

STATE OF NEW YORK PUBLIC EMPLOYMENT
RELATIONS BOARD

In the Matter of the Interest Arbitration Between

THE CITY OF SARATOGA SPRINGS

-and-

THE SARATOGA SPRINGS POLICE PROTECTIVE AND
BENEVOLENT ASSOCIATION, INC.

PERB Case
No. IA91-002
M90-416

NYS PUBLIC EMPLOYMENT RELATIONS BOARD
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CONCILIATION

FINAL AND BINDING OPINION AND AWARD OF TRIPARTITE ARBITRATION PANEL

The Public Arbitration Panel Members are:

PUBLIC PANEL MEMBER AND CHAIRMAN: Thomas N. Rinaldo, Esq.
Scinta, Rinaldo & Dee
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Buffalo, New York 14222

PUBLIC EMPLOYER PANEL MEMBER: James W. Roemer, Jr., Esq.
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Capital Center, 99 Pine Street
Albany, New York 12207

EMPLOYEE ORGANIZATION PANEL MEMBER: Edward W. Guzdek, President
Police Conference of New
York, Inc.
110 State St., Suite 1120
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APPEARANCES: For the Police Benevolent Assoc.

Edward J. Fennell
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For the City of Saratoga Springs

Elayne G. Gold, Esq.
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Pursuant to the provisions of Civil Service law, Section 209.4, Pauline R. Kinsella, Chairperson of the New York State Public Employment Relations Board, designated the undersigned on June 21, 1991, as the Public Arbitration Panel. The Panel was charged by Section 209.4 to consider the following statutory guidelines:

- (v) The public arbitration panel shall make a just and reasonable determination of the matters in dispute. In arriving at such determination, the panel shall specify the basis for its findings, taking into consideration, in addition to any other relevant factors the following:
 - 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.
 - b. the interests and welfare of the public and the financial ability of the public employer 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;
 - d. the terms of collective agreements negotiated between the parties in the past providing for compensation and fringe benefits, including, but not limited to, the provisions for salary, insurance and retirement benefits, medical and hospitalization benefits, paid time off and job security.

- (vi) the determination of the public arbitration panel shall be final and binding upon the parties for the period prescribed by the panel, but in no event shall such period exceed two years from the termination date of any previous collective bargaining agreement or if there is no previous collective bargaining agreement then for a period not to exceed two years from the date of determination by the panel. Such determination shall not be subject to the approval of any local legislative body or other municipal authority.

BACKGROUND

The City of Saratoga Springs (hereinafter called the "CITY") is located in Saratoga County, and has a population of approximately 23,906. The Saratoga Springs Police Protection and Benevolent Association (hereinafter called the "ASSOCIATION") represents a Bargaining Unit consisting of 55 full-time officers whose base salaries range from a minimum of \$20,983.00 to a maximum of \$31,249.00.

The City and the Association entered into negotiations for a successor agreement to their collective bargaining agreement that was in effect from January 1, 1989 through and including December 31, 1990. Negotiations for a successor agreement commenced on October 30, 1990. After approximately four (4) meetings between representatives of the Association and the City, the Association declared impasse and requested mediation. In January, 1991, Kevin Flanagan was assigned by PERB to mediate the dispute and mediation sessions were held on January 17 and February 7, 1991.

Because a mediated settlement was not possible, the Association, on April 5, 1991, filed a Petition for Interest Arbitration. The City filed its response on May 6, 1991 and on June 21, 1991, Thomas N. Rinaldo, Esq. was appointed the Public Member and Chairman of the Interest Arbitration Panel. The Association designated Edward W. Guzdek, President of the Police Conference of New York as its Panel Member; the City designated James W. Roemer, Jr., Esq., as its Panel Member. A hearing was held on Monday, September 23, 1991 in the City Council Chamber, City Hall, Saratoga Springs. Edward J. Fennell, a Municipal Financial Consultant, presented the case on behalf of the Association and Elayne G. Gold, Esq. presented the case on behalf of the City. The parties were afforded full opportunity to present evidence, witnesses, and arguments in support of their respective contentions on the outstanding issues. The parties post-hearing briefs were received by October 29, 1991. The panel met in an executive session on November 18, 1991, and deliberated on each of the outstanding issues.

