffalo CBA</b>
<b>Employees Covered</b>	All BURA unionized employees.  In addition, exempt employees receive the same health care benefits that Local 815 employees receive. The treatment of incremental raises will vary.	Same	White-collar employees of the City.  In addition, exempt employees receive the same incremental raises and health care benefits that 650 employees receive.
<b>Period Covered</b>	July 1, 2013 - June 30, 2017	July 1, 2017 - June 30, 2020	July 1, 2011 - June 30, 2019
<b>Salary Increases and Steps</b>	7/1/13 –bonus payment of \$1,500 (not an increase to base pay) 7/1/14 – 2% increase 7/1/15 – 7/1/16 – 1.75% annually	7/1/17 – 2% 7/1/18 – 2% 7/1/19 – 2%  One incremental step on 7/1/17 for all eligible employees.  One incremental step on 7/1/18 for all eligible employees.  Effective 7/1/19, step increases are no longer automatic and are provided through BMHA management recommendation and BURA Board approval.  Exempt employees shall receive a 5% increase on July 1, 2017 and July 1, 2018, and a 2% increase on July 1, 2019.	7/1/11 – 6/30/15 – 2% annually 7/1/15 – 3% increase 7/1/16 – 6/30/19 – 2% annually  7 step schedule for new hires as of July 1, 2008

<p><b>Health Insurance</b></p>	<p><u>All employees:</u> Domestic partners shall be treated as the spouse of the employee for provision of benefits.</p> <p>Choice between two lower cost plans (POS 204 and POS 204 Plus)</p> <p>Employee contribution as follows:</p> <table border="0"> <tr> <td><u>Hired before 1/1/2011</u></td> <td><u>Hired after 1/1/2011</u></td> </tr> <tr> <td>15% for family</td> <td>20% for family</td> </tr> <tr> <td>20% for single</td> <td>25% for single</td> </tr> </table> <p>105(H) plan (flexible spending account) provided for all employees. The amount provided is the difference between the more expensive plan previously offered (POS 201) and the cost of their current plan.</p> <p>All retirees may opt into the more expensive plan (POS 201) until June 30, 2020.</p> <p><u>All new hires, post May 28, 2015:</u></p> <p>All terms same except:</p> <p>All new hires eligible to receive health insurance shall have a prescription co-pay plan rate of \$10/\$20/\$50.</p> <p>All new hires eligible to receive health insurance shall not be entitled to the 105(H) plan benefit (flexible spending account).</p>	<u>Hired before 1/1/2011</u>	<u>Hired after 1/1/2011</u>	15% for family	20% for family	20% for single	25% for single	<p><u>All employees – terms remain the same except for the following:</u> The health insurance carrier shall continue to be Blue Cross Blue Shield (“BCBS”) of WNY, and the plans to be offered are:</p> <p>BCBS of WNY Platinum Standard – replacing current POS 201 &amp; POS 204 w/ Rx co-pays of \$10/\$30/\$60;</p> <p>BCBS of WNY Gold Aqua Plan w/ Rx co-pays of \$15/\$50/50%; and</p> <p>BCBS of WNY Bronze Standard Plan w/ Rx co-pays of \$10/\$35/\$70 after deductible.</p> <p>Waiting period for new hires to receive health benefits is 60 days.</p> <p>Modification to 105(h) plan benefit for all union members that receive health care benefits (flexible spending account):</p> <p>Single coverage 105(h) will be raised from \$74 to \$400;</p> <p>Members taking employee/spouse or employee/children coverage, 105(h) benefit will be \$550;</p> <p>For those members taking family coverage the 105(h) benefit will increase from \$200 to \$750.</p> <p>105(h) benefit will roll over annually.</p>	<p><u>All employees:</u> Domestic partner language is removed. Choice between five plans from single provider (Blue Cross): Traditional Blue 901, Traditional Blue POS 201/201 Plus, Traditional Blue POS 204/204 Plus, Traditional Blue POS 206/206 Plus, Traditional Blue 7200</p> <p>Employee may select higher cost plan but is required to pay the difference between the plan selected and the lowest cost plan; contribution rate remains.</p> <p><u>Option to self-insure:</u> The City may self-insure medical and prescription drug coverage</p> <p><u>Hired before 2008:</u> No change except that a 105h is only available with lowest cost plan. No contribution req. if lowest plan is selected</p> <p><u>Hired after July 1, 2008:</u> Employee contributes 15% for family, 25% for single 105h is only available with lowest cost plan</p> <p><u>105h Plan:</u> For all qualifying employees, City will annually provide \$750 for family coverage and \$270 for single coverage</p>
