

STATE OF NEW YORK PUBLIC EMPLOYMENT RELATIONS BOARD

In The Matter of The Interest Arbitration Between
WATERTOWN POLICE BENEVOLENT ASSOCIATION
AND
THE CITY WATERTOWN, NEW YORK
PERB Case No. IA201-032; M201-187

FINAL AND BINDING
OPINION AND AWARD
OF TRIPARTITE
ARBITRATION PANEL

The Public Arbitration Panel members are:

PUBLIC PANEL MEMBER AND CHAIRPERSON:

Peter A. Prosper
P. O. Box 520
Guilderland, New York 12084

PUBLIC EMPLOYEE PANEL MEMBER:

Rocco A. DePerno, Esq.
DePerno & Khanzadian
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PUBLIC EMPLOYER PANEL MEMBER:

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City of Watertown
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APPEARANCES: For the Watertown Police Benevolent Association

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For the City of Watertown

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STATE OF NEW YORK
PUBLIC EMPLOYMENT RELATIONS BOARD

DEC 11 2001

STATE OF NEW YORK
PUBLIC EMPLOYMENT RELATIONS BOARD

Pursuant to the provisions of Civil Service Law, Section 209.4, Richard A. Curreri, Esq., Director of Conciliation of the New York State Public Employment Relations Board, designated the undersigned on May 1, 2002, as the Public Arbitration Panel for the purpose of making a just and reasonable determination on the matters in dispute between the City of Watertown ("City") and the Watertown Police Benevolent Association ("Union"). The prior Collective Bargaining Agreement between the parties covered the period from July 1, 1998 through June 30, 2001. Although the Agreement expired, it remains in full force and effect pending this Award.

The City of Watertown is the County seat of Jefferson County, with a population of 26,705. The City employs approximately forty-four patrol officers, one senior detective, six detectives, six sergeants and four lieutenants.

The parties commenced negotiations for a successor agreement but were unable to reach agreement, whereupon impasse was declared. The Public Employment relations Board appointed a mediator who met with the parties. When mediation did not result in resolution of the parties' differences, a petition for Compulsory Interest Arbitration was filed by the Union on February 13, 2002. The City filed its response on March 1, 2002. A hearing was held in Watertown, New York on March 17 and April 7, 2003, at which all parties were provided opportunity to introduce evidence, present testimony, summon witnesses, cross-examine witnesses, and otherwise support their respective positions on the outstanding issues.

All issues which have attendant support submitted by each party were carefully considered, as well as the responses by the opposing party. The Public Arbitration Panel met in executive session on July 14, 2003 and September 17, 2003, and deliberated on each of the outstanding issues, carefully and fully considering all the data, exhibits, briefs and testimony of the sworn witnesses who appeared on behalf of both parties. The results of those deliberations are contained in this OPINION AND AWARD, which constitutes the Panel's best judgment as to a just and reasonable solution of the impasse. Those issues presented by the parties that are not contained in this OPINION AND AWARD were also carefully considered by the Public Arbitration Panel, but are remanded back to

the parties for further negotiation, and therefore no Award is made on those matters. For each issue, the discussion below presents the positions of the parties and the Panel's analysis and conclusion. The Public Arbitration Panel considered the impact of each item upon the whole, and made its judgment concerning the combination of items that would provide a just and reasonable result for all parties.

In arriving at the determination contained herein, the Public Arbitration Panel has considered the following statutory guidelines with which it was charged by Section 209.4:

- (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.

THE ISSUES

The Issues submitted by the Union are as follows:

Article 1 - Compensation

Across the board general wage adjustment of 8%, per annum, retroactive to July 1, 2001.

Article 3 - Term and Scope

July 1, 2001 through June 30, 2003.

Article 4 - Compensation - Section 1(B)

Modify longevity compensation from \$350.00, \$700.00 and \$1,050.00 to:

at the beginning of the 7th year of service, \$1400.00;
at the beginning of the 8th year of service, \$1600.00;
at the beginning of the 9th year of service, \$1800.00;
at the beginning of the 10th year of service, \$2000.00;
at the beginning of the 11th year of service, \$2200.00;
at the beginning of the 12th year of service, \$2400.00;
at the beginning of the 13th year of service, \$2600.00;
at the beginning of the 14th year of service, \$2800.00;
at the beginning of the 15th year of service, \$3000.00;
at the beginning of the 16th year of service, \$3200.00;
at the beginning of the 17th year of service, \$3400.00;
at the beginning of the 18th year of service, \$3600.00;
at the beginning of the 19th year of service, \$3800.00;
at the beginning of the 20th year of service, \$4000.00.