ISSUES IN DISPUTE

ASSOCIATION

The Association presented the following proposals for the panels' consideration:

1. Eight percent (8%) across-the-board wage increase for the term of a two-year agreement;
2. Health benefits rider (dental, vision);

3. 1/60 retirement plan rider (384e);
4. Increased longevity at \$75.00 addition per step;
5. Education incentive bonus (\$300.00 for an Associate's degree and \$600.00 annually for a Bachelor's degree);
6. Martin Luther King as a paid holiday;
7. Life insurance upgrade.

CITY PROPOSALS

The City placed the following issues before the Panel:

1. A five percent (5%) salary increase across-the-board for two years;
2. An increase in Blue Shield/Major Medical health insurance deductible from 50/100 to 100/300 for individual and family coverage respectively.

SALARY

ASSOCIATION PROPOSAL

Eight percent (8%) across-the-board wage increase per year for a two-year agreement.

CITY PROPOSAL

Five percent (5%) salary increase per year for two years.

ASSOCIATION POSITION

The Association's proposal for an eight percent wage increase

was based on a comparison study which included the towns of: Colonie, Niskayuna, Rotterdam, Schenectady, Bethlehem, Glenville, Troy, Guilderland, Watervliet, Cohoes, and Saratoga Springs. The Association used these towns because they contend that they represent a fair and equitable comparison of area agencies in the same geographical area (within 25 miles), many of which lie along the Northway corridor.

The Association introduced the following pay scale to show the relative position of Saratoga Springs Police salaries, as compared to the other comparable towns:

<u>PAY SCALE</u>		
<u>DEPARTMENT</u>	<u>STARTING PAY</u>	<u>TOP PTLM PAY</u>
COLONIE (1990)	25,259	36,332 & 420(LONG) 36,752
NISKAYUNA	17,000	33,745 & 750(LONG) 34,495
ROTTERDAM	23,303	33,400 & 1,000(LONG) 34,400
SCHENECTADY (1990)	22,902	33,453 & 825(LONG) 34,278
BETHLEHEM	23,204	32,866 & 650(LONG) 33,516
GLENVILLE	25,306	32,640 & 450(LONG) 33,090
TROY	22,676	32,358 & 750(LONG) 33,108
GUILDERLAND	19,250	29,961 & 1,250(LONG) 31,211

WATERVLIET	25,558	30,828 & 200(LONG) 31,028
COHOES	20,879	29,926 & 500(LONG) 30,426
SARATOGA SPRINGS (1990)	20,983	28,934 & 500(LONG) 29,434

According to the Association, their members are inferior to most other areas particularly in regard to top patrolman pay. The maximum pay is reached by most other agencies in the fifth year, while top patrolman pay is experienced at the end of ten years for members of the Association. According to the Association, their members receive lower longevity amounts than the other comparable communities with the result that top patrolman pay plus longevity steps leaves Association members receiving less pay across a twenty-year working period.

The Association proffers that while their members are one of the lowest paid agencies within their comparison study, Saratoga Springs has been among the top in reported crimes in the Uniform Crime Report from 1989 and 1990. In 1990, Saratoga Springs reported 1,880 felony crimes, standing behind Schenectady at 3,370, Colonie at 3,219 and Troy at 2,677. The Association also points out that Saratoga Springs Police Officers stand either first or second in the percentage of felony crimes handled, per officer.

The Association contends that the City of Saratoga Springs is the lowest taxed city in New York State. The Association demonstrated that the cost to the City for an 8% raise per year is \$104,314.00 in 1991 and \$113,372.00 in 1992.

The Association also points out that a study compared by a

recent graduate student of RPI noted that Saratoga Springs, being a resort community, has high housing costs, making it more difficult for their members to afford housing within the City.

Mr. Fennell, who presented the case on behalf of the Association, is a Consultant specializing in Government financing. Mr. Fennell explained that based on the documents offered in the record, the City has the ability to tax roughly an additional \$10 million to fund any salary increase for Association members.

CITY POSITION

City Deputy Commissioner of Finance, Michael D. Cummings, testified that the City's fiscal year runs from January 1 through December 31. He stated that 90% of the City's salaries and 100% of the public safety sector salaries are paid from the General Fund.

