

STIPULATION

It is hereby stipulated that the following issues are submitted to the Arbitration Panel for their determination:

The issues to be determined by the panel are those contained in the Factfinder's Report dated December 23, 1975, James A. Cashen, Factfinder, notwithstanding presentation of testimony concerning the "memorandum of understanding" between the parties dated November 6, 1975, which shall be considered as a fact in the history of the instant impasse.

ss FRANK N. GRASSO
For the Union

ss DAVID C. RANGLES
Arbitrator

ss EDWARD J. CUMMINGS, JR.
For the City

ss HARVEY H. DIAMOND
Arbitrator

Dated: January 29, 1976

ss ANTHONY B. SGARLATA
Arbitrator

DISCUSSION

The Factfinder's Report, dated December 23, 1975, reviewed the history of the negotiations relative to a salary re-opener for the calendar year 1976, pursuant to a contract entered into by the parties January 1, 1975 through December 31, 1975. The Factfinder directed his attention to a "memorandum of understanding" signed by the parties November 6, 1975. The Factfinder sought to determine whether or not this "memorandum of understanding" and its computations should be recommended in the Factfinding Report. The Factfinder subsequently did so recommend.

CRITERIA CONTAINED IN THE STATUTE:

On the basis of the stipulation and the Factfinder's determination of the issue, this Arbitration Panel heard and

received evidence and testimony relative to the criteria delineated in Section 209.4 (v) of the New York Civil Service Law. Full and complete opportunity was given the parties to present evidence, witnesses and testimony. For purposes of discussion in this Award, we direct our attention to each of the criteria "a through d" - and would note that we have given the criteria full and complete consideration. However, only certain important data will be commented upon herein.

- (a) comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services or requiring similar skills under similar working conditions and with other employees generally in public and private employment in comparable communities.

Each of the parties introduced numerous exhibits of comparable wages and other employment benefits in communities, both in the immediate vicinity of Schenectady and throughout the State of New York. It was apparent to the panel that each party presented such evidence to support its position. We note, however, that the employees in this instant matter enjoy benefits at the upper levels of said exhibits.

The negotiated salary increases in New York State outside New York City (Panel Exhibit 1):

Police = 10.3% over 1974

Firemen = 8.1% over 1974

Arbitrated Salary increases:

Police = 8.7% over 1974

Firemen = 6.7% over 1974

(b) the interests and welfare of the public and the financial ability of the public employer to pay.

Relative to the ability of the public employer to pay, the testimony substantiated that the City of Schenectady has not reached its constitutional tax limit; in fact, the City is ten dollars per thousand under the limit. Additionally, the "memorandum of understanding" signed by the City Manager with the knowledge of the then majority membership of the City Council, was based upon the assumption that the City could pay the increase as stipulated therein and would do so through a legitimate tax increase, if required. Testimony at the factfinding hearing and at the arbitration hearing substantiates this as a fact in the history of this impasse.

It is further noted that the total revenue needed by the City was approximately \$17,000,000 of which \$9,869,000 was derived from general sources other than real property tax and \$7,498,000 derived from the latter.

There is a distinct difference between the ability to pay and the willingness to pay. Obviously, the freeze on wages and the lack of the inclusion of a salary increase in the 1976 budget of the City, reflects unwillingness to pay rather than inability to pay. The testimony of the City Manager stated that when he signed the "memorandum of understanding" he did so knowing that the City had the ability to pay.

(c) comparison of peculiarities in regard to other trades or professions, including specifically, (1) hazards of employment; (2) physical qualifications; (3) educational qualifications; (4) mental qualifications; (5) job training and skills.

In that this award will be in dollar amounts below the Consumer Price Index increase January 1975 - January 1978 and below the average negotiated and arbitrated settlements in comparable employee groups, we find that a justification for the award on this basis is not totally applicable although we gave any and all testimony relative thereto consideration.

(d) such other factors which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment.

The Arbitration Panel takes notice of the fact that, in general, the non-salaried employees in private industry enjoy cost of living adjustment or escalator clause which protects them from the effects of inflation. Even though the panel took into consideration the inflation of the past year and the fact that the employees of the fire and police departments do not benefit from an escalator clause, the award hereunder reflects an increase less than the Consumer Price Index increase.

