

New York State
Public Employment Relations Board

NY S. PUBLIC EMPLOYMENT
RELATIONS BOARD
DEC 10 1979

In the Matter of the Interest Arbitration

DEC 10 1979

between

THE VILLAGE OF PENN YAN, ,
Employer,

CONCILIATION

AWARD OF THE
PUBLIC ARBITRATION PANEL

Case No. IA-123; M79-92

-and-

PENN YAN POLICE BENEVOLENT ASSOCIATION,
Association.

APPEARANCES

For the Employer:

Philip L. Bailey, Esq., Counsel

For the Union:

Al Sgaglione, President, Police Conference of New York, Inc.

Pursuant to the provisions of the Civil Service Law, Section 209.4, the following individuals were designated to serve as a Public Arbitration Panel ("Panel") in this proceeding:

Joseph S. Kiss, Public Panel Member and Chairman

Daniel W. Banach, Employer Panel Member

Gerald F. Washburn, Employee Organization Panel Member

The Panel, appointed on July 25, 1979, conducted its hearing on September 18, 1979 in Penn Yan, N. Y. on the issues at impasse. Both the Village of Penn Yan ("Village") and the Penn Yan Police Benevolent Association ("Association") were represented and were afforded full opportunity to submit testimony, evidence and proofs in support of their respective positions. In toto, the parties tendered five (5) Joint Exhibits, thirty-four (34) Village Exhibits and twenty-three (23) Association Exhibits, all received by the Panel, relative to the thirteen (13)

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open issues. The parties submitted post-hearing briefs on September 28, 1979, which were received by the individual panel members on or before October 2, 1979, whereupon the Panel met in executive session on October 4, 1979 in Binghamton, N. Y. to review and discuss the issues and relevant data. Thereafter, preparation of the Award ensued.

DISCUSSION

The parties undertook to show the fiscal status of the Village relative to other communities, and did the same with regard to unit size, salaries, benefits and other items usually contained in collective bargaining agreements of police personnel. The voluminous materials from both parties was not at variance, generally, one with the other, although the data varied, at times, in content and comparison factors.

The Village of Penn Yan has a population of slightly more than 5,000 persons, with the County of Yates having about 20,000 persons. The County's population increases considerably during the summer months (to as many as 60,000 persons) with the Village bearing the brunt of that long standing periodic increase. The permanent population, however, had experienced a modest decline of about 3% between the years 1970 to 1975, which fact has not altered appreciably the annual work load of the Police Department.

The Penn Yan Police Department is comprised of the Chief of Police and 11 bargaining unit members, to-wit: 1 Investigator, 4 Sergeants and 6 Police Officers. It provides police service on a 24-hour basis, and is the only police agency in Yates County which does so; a routine which is of some years standing.

The Village is in good financial condition with a history of balanced budgets and positive fund balances. It has an unappropriated cash surplus of

\$165,324.00 and a contingency fund of \$53,183.37 for the coming year. The funds reflect the fiscal acumen of the village fathers, but must not be taken as available only for costs emanating out of collective bargaining. Other economic factors reviewed indicate the Village's ability to pay for moderate increases in employee costs without the need for substantial tax levies or some other actions necessary to fund costs beyond its present capability. That capability is predicated upon the per capita income of the Village's population, which is rather low, the Village containing a large number of residents drawing Social Security benefits (2,565 of a total population of about 5,000). The economic realities would dictate a prudent approach to expenditures.

OPINION

Hereunder, not necessarily in the order presented by the parties, are addressed the individual issues in arbitration.

1. Length of Agreement

The Association seeks a one year contract, while the Village prefers two years. The latter could have served well the parties by eliminating the time and expense of another round of negotiations so soon after the conclusion of this exercise. However, a, perhaps, hasty declaration of impasse in May, 1979 caused a much too early end of negotiations and left numerous issues, some substantial, open. Although the Panel has addressed each issue, it feels that a one year agreement will enable the parties to renew their efforts to negotiate to a mutually satisfactory conclusion on those issues of substance which may have been denied in the instant Award.