Article 4 - Compensation - Section 3(D)

Reduce minimum threshold for premium pay from 5 work days (and/or a 40 hour work week) to "per shift".

Article 4 - Compensation - Section 6

Increase unused sick leave sell back from 25% to 50%; increase maximum allowable cap to 90 days.

Article 4 - Compensation - Section 7

Increase minimum call- in compensation from 2 hours at time and one-half to 4 hours at time and one-half.

Article 4 - Compensation - Section 8

Increase line-up pay from \$1,000.00 per year, to \$1,500.00 per year.

Article 5- Work Day and Work Week - Section 3

Increase minimum call-in compensation from 2 hours at time and one- half to 4 hours at time and one-half.

Article 6 - leave - Section I(E)

Increase personal leave from one to three days per year.

Article 10 - Retirement

City to also implement the Tier II final average salary plan, and, the 384-e [1/60th] plan.

Article 11 - Self Insurance Program - Section 11

Modify the section 125 payment plan for health insurance expenses for unit members who contribute towards health insurance coverage, to include allowable day care payments.

Article 14 - Miscellaneous Provisions - Section 2(B)

Increase plain clothes division clothing allowance from \$500.00 per year, to \$1,000.00 per year.

Article 14 - Miscellaneous Provisions - Section 2(C)

Increase \$500 per year uniform cleaning allowance to \$750.00 per year.

Article 14 - Miscellaneous Provisions - Section 12

The PBA is not seeking to divest any (purported statutory) right the City may have under 207(c) to initially determine whether the officer was either injured in the line of duty or taken sick as a result of the performance of duty, but rather, the PBA seeks to negotiate the forum and procedures associated therewith through which disputes related to such determinations are processed, to wit: "should the officer disagree with the City's determination, the PBA proposes the expeditious processing of all disputes related thereto to final and binding arbitration pursuant to the Voluntary Disputes Resolution Procedure of the American Arbitration Association.

New Article - Physical Fitness Program

Department to implement a yearly physical fitness program, participation in same to be optional. Officers who successfully pass (the State's minimum requirements) will be entitled a \$500.00 annual stipend for each year of successful completion.

New Article - Shift Differential

11:00 p.m. to 7:00 a.m., 10%; 3:00 p.m. to 11:00 p.m., 5%.

New Article - Detective Compensation

The grade, yearly step schedule and compensation for detectives shall be the same as enjoyed by the sergeants.

New Article - Extra Mile Incentive

Officers who refrain from utilizing sick leave shall be entitled, on a quarterly basis, to \$150.00 per quarter for zero sick leave usage; \$100.00 per quarter for one day usage; \$50.00 per quarter for two days usage. Payment for same to be made within thirty days after the close of the calendar year.

New Article - On-Call Compensation

Officers required to carry a pager (or other electronic device) [who do not have the option of refusing to respond to a page, or, face discipline for refusing to respond to a page], shall be compensated at the rate of half-time for all hours the officers are on-call, and, double time for all hours that said officers must work as a result of being paged.

New Article - Field Training Officer Compensation

FTO's shall receive one hour of comp time per day for each day that an FTO works with a recruit.

New Article - Computation of Overtime Compensation

An officer's base pay shall, for calculation of overtime purposes, include line-up compensation, longevity compensation, and holiday compensation.

New Article - Dental Plan

To be provided during negotiations.

New Article - Optical Plan

To be provided during negotiations.

New Article - Compensatory Time

Officers shall be entitled to accrue and bank compensatory time in lieu of cash compensation for overtime, up to a maximum of 240 hours per year, and/or 480 hours over a two year period.

New Article - Retroactivity for Resignees/Retirees

Unless otherwise agreed, all employees who resign/retire between July I, 2001 and the execution of the successor agreement shall be entitled to retroactivity for the period of time between July I, 2001 and the date of their resignation/retirement regardless of whether said employees are on the payroll when the successor agreement is executed.

The City's proposals are as follows:

Article 4 -Compensation - Wages:

Two Year Contract effective July 1,2001

Police Officers -	2%, 2%
Sergeants -	1 %, 1 %
Lieutenants -	1 %, 1 %

Article 4 - Compensation New Category -Detectives -

Delete position of Senior Detective - Hold harmless on salary.

Article 5 - Work Day and Work Week, Section 2 - Scheduling

A Change shift schedule as follows:

- A Shift - 4A.M. to 12 Noon
- B Shift - 12 Noon to 8:00 P.M.
- C Shift- 8 P.M. to 4A.M.

B. Add new section:

Community Policing Officers shall work flexible 8hr/day shifts per scheduling by the Chief of Police or his designee.