OTHER CONSIDERATIONS:

The Factfinder, through the receipt of testimony, stipulated in his report, a public document, the following:

"At the factfinding hearing, the City Manager stated that the cost of the total economic package, considering the savings to the City from the deletion of the two economic clauses, would be 6.6% computed on the gross payroll of \$4,828,921." (page 5 ff)

"It was also agreed that the proposed deletion of the minimum manpower clause in the firefighters' contract would result in the saving of approximately \$90,000 to the City and that the removal of the unused vacation provision would result in savings of approximately \$56,000 to the City." (page 4)

"The gross payroll would be considered at \$4,820,921 and the total number of persons in both units as 347 persons." (page 4)

"In addition, it was also agreed that the cost of the City dental plan was approximately equivalent to a 1% salary increase and the clothing allowance to a .4% salary increase." (page 4)

The panel for the purposes of clarification shall show the following computations:

$6.6\% \times \$4,820,921 = \$318,180.78$
Cost to City of economic package

$\$90,000 + \$56,000 = \$146,000$
Union contribution to the economic package through deletion of enjoyed benefits.

$\$318,180.78 + \$146,000 = \$464,180.78$
Total money available for the economic settlement

$\$4,820,921 \times 1\% = \$49,000$
Approximate cost of dental plan

$\$4,820,921 \times .4\% = (\$19,200)$
Approximate cost of uniform allowance; however, it converts to $347 \times \$50$ or $\$17,350$

$\$49,000 + \$17,350 = \$66,350$
Approximate cost of fringe benefits

$\$464,180.78 - \$66,350 = \$397,830.78$
Amount available for distribution among 347 employees as an across-the-board salary increase

There are certain points to be noted in this award:

1. It involves a memorandum containing the return of a benefit enjoyed by employees as a result of prior contract negotiations.
2. These returned benefits shall be converted to dollar amounts for the purpose of distribution to employees as part of their increase.
3. The percentage or dollar amount increase reflected in the award is a gross increase, and it should be noted that the employees returned value to the City for said increase.

AWARD

It is the unanimous decision and award of the Arbitration Panel that:

1. Each employee in each of the bargaining units (Police and Fire) as shown in Appendix A shall receive an increase of \$1146.00 retroactive to January 1, 1976. The employees shall receive their respective increase covering the period from January 1, 1976 to May 1, 1976 in a lump sum payable the first pay period in May, 1976. All overtime earned prior to April 1, 1976 shall be computed as if earned during the calendar year 1975.

2. Each employee shall receive an additional \$50.00 toward his clothing allowance (this may be stated - the clothing allowance shall be increased from \$200. to \$250.) This increase shall also be paid as of the first pay period in May, 1976.

3. Each employee shall receive the benefits of the dental plan presently enjoyed by other City of Schenectady employee groups. This provision shall become effective no later than April 1, 1976.

4. The minimum manpower clause in the Firefighters' contract (Article XIX, Section 10) shall be modified to read:

"The City agrees that it will at all times maintain minimum platoon strength of 32 men to man the present complement of apparatus."

This reflects a cost reduction and a savings to the City of some \$90,000 as stipulated in the Factfinder's Report. This provision shall become effective simultaneously with the effective date of the dental plan.

5. The unused vacation provision (Article XIII, Section 3) shall be deleted:

"If, because of illness or disability, the employee is unable to take his vacation before the end of the current calendar year, he shall be paid the equivalent thereof in cash."

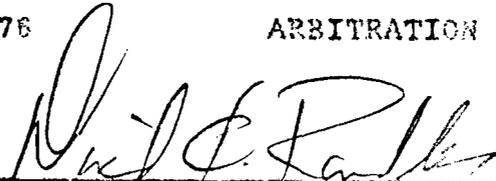
This reflects a cost reduction and savings to the City of some \$56,000 as stipulated in the Factfinder's Report.

6. This Award shall remain in effect during the remainder of the current contract except as herein specifically stated, no other provisions of the contract are in any way modified or changed by this Award.

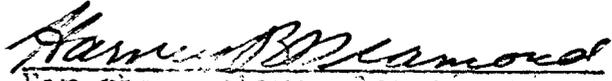
7. The net cost to the City is 6.6% and the net increase to the bargaining units herein is 8.8%.

Dated: March 17, 1976

ARBITRATION PANEL:


Public Member and Chairman
The Rev. Canon David C. Randles


For the Employer
Anthony B. Sgarlata


For the Employee Organizations
Harvey S. Diamond

STATE OF NEW YORK)
COUNTY OF SCHENECTADY) SS:

On this 17th day of March, 1976, before me personally came and appeared DAVID C. RANDLES, ANTHONY B. SSARLATA, and HARVEY B. DIAMOND, to me known and known to me to be the individuals described in and who executed the foregoing instrument and they acknowledged to me that they executed the same.


Notary Public