2. Continuation of Previous Contract

During their negotiations, the parties had agreed that the terms of the previous contract would continue unless amended, and, at this time, there is no opposition to the proposal. Hence, the understanding is affirmed hereby.

3. Salaries

The Association seeks to insert a new step after 3 years in the salary schedule and salary increases ranging from 10% to 15% for incumbent unit members, plus a 17.7% increase in the starting salary of \$3,750. The Village resists such increases, preferring to stay within a 7% range.

In this era of double digit inflation, a 7% salary increase does not keep pace with the diminishing purchasing power of the consumer's dollar and can only result in a net loss to the employee in the marketplace. Those public employees who have agreed to such an increase earlier on may already be cognizant of that effect, as may be private sector employees similarly situated. Even so, 7% increases are not uncommon in villages of comparable size and economic circumstances and, in some instances, in those somewhat wealthier. On the other hand, we find some villages of comparable size with higher salaries than are sought here, although the fiscal data to support those salaries does not clearly depict the bases for them in collective bargaining between those parties.

Here, we must address the needs of both the Village and the Association. To award more than 7% to salaries could have an adverse effect on adjustments to other open items which are worthy of improvement. Yet, the police officers' salaries are such, presently and relative to those of like communities, as to justify an increase higher than that acceptable, in the

current context, to the Village. Hence, the following will effect salary increases which should serve the interests of both parties: by dispensing with retroactivity and by making a 10% increase effective on October 1, 1979, the result affords the Association a better salary base for the ensuing contract and, yet, approximates the guidelines figure desired by the Village.

4. Prior Service Credit

The Association proposal for full credit for prior police service of a new hire after one year of service in the Village is novel to the area and is rejected by the Village. It offers, instead, that such matter be the subject of negotiation between the officer being hired and the Village at the time of hire, and it would consider a clause to that effect in the contract.

Although the proposed concept has no precedent in the immediate area, it is one that could be beneficial to all concerned. The cost, if any, to the Village could be minimal by virtue of the prior training and experience brought to the Police Department by the new employee. The Village would not have to bear the loss of time from effective service and the considerable cost of training a rookie. To afford the parties entry into this new area, one-half credit for such prior service should serve at the outset.

5. Clothing Allowance

The Association proposes a \$50 increase in the present clothing allowance of \$175 per year on the basis of comparability. On a similar basis, the Village holds to the present stipend.

A review of the various contract provisions offered for comparison shows a wide range of benefits, of which Penn Yan's is neither the highest, nor lowest. It is a virtual certainty that adjustments upward will occur in a number of the cited provisions. Hence, it would not be amiss to improve the present \$175. Inasmuch as the Village provides dry cleaning services for the uniforms at no cost to the officers, it seems reasonable to modify the \$50 increase to \$25.

6. Educational Benefits

The Association proposes an educational benefit which is identical to that enjoyed by the Yates County Sheriff's Department, to wit:

Members of the bargaining unit having an Associate Degree in Political Science or Criminal Justice shall be entitled to a lump sum payment in the amount of \$200 on December 1st of each year; for a Bachelors Degree in like disciplines, \$400 on December 1st of each year. (Paraphrased)

The aforementioned Sheriff's Department is the only local employer which has that benefit; most have no provision, while others pay tuition and/or other charges based upon certain criteria. There is no denying that an officer educated in the cited disciplines is better qualified to fulfill his sensitive responsibilities more effectively than one who has not had the benefit of such training. The Village should profit from such a program, the cost of which is slight overall.

7. Personal Leave

To the Association's proposal to increase personal leave from 3 to 4 days, the Village proposes that personal leave be deducted from sick leave.

Personal leave of 3 days annually is quite prevalent among the communities offered for comparison, and the policy of deducting personal leave days from sick leave days is rapidly becoming passe. Three personal leave days are acceptable to the Village; it needs only to continue to accept the benefit as an entity apart from sick leave days. To change the personal leave benefit at this time is not warranted.