C. Add new section:

Detectives hour's shall be 8AM. to 4P.M.; however, the Chief of Police or his designee may assign Detectives to a 3P .M. to 11 P.M. shift as necessary

D. Add new section:

Shift Experience - There shall be a minimum of 2 Police Officers, with at least 6 years experience, assigned to each shift.

Article 11 - Health Insurance - Premiums

All employees pay 15% of cost of health insurance premiums and eliminate insurance premium co-pay cap.

Article 11 -Health Insurance -Prescription Drug Co-payments

Institute new Prescription Co-pay:

\$5 - Generic

\$10 - Preferred Brand

\$25 - Non-Preferred Brand

Article 11 - Health Insurance - Deductibles

Increase deductible from \$100/\$300 to \$200/\$400

Article 11 - Health Insurance – PPO Co-payments

Institute PPO Co-Payment at \$10 per visit

Article 11 - Health Insurance - Psychiatric Services

Amend Psychiatric Services section of Health Insurance Plan per attached.

Article 11 - Health Insurance - Pre-certification

Mandatory Pre-Certification. Health insurance participant must telephone POMCO at least seven (7) days before admission or when a physician decides that participant requires admission to a hospital, birth Center, skilled nursing facility, psychiatric or substance abuse facility, or any other inpatient facility. Or within 48 hours after an emergency or urgent admission.

Add New Section:

Physical Fitness Program:

Develop committee to review and establish physical fitness standards for the City of Watertown Police Department.

POSITION OF THE PARTIES

Duration of the Award

The parties agree to a two (2) year Award which shall be effective July 1, 2001 through June 30, 2003.

Based on agreement by the parties, the Interest Arbitration Panel makes the following

AWARD

The term of this Award shall be from July 1, 2001 through June 30, 2003.

I (concur) (do not concur) with the above Award

Date: 12/1/03



Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-03



Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 4 - Compensation - Section 1.

The Union seeks an eight (8.0%) percent increase in wages for each of the two years of the proposed collective bargaining agreement. The City proposes a two (2.0%) percent increase in wages for each of the two years for Police Officers, and a (1.0%) increase in wages for each of the two years for Sergeants and Lieutenants.

Position of the Union

The Union suggests that the City of Watertown is comparable to the following jurisdictions regarding population, proximity, economic conditions, complement ratio, crime rates and other characteristics: Amsterdam, Auburn, Cortland, Elmira, Ithaca, Lockport, Ogdensburg, Oswego, Plattsburgh, Rome and the City of Fulton..

The Union's salary compensation comparisons start with the sixth year, which is the top scale in Watertown. It then compares Watertown salaries with those of the cities it believes to be comparable. It concludes that Amsterdam police officers earn over two thousand five hundred (\$2,500.00) dollars per year more than do those in Watertown. In addition, Amsterdam officers receive more in other compensation categories such as on call compensation, uniform allowance, night-shift differential, making the comparison even more uneven. Auburn officers receive almost six thousand (\$6,000.00) dollars more per year than do Watertown police officers. Similar disparities exist in longevity payments, on-call payments, and others. Regarding Cortland, while it may appear that Cortland and Watertown officers earn close to the same salaries, Cortland officers earn over ten thousand (\$10,000.00) dollars more than do officers in Watertown. Cortland officers earn almost double what Watertown officers earn over a career in longevity payments. Elmira officers earn more than five (5.0%) percent more than do Watertown officers. Elmira police officers earn more over a career in uniform allowance and other compensation.

Further examination reveals that Watertown police officer salaries continue to lag behind those of the City of Fulton. From starting salary through the sixth year, Fulton officers receive over

twenty thousand (\$20,000,00) dollars more than do Watertown police officers. Police officers in Ithaca receive fifty-three thousand (\$53,000,00) dollars more from starting salary through the sixth year than do officers in Watertown.

The Union cites data for other jurisdictions, including Lockport, Ogdensburg, Oswego, Plattsburgh and Rome, concluding that Watertown police officers' salaries lag behind in each of those jurisdictions.

The Union states that every year the City argues that police officers should get only those increases that firefighters get, so that there is parity among public safety employees. Even though arbitrators must consider what other units are paid for similar services, there are a great many disparities that exist between the police contract and the fire contract other than wages. These include, but are not limited to, the police having severe restrictions on outside work per state law, department rules and department scheduling practices. Unlike firefighters, police spend every minute of every working day actively at their profession. Firefighters are expected to not only have idle time, but substantial amounts of it. The fire houses are fully equipped with beds, television sets, cooking facilities, washers and dryers, among other conveniences. During their idle time firemen can engage in recreational activities, watch television, sleep or do other activities. Moreover, every situation which a police officer encounters is a potential confrontation. A police officer is confronted with the threat of the unknown such as how a person will react, and faces this problem many times a day. While police officers must remain constantly alert every minute of every day of every working hour, the firefighter's non-action hours are filled with television, recreation and sleep.