Mr. Cummings further explained that there are two taxing districts within the City, the core of the City, referred to as the "Inside District" and the "Outside District" which includes those parts of the City annexed after the original City charter. According to Mr. Cummings, although the level of services throughout the entire City has increased, a growing percentage of the real property within the City is exempt, either permanently or temporarily, from paying real property taxes. At present, approximately 43.5% of the property taxes, within the City, is tax exempt including all of the property owned by New York State, Skidmore College, Quad Graphics, and Grand Union.

The City points out that many businesses, as well as private citizens, have successfully challenged their real property tax assessment, thereby causing a depletion from the general fund from which all of the salary reimbursements are paid.

Deputy Commissioner, Cummings, further testified that relative to the assessed taxable value and the revenues received through the real property tax, service demands has outstripped any growth in real property tax revenues. According to Mr. Cummings, although the average taxpayer pays approximately \$750.00 annually, in real property taxes, the City needs approximately \$1,000.00 per taxpayer to maintain its present level of services.

Mr. Cummings testified that in the past three years, sales tax revenue have posted only modest gains while State aid has decreased significantly. Another area of concern, according to Mr. Cummings, is the closure of the City owned and operated land fill. To close a land fill in New York State and comply with the Department of Environmental Conservation and Federal Regulations, the City was required to conduct a pre-closure study, and then actually close the land fill. The closure study, alone, has cost the City roughly \$160,000.00. In addition to these closure costs, the City will incur further losses in that it will no longer collect dumping fees from residents and businesses charged at the City land fill.

Mr. Cummings testified that the City's deteriorating financial picture includes the fact that over the past three years, there have been no new business startups in the City. Mr. Cummings pointed out that Jamesway, a Company with approximately 50

employees, was destroyed by fire and has not been replaced. Saratoga Vichy, with 15 employees, also closed operations and other businesses have either folded or moved from the City. On the residential front, there have been a decline in building permits from 256 in 1990 to 164 in 1991.

PANEL'S DISCUSSION AND AWARD

This panel carefully compared the salaries paid by the City of Saratoga to their uniformed officers with the communities presented by the City and the Association as comparable communities; the financial ability of the City to pay; the interest and welfare of the public; and the peculiarities in regard to the profession, including specifically (1) hazards of employment; (2) physical qualifications; (3) educational qualifications; (4) mental qualifications; (5) job training and skills.

The Association offered as comparable communities, the towns of Colonie, Niskayuna, Rotterdam, Schenectady, Bethlehem, Glenville, Troy, Guilderland, Watervliet, Cohoes. The City offered as comparable communities, the City of Poughkeepsie, Town of Guilderland, City of Kingston, City of Oswego, Town of Niskayuna, City of Cohoes, City of Gloversville and City of Glenville. The only commonly selected units for comparison were the Town of Guilderland, the Town of Niskayuna and the City of Cohoes. The

Association selected their agencies for comparison for the following reasons:

"It was a fair and equitable study of area agencies of the same geographic area (within 25 miles) many of which lie within the northway corridor. These communities all fall within a localized economy."

The City contended that their jurisdictions were selected as comparable to the City of Saratoga Springs because of similar terms and conditions of employment.

If the City's salary comparisons are used, the salary rankings of the Saratoga Springs PBA were fifth out of ninth highest in the comparable jurisdictions for patrolman based salaries and rank fourth out of ninth in sergeant based salaries. If the Association's salary rankings are used, a Saratoga Springs patrolman top pay is not reached until the end of ten years, while in the other agencies, a patrolman reaches top pay in the fifth year.

This panel noted from the Uniform Crime Report submitted by the Association and produced by the Division of Criminal Justice, that a Saratoga Police Officer handles, on average, the same number of crimes and level of criminal activities as the other agencies offered for comparison. While one might properly describe the City of Saratoga as a bedroom community, the facts reveal that a Saratoga police officer is exposed to the same level of criminal activities and responsibilities of other larger police departments.

The City of Saratoga, as all municipalities, has had its share of financial difficulties. Less state aid, successful tax assessment

challenges, business closures, and recessionary times, have all taken its toll on City revenues. The City points out that although the average taxpayer pays approximately \$750.00 in real property tax, the City needs approximately \$1,000.00 to maintain its present level of services. The Association contends that despite the City's precarious financial picture, they have the ability to pay because they can tax roughly an additional \$10 million without reaching their constitutional tax limit.