8. Bereavement Leave

There is no separate provision presently in the Agreement for bereavement leave, and, when such leave is given, the days used are deducted from available sick leave days. The Association proposes that the Agreement be amended to provide for a separate benefit of 3 bereavement leave days which would be unrelated to sick leave. The Village would hold to the present provision of the contract.

Although a review of the benefits provided by other communities depicts myriad specifications within the clauses, two facts are clear: 1. a 3 day bereavement leave is in the vast majority; 2 it is not charged to other leave. Here, the impact of a separate bereavement leave should be deminimis, assuming average attrition.

9. Dental Plan

The Association's proposal for a non-contributory dental plan to be provided by the Village meets with strong opposition from the Village.

Were the benefit to be granted, the cheapest policy would cost 1.2% of the 1978-79 payroll, assuming it came under the present Blue Cross-Blue Shield insurance plan which mandates coverage of all Village employees. A separate plan to cover only police would be even more expensive relative to the Police Department payroll. Though desirable, the benefit is one

which is gaining ground rather slowly in surrounding communities, and, at times, is based in a *cuid pro quo*. For the present this item must await its time.

10. Health Insurance, Cost of

The Village proposes that the employees defray any increases in the cost of health insurance which may arise after the effective date of the contract, to which the Association gives no assent.

As of September 1, 1979, the cost of family coverage was \$71.39 per month and the cost of individual coverage was \$29.60. The thrust of the Village's proposal is toward family coverages where the impact of cost increases, or decreases, would be greatest. It offers to pay a maximum of \$71.39 per month per family contract, with any increase therefrom to be absorbed by the employee. Should the cost lower instead, the Village would reap the benefit of such saving.

Except for the period May 1, 1978 to April 1, 1979, included, health care premiums have been rising quite steadily since 1972 according to the Village's Exhibit 23, a fact of life, generally, among all health care underwriters. And there seems to be no end in sight so long as health care services continue raising their rates. Yet, to impose a possible cost on the family which would further diminish its purchasing power is not warranted unless there were to be some balance effected; a course left for the parties to mutually consider in future.

11. Longevity Pay

The Association proposes that there be a new longevity pay program which would provide \$75 per year for each year of employment starting at the end of the fourth year and ending after the sixteenth year. The Village

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rejects the proposal on the basis of increased cost.

The new program would cost, if implemented, \$4,650 instead of \$1,400, the cost of the present program; or 2.5% of current payroll, for which the Association has offered scant rationale. Comparing the present benefit with those granted in other communities places it in a generally favorable position relative to those, and improvement at this time is unfounded.

12. Residency

The Village requests that a new paragraph be added to the contract providing that all employees hired after June 1, 1979 be required to reside within the Village, which request is resisted by the Association.

Although other employees of the Village agreed to such a provision in June, 1979, residency requirements seem to be in the minority among representative communities and some that have them permit leeway in the distance from the community limits. Moot is the issue of who would be the more effective police officer, the resident or the non-resident. In any case, it has not been proved that the present policy of employees living where they choose has been burdensome to the Department or has caused problems in serving the public welfare. The parties may wish to address this item subsequently.

13. 20-year Retirement (Section 384-d)

The Association proposes that the present 25 year retirement program be improved to a 20 year retirement program effective July 1, 1980 at no cost to the employee. The Village opposes the proposal by virtue of the increased cost to the Village.

It is found that Section 384-d is gaining ground throughout the State of New York among communities of all sizes; some as small as Penn Yan, although, by and large, the program has been more readily accepted by the larger and, usually, more affluent communities. That the Village of Bath, with a population similar to Penn Yan's, has implemented 20-year retirement for its police personnel is of interest but not necessarily of overwhelming significance. Numerous factors, of which we have no intimate knowledge, may have entered into the parties' deliberations and induced acceptance of Section 384-d.