Firefighters have regular days on and regular days off each work cycle. Unlike the police, days off are as regular as clockwork. Firefighters regular and consecutive days off give them almost a full workweek off between each work cycle. Additionally, unlike the police, when a firefighter works a night shift, he or she can spend all or part of it sleeping. The consecutive days off enjoyed by firefighters not only provides for more quality family and personal time, but also the ability to participate in outside employment. Therefore parity cannot be reached simply by a comparison of

wages. For there to be true parity, the City must provide the police with all of the other benefits of employment given to the firefighters, or alternatively, the City must compensate the police significantly more in wages in order to offset the other glaring disparities that exist between the contracts.

The Union cites the City's ability to pay. It states that despite the City's disingenuous gloom and doom forecasts and speculation over its finances, the City has always operated in the black, generating end-of-the year surpluses in the process, and budgeting for wage increases. There has never been a time when the City has not been able to afford to pay wages and other enhancements awarded as a result of interest arbitration. The 1996-98 arbitration award is a case in point. Despite the City's desperate attempts to demonstrate it could not pay a reasonable increase, and despite its further attempts to force the police to take whatever raises that were given to other City units, the arbitrator held that the City had the ability to pay 4.5% increases in each of the two years covered by the award.

The instant arbitration proved no different. While the City complained at the hearing that it has no money to fund a reasonable raise, the City failed to disclose that it was in fact seeking alternative sources of revenue to offset property tax delinquencies, and that there was a distinct possibility that such revenue would be realized. Further, the courts have recognized that a City's claim that there is no money for wage increases as more of a political issue than one of finances.

The ability of the City to pay must be viewed against the importance of maintaining a high level of public safety necessary to protect its citizens, and police officers must be compensated, and must be given priority, as a matter of public safety, interest and welfare, over other less essential programs and services provided by the City.

Position of the City

The City asserts that the public has very little ability to pay. Residential property owners in the City are suffering an increased share of taxes paid by all City taxpayers and the overall assessment value of commercial properties in the City is declining. The MGNH Nursing home

challenged its assessed valuation for the 2003 tax year, and the assessed valuation was appropriately reduced, creating a greater burden on the residents of the City. The shifting of the City tax burden to residential properties is compounded by recent significant increases in the tax rate. It is clear that the increased tax rate would have been higher except for the City's spending of unreserved fund balances. The bottom line is that the total assessed valuation of the City has dropped; the portion of the taxes paid by residential properties has increased; the tax rate has increased; fund balances have been depleted; and the City's borrowings have significantly increased, all in the past five years.

If everything else in the budget remained the same, and the City was subjected to known projected increases in pension costs, health insurance costs, and property and liability insurance costs, the tax rate would be required to be increased by 24.36%. The proposed property tax rate increase for 2003-2004 under the proposed City budget is 5.89%.

It is the City's position that the shift of tax burden to residential property owners, the overall loss of tax base, and the unanticipated but extremely serious failure of a major taxpayer to pay its taxes present adverse consequences to the interest and welfare of the public and the financial ability of the City to pay. The law requires the panel to consider this factor in making its decision.

The PBA proposes an across-the-board wage adjustment of 8% retroactive to July 1, 2001. The City proposes a 2% per year increase for police officers and 1% increase for sergeants and a 1% increase per year for lieutenants. The PBA members have to date received a larger cumulative percentage increase than firefighters through their contract which expires on June 30, 2003. Indeed, PBA members have received a larger cumulative increase than have the members of the CSEA over an additional four-year period. Against this backdrop, it is obvious that the PBA's request for an 8% per annum increase across-the-board for each of its members and for each of the contract years in dispute is way out of line.

Watertown currently pays significantly more than the median for the maximum base salary of a police lieutenant. Watertown has no police lieutenants at the minimum end of the scale. Watertown currently pays significantly more than the median for the maximum base salary of a

police lieutenant when compared with other jurisdictions. With regard to police sergeants, Watertown's minimum, at the current pay scale is at the lower end of the spectrum. For maximum pay, currently, the City is in the middle of those below the median. Most importantly, Watertown's minimum base salary for police officers for the 2001-2002 year using the current minimum is at the median. At the maximum, the City is currently lumped in with Ogdensburg and Amsterdam. Assuming a 2% increase for that year, Watertown police officers maximum salary will be \$41,721,00 which, when plotted on the scale, improves their position greatly. The City's proposed pay raise keeps the PBA comparable with the police agencies in comparable municipalities.