<u>Hired before 1/1/2011</u>	<u>Hired after 1/1/2011</u>								
15% for family	20% for family								
20% for single	25% for single								

<b>Retiree Health Care</b>	<p><u>In addition to the active employee contribution rate paid during employment</u>, the retiree will pay the following percentage of the BURA contribution:</p> <table border="0"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>Pre</u> <u>1/1/11</u></th> <th><u>1/1/11-</u> <u>5/28/15</u></th> <th><u>Post</u> <u>5/28/15</u></th> </tr> </thead> <tbody> <tr> <td>20: employee pays</td> <td>0%</td> <td>20%</td> <td>50%</td> </tr> <tr> <td>15: employee pays</td> <td>10%</td> <td>35%</td> <td>70%</td> </tr> <tr> <td>10: employee pays</td> <td>20%</td> <td>50%</td> <td>N/A</td> </tr> </tbody> </table> <p><b>The following schedule demonstrates total contribution from retiree.</b></p> <table border="0"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>Pre</u> <u>1/1/11</u></th> <th><u>1/11/11-</u> <u>5/28/15</u></th> <th><u>Post</u> <u>5/28/15</u></th> </tr> </thead> <tbody> <tr> <td>20+ years of service</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>15%</td> <td>40%</td> <td>70%</td> </tr> <tr> <td>    Single Coverage</td> <td>20%</td> <td>45%</td> <td>75%</td> </tr> <tr> <td>&gt;15 and &lt; 20 years of service</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>25%</td> <td>55%</td> <td>90%</td> </tr> <tr> <td>    Single Coverage</td> <td>30%</td> <td>60%</td> <td>95%</td> </tr> <tr> <td>&gt;10 and &lt; 15 years of service</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>35%</td> <td>70%</td> <td>N/A</td> </tr> <tr> <td>    Single Coverage</td> <td>40%</td> <td>75%</td> <td>N/A</td> </tr> <tr> <td>&lt; 10 years of service</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    No coverage at retirement provided</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Employees hired after 5/28/15 with less than 15 years of service are not eligible to receive retiree health insurance. Retiree is required to enroll in Medicare and is responsible for the Part B premium costs.</p>	<u>Years of Service</u>	<u>Pre</u> <u>1/1/11</u>	<u>1/1/11-</u> <u>5/28/15</u>	<u>Post</u> <u>5/28/15</u>	20: employee pays	0%	20%	50%	15: employee pays	10%	35%	70%	10: employee pays	20%	50%	N/A	<u>Years of Service</u>	<u>Pre</u> <u>1/1/11</u>	<u>1/11/11-</u> <u>5/28/15</u>	<u>Post</u> <u>5/28/15</u>	20+ years of service				Family Coverage	15%	40%	70%	Single Coverage	20%	45%	75%	>15 and < 20 years of service				Family Coverage	25%	55%	90%	Single Coverage	30%	60%	95%	>10 and < 15 years of service				Family Coverage	35%	70%	N/A	Single Coverage	40%	75%	N/A	< 10 years of service				No coverage at retirement provided				<p>No changes</p>	<p>Retiree contributions for health insurance are as follows:</p> <table border="0"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>Pre</u> <u>7/1/08</u></th> <th><u>Post</u> <u>7/1/08</u></th> </tr> </thead> <tbody> <tr> <td>20+ years of service</td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>0%</td> <td>15%</td> </tr> <tr> <td>    Single Coverage</td> <td>0%</td> <td>25%</td> </tr> <tr> <td>&gt;15 and &lt; 20 years of service</td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>10%</td> <td>25%</td> </tr> <tr> <td>    Single Coverage</td> <td>10%</td> <td>35%</td> </tr> <tr> <td>&gt;10 and &lt; 15 years of service</td> <td></td> <td></td> </tr> <tr> <td>    Family Coverage</td> <td>20%</td> <td>35%</td> </tr> <tr> <td>    Single Coverage</td> <td>20%</td> <td>45%</td> </tr> <tr> <td>&lt; 10 years of service</td> <td></td> <td></td> </tr> <tr> <td>    No coverage at retirement provided</td> <td></td> <td></td> </tr> </tbody> </table> <p>No change in retiree contributions for employees hired before 3/1/2015.