Again, we must consider, in addition to comparability, other criteria in order to arrive at an equitable determination on this issue. Not the least of these are the "interests and welfare of the public and the financial ability of the public employer to pay." In that connection, it is found that the composition of the population of the Village, described earlier herein, urges caution when imposing cost items on the public employer.

Although the Village does not claim inability to pay for reasonable raises in employee costs, it stresses that switching to the 20-year pension would be prohibitive, increasing by 45% the cost of contributions to the retirement program; or, an 11.4% increase of the current base police payroll. That, when added to the salary increase percentage of slightly more than 7% plus the other improvements awarded herein, would raise costs to the Village far beyond reasonable expectations in today's economy. The burden imposed on the residents would be formidable and, as to those with fixed incomes, excessive. There is no hard evidence that the cost of the 20-year retirement program would be offset in reasonable measure by savings

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effected when a senior officer retires and is replaced by a new hire.

As desirable as 384-d may be to the Association, it is an issue which bears considerable discussion between the parties, with concomitant give and take in an agreement encompassing more than one year.

The Award follows hereunder.

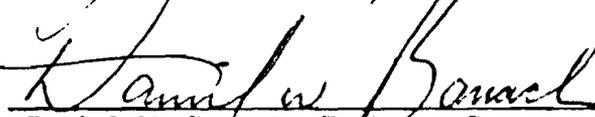
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AWARD

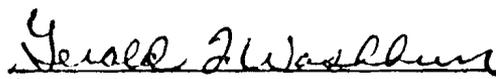
1. The term of the Agreement between the parties shall be for one (1) year, June 1, 1979 to May 31, 1980, included.
2. Such clauses of the prior agreement which have not been amended mutually by the parties or by this AWARD shall continue in full force and effect.
3. Effective as at October 1, 1979, salaries shall be increased by 10%.
4. Upon completion of one year of service with the Village, a Police Officer having prior experience as a Police Officer shall receive one-half credit for such prior service.
5. Clothing allowance shall be increased to \$200.
6. Members of the bargaining unit having an Associate or Bachelors Degree in Political Science or Criminal Justice shall receive the stipends indicated, as follows:
 - a) Associate Degree - \$200 on December 1st of each year
 - b) Bachelors Degree - \$400 on December 1st of each year
7. Personal leave shall be three (3) days annually with no deduction from sick leave.
8. There shall be given three (3) days of bereavement leave apart from other leaves.
9. The demand for a non-contributory dental plan is denied.
10. The proposal for police personnel to defray prospective increases in the cost of health insurance is denied.
11. Change in the longevity pay program is denied.
12. The proposal to require police personnel to be residents of the Village is denied.
13. The proposal for 20 year retirement under Section 384(d) is denied.



Joseph S. Kiss, Chairman



Daniel W. Banach, Employer Representative



Gerald F. Washburn, Employee Representative

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STATE OF NEW MEXICO

SS.

COUNTY OF EDDY

On this 4th day of December, 1979, before me personally appeared JOSEPH S. KISS, to me known and known to me to be the individual described herein and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Charlene Sparks
Notary Public

My Commission expires 8-12-80

STATE OF NEW YORK

SS.

COUNTY OF YATES

On this 13th day of November, 1979, before me personally appeared DANIEL W. BANACH, to me known and known to me to be the individual described herein and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Shirley Condeffa
Notary Public

SHIRLEY CONDEFFA No. ⁰¹⁶⁰62-0721468
Notary Public, State of New York
Qualified in Yates County
My Commission Expires March 30, 1981

STATE OF NEW YORK

SS.

COUNTY OF ALBANY

On this 29th day of November, 1979, before me personally appeared GERALD F. WASHBURN, to me known and known to me to be the individual described herein and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Virginia Fissette
Notary Public

VIRGINIA FISSETTE
Notary Public, State of New York
01-1236476
Residing in Albany County
Commission Expires March 30, 1981