The City states that it is difficult to compare salaries when the municipalities themselves are not comparable. Watertown's unemployment rate is the highest of all the comparable municipalities. It seems that pay is inversely proportional to the unemployment rate. Watertown is also higher than the median for the percentage of families below the poverty level, and is just lower than the median in per capita income.

The impact of the PBA's proposal, including its impact on the fringes, represents a total appropriation of \$776,693.00. The City's proposal, which would still have the PBA members achieving significant cumulative increases over their counterparts in the City, would cost \$171,547.00.

It is respectfully submitted that the City's pay proposal is more in line with the reality of the North country – there are no jobs and no money with which to pay huge increases. Contrary to the assertions of PBA's counsel at the opening of the second day of hearings that the City is claiming that it has no money for a reasonable wage, the City is merely saying that it has money for reasonable wage but no money for an unreasonable wage.

Discussion

There doesn't seem to be much dispute as to which are the comparable jurisdictions for comparison of wages and other benefits. Nor does the City admit to an inability to pay, but suggests that its salary proposal is adequate. It argues that the PBA's proposed wage increase is much too

high for the residents of the City to bear. It cites declining tax assessments in the business category, which increases the burden on residential taxpayers. It stresses that the reduced assessment of MGNH nursing home has had a great impact on the City's finances.

The Union presents data which, it asserts, demonstrates that Watertown police officers receive substantially less over a period of years than do police officers in comparable jurisdictions. It also claims that when other monetary factors are considered, such as longevity, clothing allowance, night-shift differential and others, Watertown police officers are worse off financially than are most of the police officers in other jurisdictions.

The Award below takes into consideration all the arguments presented by both parties. The salary increase Award below also factors in financial and other benefits awarded to the Union elsewhere in this document.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

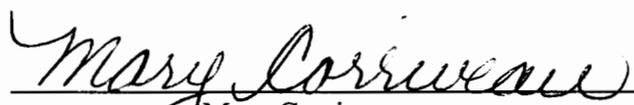
AWARD

The salary schedule shall reflect a three (3.0%) percent retroactive increase for the year July 1, 2001 to June 30, 2002.

The salary schedule shall reflect a three (3.0%) percent increase retroactive for the year July 1, 2002 to June 30, 2003.

I (concur) (do not concur) with the above Award

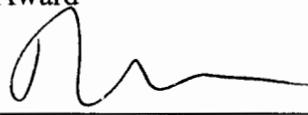
Date: 12/1/03



Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3



Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 4 - Compensation - Section 8

The Union seeks to Increase line-up pay from \$1,000.00 per year, to \$1,500.00 per year. The Union argues that police officers are required to be on duty 15 minutes prior to their shift. It is only reasonable to compensate them in proportion to their regular pay.

The city states that no explanation of the request was made at the hearing. It believes that lineup pay is designed merely to reasonably compensate the officers for appearing for inspection prior to duty. No increase is warranted

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Effective July 1, 2001, all members of the bargaining unit assigned to either the evening shift (3:00 p.m.-11:00 p.m.) or the night shift (11:00 pm.-7:00 a.m.) shall be guaranteed, and shall receive, line-up pay in the amount of \$1,600.00 per year; all other members of the bargaining unit shall be guaranteed, and shall receive, line-up pay in the amount of \$1,200.00 per year. Line-up pay is payable on or before December 1 of each year. The parties further agreed that proration of the payment of line-up pay may be made if an employee fails to report to line-up for thirty consecutive days.

I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3 Rocco A. De Perno
Rocco A. De Perno, Esq.
Employee Organization Panel Member

Article 6 - Section 1E, Leave

The Union seeks to change the last sentence in Section 1E and also to increase personal leave days from one (1) to three (3).

The City opposes, stating that no difficulties have been encountered with the PBA membership in taking days, when required, on a vacation basis. The City opposes any increase in personal days.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Personal Leave shall remain at one (1) day. The last sentence of Section 1E shall be deleted and the following shall replace it:

Said personal days may be used in either half or full day increments as long as the request does not impede the department's ability to fulfill its mission.

I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-03 Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 11 – Self-Insurance Program

The City proposes several changes in the Health Insurance section of the Collective Bargaining Agreement.

The City states that its health insurance for its PBA employees is a self-funded insurance plan providing "each and every benefit, term, condition and coverage previously provided to the PBA through Blue Cross, Blue Select I, Option 4, with enhancements. Essentially, the City's health insurance plan is a full indemnity plan after the deductible is met. That deductible is currently \$100.00 per individual, with a \$300.00 maximum per family. PBA members have no co-pay on doctor's visits, and have a \$3.00 co-pay for generic drugs, and a \$6.00 co-pay for brand named drugs. Because the City's plan is a full indemnity plan, unless the pharmacy is a participating pharmacy with the City's plan through its administrator, POMCO, the City pays the entire balance of the prescription costs. The PBA currently has a major medical co-pay of 20 percent of the first \$100.00, and the police officers' premium contribution, for officers hired after July 1, 1983 who elect family coverage only, is \$29.00 bi-weekly, representing a 7.5 percent contribution.