</p> <p>Retiree health insurance is not available to those hired post 3/1/2015.</p> <p>Retiree is responsible for the Medicare Premium cost.</p>	<u>Years of Service</u>	<u>Pre</u> <u>7/1/08</u>	<u>Post</u> <u>7/1/08</u>	20+ years of service			Family Coverage	0%	15%	Single Coverage	0%	25%	>15 and < 20 years of service			Family Coverage	10%	25%	Single Coverage	10%	35%	>10 and < 15 years of service			Family Coverage	20%	35%	Single Coverage	20%	45%	< 10 years of service			No coverage at retirement provided		
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<p><b>Vacation Policy</b></p>	<p><u>Employees hired before May 28, 2015:</u></p> <p>After 1 year = 10 days  1 – 5 years = 10 days/yr  6 – 10 years = 15 days/yr  11 – 15 years = 20 days/yr  16+ years = 25 days</p> <p><u>Employees hired after May 28, 2015:</u></p> <p>After 1 year = 10 days (no change)  1 - 5 years = 10 days/yr (no change)  6 - 15 years = 15 days/yr (reduction of 5 days/yr in years 11 – 15)  16+ years = 20 days/yr (reduction of 5 days/yr)</p> <p>All employees may sell back up to two weeks of vacation time annually (no change).</p>	<p>Increase to maximum allotment in an employee’s vacation bank from 20 to 25 days for employees with 6 -15 years of service and from 20 to 30 days for employees with 16+ years of service.</p> <p>Vacation leave may be utilized in units of two hours.</p> <p>Vacation carryover—Unless written permission is received by the employee to carryover vacation time, any time over the maximum bank allotment allowed shall be lost on the anniversary date of the employee’s hiring date.</p>	<p><u>Employees hired before July 1, 1983:</u></p> <p>After 1 year = 10 days / 20 days bank  1 – 5 years = 10 days/yr / 20 days bank  6 years = 16 days/yr / 30 days bank  6 years + = 16 days/yr + 1 day for each subsequent anniversary. Maximum of 25 days reached at 15 years of service.</p> <p>Vacation bank increases at 10 years (40 days) and 15 years (50 days)</p> <p><u>Employees hired after July 1, 1983:</u></p> <p>After 1 year = 10 days / 20 days bank  1 – 5 years = 10 days/yr / 20 days bank  6 – 10 years = 15 days/yr / 30 days bank  11 –15 years = 28 days/yr / 40 days bank  16 years + = 25 days/yr / 50 days bank</p> <p><u>Employees hired after July 1, 2008:</u></p> <p>1 – 5 years = 10 days / 20 days bank  6 – 15 years = 15 days / 30 days bank  16 + years = 20 days / 40 days bank</p> <p>No change in regards to how vacation is accrued; only change is in regards to timing of “sell back” of vacation time.</p>
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<b>Personal Leave</b>	<p><u>Employees hired before May 28, 2015:</u> Receive 5 personal days after 3 years of service (reduction of 1 personal day in year 3+)</p> <p><u>Employees hired after May 28, 2015:</u> Year 1 = 2 days Year 2 = 3 days (reduction of 1 day) Year 3+ = 4 days (reduction of 2 days)</p>	No changes	<p><u>Between 2015-2018 each employee receives one additional PL day in addition to the number of PL days based on years of service:</u> Year 1 = 2 days (3 days btwn. 2015-18) Year 2 = 4 days (5 days btwn. 2015-18) Year 3+ = 5 days (6 days btwn. 2015-18)</p> <p>*On September 1<sup>st</sup> each year from 2015-2018 an employee shall receive an additional (8) hours of personal leave time. If employee does not use it in the year it is earned, that PL time will be converted to sick leave. Additional PL does not continue beyond June 30, 2019.</p>
<b>Perfect Attendance Incentive</b>	Perfect attendance for 3 months = 1 day paid the subsequent quarter	No changes	Employees who have perfect attendance for each (3) month period beginning July 1 of each contract year shall receive 1.25 days credit for each period. Employees shall be paid at the contractual straight time rate.