Although this Panel recognizes as a valid concern of the Association that the salary proposal of the City will place a police officer even lower on the scale of salaries of comparable communities, we are unwilling, considering the current economic climate, to award the salary requested by the Association. Police officers, as all municipal employees, must accept a salary package compatible with the difficult economic times.

Taking into account all of the above factors, arguments and considerations, the following salary is:

AWARD

ALL BARGAINING UNIT EMPLOYEES SHALL RECEIVE A SIX PERCENT (6%) INCREASE IN SALARY FOR THE CALENDAR YEAR, 1991.

ALL BARGAINING UNIT EMPLOYEES SHALL RECEIVE A SIX PERCENT (6%) INCREASE IN SALARY FOR THE CALENDAR YEAR 1992.

LONGEVITY

The Association is requesting an increase in longevity steps of \$75.00 per step. In the present collective bargaining agreement, longevity allowances will be paid yearly to police officers at the following rates:

- (A) Upon completion of five years of police service - \$250.00.
- (B) Upon completion of ten years of police service - \$500.00.
- (C) Upon completion of fifteen years of police service - \$750.00.
- (D) Upon completion of nineteen years of police service - \$1,000.00.

The Association contends that the rationale to increase longevity parallels the information presented by the Association for their wage request. According to the Association, the City has the ability to fund a longevity increase which the Association contends will cost the City \$7,650.00 in 1991 and \$10,650.00 in 1992.

The City contends that their financial problems prevent them from paying out anything other than a reasonable salary increase.

DISCUSSION AND AWARD

This Panel is unpersuaded that there is any need for an increase in longevity. This Panel determined that any monies to be

awarded would be allocated to salaries and not hidden among other provisions of the Collective Bargaining Agreement.

DENTAL PLAN/VISION CARE PLAN

The Association is demanding a dental and vision care plan be provided to their members and the expense of said program be incurred by the City. According to the Association, their comparative studies noted that eight other agencies presently have a dental plan offered to their police officers.

The City contends that a dental and vision care program would be too costly to the City and also noted that no other City bargaining unit has dental coverage and only the CSEA public works unit has a vision plan.

DISCUSSION AND AWARD

A dental rider plan to the present Blue Shield medical coverage would cost the City \$20,079.00 per year, based on present Association membership. A vision care package would also cost the City an additional \$7,400.00 to cover its Association members.

This Panel, considering its salary proposal, is unwilling to impose this cost on the City. Therefore, the Association's proposal is DENIED.

RETIREMENT BONUS

The Association is attempting to implement the adoption of plan 384e (1/60 plan) to the present plan that Association members receive in the New York State Police and Fire Retirement System. According to the Association, under the current 384d plan in the current Collective Bargaining Agreement, additional years of service after 20 years, does not have any impact on the retirement calculations. However, under 384e for each year of service subsequent to 20 years, Association members would be entitled to an additional 1/60 of their final average salaries. In the Association's comparative study, four other agencies, Niskayuna, Rotterdam, Bethlehem and Glenville, are presently afforded the 384e plan. According to the Association, the City's adoption of the 384e program will have benefit in that it will encourage experienced personnel from remaining on the payroll rather than taking an early retirement.

The City contends that the present retirement program is satisfactory and in line with other police departments. According to the City, based on a cost analysis on the 384e proposal, the City's contribution to the 1/60 plan would be prohibited.

DISCUSSION AND AWARD

Because of the lack of information relative to the cost of a 384e program, this panel is unwilling to implement the

Association's proposal.

The Association's proposal is DENIED.

EDUCATION INCENTIVE

The Association is requesting that the City pay to each member of the Association an amount of \$300.00 per year for an Associate's Degree and \$600.00 per year for a Bachelors Degree, providing the degree is in a field related to the profession of police work.

The Association contends that there are five municipalities in their comparative study which allot monetary education incentives for degrees obtained. At the present time, the Department is involved in the State Accreditation Program in an attempt to professionalize the agency. They have also contracted to receive LETN (Law Enforcement Television Network), and have encouraged officers to actively participate in viewing the training material. Because the City is striving to achieve professionalism and excellence through increased knowledge from members of their Association, this proposal would encourage and reward officers to pursue Associate and Bachelors Degrees within related fields.