The City seeks the following changes to the health insurance plan:

Mandatory pre-certification of inpatient admissions

The City seeks mandatory pre-certification by its administrator, POMCO, for any planned inpatient care. The pre-certification program has been adopted for use by City management staff, and was included in the recent CSEA contract. It is important to note that mandatory pre-certification would not result in the denial of care-- it would only result in a financial "penalty" to the employee if pre-certification is not obtained. The purpose for the pre-certification is to permit POMCO to negotiate with a health care facility, prior to the rendering of service, to attempt to receive preferential billing rates. There has not yet been a case, with either management or CSEA, where the penalty has been imposed. The systems works.

The City respectfully submits that this no-cost item to the PBA members could assist in bringing the overall cost of the City's self-insured program down, and is to the benefit of all parties.

The Union does not oppose the inclusion of this change in the Agreement.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

The following language shall be included in the Agreement:

Participant Telephone Requirement. The purpose of the participant telephone call is to initiate the pre-admission review and to advise the patient whether coverage is available. If this Plan is primary, you must call POMCO before a scheduled admission to any inpatient facility begins. You must call:

- a. **At least seven (7) days before an admission or when the physician decides that you or one of your dependents requires admission to a Hospital, Birth Center, Skilled Nursing Facility, psychiatric or substance abuse facility, or any other inpatient facility.**
- b. **Within 48 hours after an emergency or urgent admission.**

Non-Compliance Benefit Reduction. If you do not comply with the requirements of this review and you or your dependent receive the procedure, you will be responsible for the payment of the following:

Two hundred (\$200.00) dollars in addition to any percentage co-payment balance.

I (concur) (do not concur) with the above Award

Date: 12/1/03

Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-03

Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 11 - Inpatient Psychiatric Services

The City states that it and the City's fire union have agreed to a 30-day annual limitation of inpatient psychiatric coverage. The PBA members now have a 120-day cap. The City believes that the proposed limitation of annual inpatient psychiatric care is consistent with most commercial policies. Further, a limitation of inpatient care would not affect the availability of outpatient services for affected persons. The limitation is necessary to avoid the extreme case where inpatient care for one individual could greatly impact the City's overall costs, again increasing costs for all persons in the plan.

The Union does not oppose this change.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

The following language shall be included in the Agreement:

A. Inpatient Psychiatric Services

2. **Number of days of care for psychiatric conditions. Each day of inpatient care for psychiatric counts as one day of care and each day or night treatment counts as one-half day of care towards the 365-day limit. However, even if the 365-day limit is not exhausted, the Plan will not pay for more than 30 days of care for psychiatric conditions per person per calendar year.**
4. **Limitations on days of professional services for psychiatric conditions.**
 - a. **The days you receive professional services described in A above are counted toward determining when you have reached the 365-day benefit of medical visits in a spell of illness. However, even if the 365-day benefit is not exhausted, the Plan will not pay for more than a total of 30 days per person per calendar year for these professional services.**
 - b. **These professional services are subject to the annual deductible.**

I (concur) (do not concur) with the above Award

Date: 12/1/03

Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3

Rocco A. DePerno, Esq.
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 11 - Medical Visits Co-Payments

The City seeks to establish a \$10.00 per visit co-pay for visits to physicians outside of its network of participating physicians. Management and all other City unions have agreed to a split co-pay, for participating and non- participating physicians. The City believes that a \$10.00 co-pay for non-participating physicians will encourage visits to physicians whose rates have been negotiated with the City. Otherwise, being a full indemnity plan, the City is ultimately responsible for the full charge after the annual deductible and major medical co-pay if applicable are met. It should be noted that the only specialty not currently covered by the City's participating physician plan is dermatology.

The Union opposes such a high co-payment.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Co-Payments for medical visits to participating providers shall be two (\$2.00) per visit.

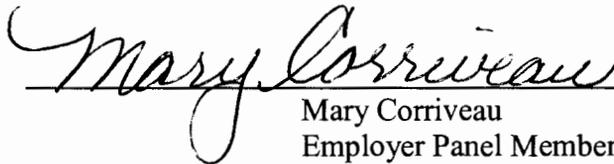
Co-payment for non-participating physicians shall be five (\$5.00) per visit.

The above co-payments become effective upon execution of this Award.