<b>Holidays</b>	13 paid holidays	No changes	13 paid holidays
<b>Bereavement Leave</b>	Up to 5 days	No changes	Up to 5 days
<b>Longevity Payments</b>	<p>A. 5 yrs. = \$400 B. 10 yrs. = \$725 C. 15 yrs. = \$1,050 D. 20 yrs. = \$1,375 E. 25 yrs. = \$1,700</p>	No changes	<p>A. 5-9 yrs. = \$400 B. 10-14yrs. = \$725 C. 15-19 yrs. = \$1,050 D. 20-24 yrs. = \$1,375 E. 25 yrs. + = \$1,700</p>
<b>In Lieu of Health Insurance</b>	\$100 per month for waiving family coverage \$60 per month for waiving single coverage	\$200 per month for waiving family coverage \$120 per month for waiving single coverage	\$100 per month for waiving family coverage \$60 per month for waiving single coverage

<b>Residency</b>	As of 12/29/10 as a condition of promotion or transfer into BURA the individual must establish and maintain residency and domicile within the City of Buffalo within 90 days.	No changes	All present City employees who reside in the City and who are not entitled to a statutory exemption from residence are required to maintain their residence and domicile within the City.
<b>Dental Plan</b>	GHI Spectrum Plus to all employees with a \$5/month contribution from employees. GHI Preferred is available, but the employee would be responsible for the premium difference plus the \$5/month contribution.	No changes	All employees shall be provide GHI Spectrum dental plan, at no cost to the employee. If employee selects GHI Preferred, employee will pay the difference between the two plans.  The City shall have the option to bid out dental benefits or to self-insure, provided that the benefits are equal to or greater than those currently provided.
<b>Work Boots / Uniform Allowance</b>	Employees required to wear safety shoes shall be reimbursed up to \$260/annually for the purchase of work boots/safety shoes upon submission of receipt.	Eligible employees will be reimbursed upon submission of receipts up to \$300/annually for the purchase of protective and foul weather gear necessary to perform their duties.	Uniform allowance for report technicians—The City shall pay an annual uniform allowance of \$440.
<b>Auto Allowance</b>	Employees required to use their personnel automobiles shall be compensated at the rate of \$18/day or \$9/half day.	Clarification that reimbursement for use of a personal automobiles will be reimbursed at the IRS rate.	Employees required to use their personnel automobiles on City business shall be compensated at the rate of \$18/day or \$9/half day.
<b>Pending Litigation</b>	Discontinuance of any and all pending matters with prejudice and without cost in any forum, state, federal or administrative. Such withdrawals shall include any and all Improper Practice Proceedings commenced with PERB and the Union agrees to withdraw all pending grievances and demands for arbitration.	Not applicable	Discontinuance of any and all pending matters with prejudice and without cost in any forum, state, federal or administrative. Such withdrawals shall include any and all Improper Practice Proceedings commenced with PERB and the Union agrees to withdraw all pending grievances and demands for arbitration.