According to the Association, the financial outlay of their proposal is minimal. At the present time, five members of the Association have Bachelors Degrees in Criminal Justice or a related field and four members have an Associate Degree in Criminal Justice or a related field, with a total cost to the City of \$4,200.00.

The City contends that the Association has not established a justification for this new benefit and, therefore, the City is unwilling to fund said proposal.

DISCUSSION AND AWARD

This Panel is persuaded that the payment of an education incentive will encourage police officers to increase their skills in police work. A professional police department benefits the City, as well as the community at large.

The Association proposal of paying an amount of \$300.00 per year for an Associate's Degree and \$600.00 per year for a Bachelor's Degree, providing the degree is in a field related to the profession of police work, is granted beginning in 1991.

LIFE INSURANCE POLICY INCREASE

Under Article X-3, page 19 of the present Collective Bargaining Agreement, the City will provide, at its own expense, a \$3,000.00 life insurance policy for each active member of the Department. The Association is proposing an update in the life insurance policy to \$10,000.00 for each member of the Association.

According to the Association, seven of the ten agencies have term life insurance policies of \$10,000.00 or more. The Association contends that the City had the ability to pay based upon the financial data submitted in the record.

The City contends that the burden is on the Association to establish the need for the upgrade and that the Association has not produced any evidence or circumstance to justify an increase in this benefit. The City also contends, considering the other economic proposals, that this additional cost would be prohibited to the City.

DISCUSSION AND AWARD

This panel is unconvinced that the current Collective Bargaining provision should be modified to increase the life insurance benefit paid by the City for a police officer.

Therefore, the Association's proposal for an increase from \$3,000.00 to \$10,000.00 is DENIED.

ADDITIONAL HOLIDAY

The Association is proposing their members receive as an additional paid holiday Martin Luther King Day. According to the Association, under the present Collective Bargaining Agreement, the Association members receive nine (9) paid holidays. In the Association's comparative study, Saratoga Springs Police members receive the lowest number of paid holidays of any of the comparable communities presented by the Association.

The following represents the present paid holidays of each agency offered by the Association as a comparative community:

COLONIE	14	including Martin Luther King Day
NISKAYUNA	12	including Martin Luther King Day
SCHENECTADY	12	including Martin Luther King Day
ROTTERDAM	13	including Martin Luther King Day
BETHLEHEM	13	including Martin Luther King Day
GLENVILLE	13	
TROY	12	including Martin Luther King Day
GUILDERLAND	12	
WATERVLIET	10	12 for veterans
COHOES	12	including Martin Luther King Day

The City contends that considering the Association's proposal for a salary increase, any additional paid benefits will be cost prohibited.

DISCUSSION AND AWARD

Based on the comparative studies presented by the Association, the facts establish that the Saratoga Springs Police Protective and Benevolent Association receive the lowest number of paid holidays of those police agencies offered for comparison by the Association. The cost to the City to provide this additional benefit is minimal.

The Association's proposal to add Martin Luther King as a paid holiday is **AWARDED**, effective January 1, 1992.

HEALTH INSURANCE PROGRAM

The City is proposing an increase in Major Medical/Blue Shield deductible from \$50/\$100 to \$100/\$300 for individual and family

coverage respectively. According to the City, an increase in the Major Medical deductible will generate substantial savings to the City. The City is also proposing a 20% co-payment toward the cost of health insurance premiums for new hires.

The Association contends that there should be no change in health benefits to its members. In the Association's comparable study, seven of the ten agencies have the present \$50/\$100 deductible. According to the Association, the City of Saratoga Springs is in a better financial condition to continue to maintain the present deductibles and the change proposal would represent no appreciable savings to the City.

DISCUSSION AND AWARD

This Panel is mindful of the ever increasing cost of health insurance benefits and of attempts by employers to curb this cost. We are of the opinion that the increase requested by the City will not overly burden any individual member and will represent some savings to the City. We, therefore, make the following:

The City's request for a 20% co-payment of health insurance premiums for new hires is DENIED.

Beginning in 1992, increase Major Medical deductible from \$50/\$100 to \$100/\$300 for single and family coverage respectively.


THOMAS N. RINALDO, ESQ., PUBLIC PANEL
MEMBER & CHAIRMAN