I (concur) (do not concur) with the above Award

Date:

12/1/03



 Mary Corriveau
 Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-3



Rocco A. DePerno, Esq.
 Employee Organization Panel Member

Article 11 - Prescription Drug Co-Payment

The City asserts that each of the City's other unions, and management, have a three-tier plan for prescription medications. Those same co-pays are sought to be imposed with the PBA members. Under the proposal, generic medications would have a \$5.00 co-pay, preferred brands would have a \$10.00 co-pay, and non-preferred brands would have a \$20.00 co-pay. The purpose for requesting the higher co-pay, particularly as it relates to the PBA, is that City statistics show that higher co-pays actually impact a user's conduct in selecting generic medications. PBA members currently have a lower percentage of drugs filled as generic than do members of the fire union or of the total City plan. In the City's view, the imposition of higher co-pays for non-preferred brand drugs works. It economically encourages an employee to utilize generic drugs, when available. Again, a simple altering of conduct can result in significant savings for the plan overall.

The Union opposes the increases in co-payments.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Prescription drug co-payments shall be as follows:

- a. **Generic drugs - five (\$5.00) dollars per prescription**
- b. **Preferred brands - ten (\$10.00) dollars per prescription**
- c. **Non-preferred brands - twenty-five (\$25.00) dollars per prescription**
- d. **Such co-payments shall become effective upon execution of this Award.**
- e. **Mail order pharmacy continues as outlined in the current Collective Bargaining Agreement.**

I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3 Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 11 - Health Insurance Premium Contribution

The City seeks an increase in contributions for health insurance premiums by PBA members. It states that PBA members currently pay significantly less than other employees. Total costs of the City's self-funded health insurance plan have risen and the premiums for self-funded health insurance have risen over each of the last two years, and the estimate for the 2002-2003 year is that the premium will increase 16.3 percent. It is the City's position that, particularly with a self-funded plan, it is extremely important that each employee participating in the plan have a vested interest in keeping the costs as low as possible. If each person in the plan is required to contribute an equal percentage of the premium costs, it is believed that a savings, overall, will be realized. Further, the spiraling costs of health care, generally, make annual increases in health insurance premiums the single biggest ticket item increase for any entity or company which provides health insurance to its employees. The establishment of fixed dollar amounts for contribution, required to be renegotiated each and every contract term, is difficult for both parties. If the level of contribution can be established as a straight percentage, future need for annual negotiations of rates will be negated.

The Union opposes the change.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Health Insurance Premium Payments shall be ten (10%) percent of the premium costs.

The duty to contribute to health insurance premiums, now and in the future, is in accordance with the following schedule:

- A. All employees hired on or before June 30, 1983, will not be required to make contributions toward premium costs of their individual or family coverage in their retirement..**
- B. Effective on the date of execution of this Interest Arbitration Award, employees hired on or after July 1, 1983, shall be obligated to contribute while an active employee and throughout retirement toward the premium costs of their individual and family coverage, which amount shall be the same amount that active employees are obligated to pay which has been the City's past practice.**

I concur (do not concur) with the above Award

Date: 12/1/03

Mary Corriveau
Mary Corriveau
Employer Panel Member

I concur (do not concur) with the above Award

Date: 12-8-3

Rocco A. DePerno, Esq.
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 11 – Self-Insurance Program – Section 11

Section 125 Payment Plan

The Union proposes to modify the Section 125 payment plan for health insurance expenses for unit members who contribute toward health insurance coverage, to include allowable day care payments.

The City concurs with this proposal.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

The Section 125 Plan shall include Child Care expenses. The City will open the 125 Plan upon the signing of the Agreement to allow officers to increase or establish 125 Plan to accommodate increased health insurance premiums and set money aside for child care expenses.

I (concur) (do not concur) with the above Award

Date:

12/1/03



 Mary Corriveau
 Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-3



 Rocco A. DePerno, Esq.
 Employee Organization Panel Member

Article 14- Section 2C - Uniform Cleaning Allowance

The Union proposes to convert the \$500.00 uniform cleaning allowance to salary prior to the first year pay increase. It states that language that says this conversion has taken place will be included in the Agreement to protect against future requests at arbitration for uniform cleaning allowance.

The Union simply states that the conversion will remove cleaning allowance as a subject for negotiation and, at the same time, enhance pay somewhat. The City makes no comment.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

The present uniform cleaning allowance of \$500.00 shall be converted to salary prior to adjusting for the first year pay increase. Language that the conversion has taken place will be included in the contract language to protect against future requests at arbitration for uniform cleaning allowance.

I (concur) (do not concur) with the above Award

Date:

12/1/03


Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-03



Rocco A. DePerno, Esq.
Employee Organization Panel Member

Detective Salaries

The City seeks to establish a new pay scale for detectives, and to eliminate the title of Senior Detective. The Union has no objection.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

The title of Senior Detective shall be eliminated. The person currently in the position of Senior Detective will become a Detective, with no downgrade in pay.

The pay scale of Detectives, as of July 1, 2000, shall be as follows:

Class Title	Grade	A	B	C	D	E	F
Detective	P8		\$37,296	\$39,056	\$40,903	\$42,683	\$44,541

Based on July 1, 2000 salaries, a pay scale for Detectives is awarded. Effective July 1, 2001, Detectives will be paid based on this new pay scale and shall receive the percentage wage increases as specified above for the years beginning July 1, 2001 and July 1, 2002.

I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3 Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

Article 15 - Compensatory Time

The Union proposes increasing compensatory time from thirty-two (32) hours at time and one-half to forty (40) hours at time and one-half.

The City opposes, stating that any increase in compensatory time makes it extremely difficult to schedule vacations and will lead to the generation of overtime and pyramiding.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Compensatory Time shall be increased from thirty-two (32) hours at time and one-half to forty (40) hours at time and one-half.

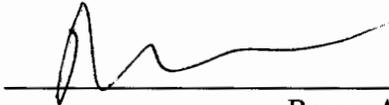
I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-3



Rocco A. DePerno, Esq.
Employee Organization Panel Member

Retroactivity for retirees/resignees.

The Union proposes that there be retroactivity of salary and benefits for retirees and resignees, such retroactivity from July 1, 2001 until implementation of this Award.

The City does not oppose the proposal.

Based on an analysis of all testimony, exhibits and other documentary evidence, the Interest Arbitration Panel makes the following

AWARD

Retirees and resignees shall be compensated retroactively from July 1, 2001 through the implementation of this Interest Arbitration Award.

I (concur) (do not concur) with the above Award

Date:

12/1/03

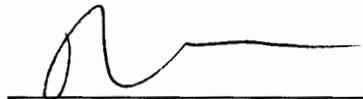


Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-3



Rocco A. DePerno, Esq.
Employee Organization Panel Member

New Section – On-Call Compensation

The Union proposes that officers who are required to carry a pager or other electronic device, and who do not have the option of refusing to respond to a page, be compensated at the rate of half-time for all hours the officers are on call, and double time for all hours that said officers must work as a result of being paged.

The City opposes.

This Interest Arbitration Panel makes the following

AWARD

Officers required to carry a pager or other electronic devices, and who do not have the option of refusing to a page, shall receive one thousand (\$1,000.00) dollar per year, to be paid with line-up pay, effective July 1, 2001.

I (concur) (do not concur) with the above Award

Date:

12/1/03

Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date:

12-8-3

Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

New Article – Field Training Officer

The Union proposes that Field Training Officers receive one hour of compensatory time off per day for each day that a Field Training Officer works with a recruit.

The City opposes.

Based on testimony presented, the Interest Arbitration Panel makes the following

AWARD

Field Training Officers shall receive compensation of fifty (\$0.50) cents per hour for each hour that a Field Training Officer works with a recruit, effective upon execution of this Award.

I (concur) (do not concur) with the above Award

Date: 12/1/03 Mary Corriveau
Mary Corriveau
Employer Panel Member

I (concur) (do not concur) with the above Award

Date: 12-8-3 Rocco A. DePerno
Rocco A. DePerno, Esq.
Employee Organization Panel Member

As stated above, those issues presented by the parties that are not contained in this OPINION AND AWARD were also carefully considered by the Public Arbitration Panel, but are remanded back to the parties for further negotiation, and therefore no Award is made on those matters.

The parties are directed to prepare, disseminate and execute a collective bargaining agreement in accordance with the terms of this Award.

Date: 12/22/03 Respectfully submitted,
Peter A. Prosper
Peter A. Prosper
Public Panel Member and Chair

STATE OF NEW YORK)
COUNTY OF) SS:

On this 22nd day of December, 2003, before me personally came and appeared PETER A. PROSPER, to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Fatima Abdul-Hammed

Fatima Abdul-Hammed
Notary Public State of New York
No. 01/11/03 25
Qualified in Albany County
Commission Exp. November 12, 2006

STATE OF NEW YORK)
COUNTY OF Jefferson) SS:

On this 1st day of December, 2003, before me personally came and appeared MARY CORRIVEAU, to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Sonja C. Thompson

SONJA C. THOMPSON
Notary Public in the State of New York
Qualified in Jefferson County, No. 4854429
My Commission Expires 8/14/05

STATE OF NEW YORK)
COUNTY OF) SS:

On this 8TH day of DECEMBER, 2003 before me personally came and appeared ROCCO A. DEPERNO, ESQ., to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

Joanne M. Ambroselli

