

STATE OF NEW YORK PUBLIC EMPLOYMENT RELATIONS BOARD

IN THE MATTER OF THE COMPULSORY INTEREST ARBITRATION BETWEEN

THE CITY OF SALAMANCA

AND

SALAMANCA POLICE UNIT CSEA

CASE #IA-91-017;

1791-045

NY'S PUBLIC EMPLOYMENT RELATIONS BOARD

FILED

DEC 20 1991

CONCILIATION

PUBLIC PANEL MEMBER AND CHAIRMAN: MARGERY GOOTNICK

EMPLOYER PANEL MEMBER: ANTHONY PASCARELLA Sr.
SUPERINTENDENT
DPW
SALAMANCA, NEW YORK

EMPLOYEE ORGANIZATION PANEL MEMBER: MARK HIGGINS
CSEA REGIONAL DIRECTOR

HEARING: November 6, 1991

EXECUTIVE SESSION: November 6, 1991

RECORD CLOSED: November 6, 1991

REPRESENTATIVES

For Salamanca: Earl Knight

For CSEA: Ronald Young

BACKGROUND

On October 1, 1991, the New York State Public Employment Relations Board, under Section 209.4 of the New York Civil Service Law, designated this public arbitration panel for the purpose of making a just and reasonable determination of this dispute.

The parties entered into a two year collective bargaining agreement, effective April 1, 1990 to March 31, 1992. The agreement contains a wage re-opener in the second year of the agreement. The only item at issue in this interest arbitration is the wage re-opener for the year April 1, 1991 to March 31, 1992.

The arbitration panel was constituted when, after extensive negotiations and mediation, the parties were unable to agree on the terms of the re-opener.

The negotiated salary increase for the first year of the agreement was \$560.00 for police officers and \$590.00 for lieutenants. The last offer by the city was \$300.00 or 14¢ an hour for each of the full time employees in the unit. The last proposal by the union was \$1560.00 or 75¢ an hour for each full time employee in the unit.

In making its decision, the panel considered the statutory criteria as outlined below.

A. Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with 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

The average wage for all police officers in the city is now \$20,097.93 or \$9.60 an hour.

The total paid to the police unit in 1988-1989 was \$287,864.00. The total paid to the unit for 1989-1990 was \$264,643.00. This represented a reduction of \$23,221.00.

The 1990 gross income for each officer including overtime is as follows;

<u>EMPLOYEE</u>	<u>TITLE</u>	<u>1990 SALARY (GROSS)</u>
Denning, Stuart	Lieutenant	\$27,532.67
Shadden, Ronne	Lieutenant	\$25,651.05
Montgomery, James	Lieutenant	\$23,569.75
Marowski, March	Sergeant	\$22,037.14
Whitcomb, Daryl	Police Officer	\$28,661.76
Hutchison, Chris	Police Officer	\$25,961.92
Wendell, George	Police Officer	\$23,958.45
Woodin, Paul	Police Officer	\$18,413.17
Wallace, Christopher	Police Officer	\$18,413.17
Magiera, Joey	Police Officer	\$17,459.30
Kinnaird, David	Police Officer	\$18,413.17

The parties stipulated that the following are appropriate , comparative data.

The average 1990 pay for state troopers who work the same areas, is \$32,218.00 a year; for Cattaraugus County Sheriffs, it is \$23,531.00. The average 1990 pay for Chautauga County Sheriffs, is \$29,764.80.

The urban index cost of living form June 1, 1990 to June 1, 1991 increased 4.7%.

The following average wage comparisons are pertinent to this issue.

GENERAL EMPLOYMENT IN LOCAL INDUSTRIES

Laborer	- \$5.15
Labor Cleaner/Maintenance	- \$6.45
Welder, Fitter	- \$6.50
Machinists	- \$6.45
Punch Press Operator	- \$5.00
Truck Driver	- \$6.25
Auto Mechanic	- \$6.95

The following industries have either closed or left Salamanca.

	Number of Employees
Bush Industries - Electronic, Computer Cab.	250
B & O Railroad - Chess. System	100
Conrail R.R.	Not Available

Security Trust Company	17
Salamanca Federal Savings & Loan	12

B. The interest and welfare of the public and the financial ability of the public employer to pay;

The city has a population of approximately 6350. There has been a steady drop in population. In 1950, the population was 8861. In 1970 it had dropped to 7877. In 1980 the population had dropped to 6778.

Salamanca is the only city in the United States built almost entirely on an indian reservation. Taxpayers are required to pay a tax to the ~~S~~enaca Indian nation on all property in the reservation including churches, schools, businesses, and city properties. No property is exempt from the Indian lease tax. The tax payments are not deductible to the taxpayer.

Over 95% of all properties in the city are on Indian nation reservation land. All improvements made to leased property belong to the Indian nation. The Indian nation claims complete ownership of structures built on leased property.

In 1973 there was \$229,000.00 of tax exempt property in the city. In 1984 there was \$2.1 million of tax exempt property, In 1990 there was \$3.7 million of tax exempt property in the city.

Although the members of the Indian nation pay no taxes, they are entitled to all services such as police and fire protection, DPW services and schools.

The original Indian lease was for \$57,000.00 a year. It expired on February 19, 1991. The renegotiated lease will require the city to pay \$200,000.00 a year. The Indian tax will cost the 6350 residents of Salamanca \$600,000.00 a year. Home owners will pay a 200-300% increase in lease fees. Businesses and industries will pay up to 1,000% increase.

The city budget for 1991-1992 is \$2,986,843.00, a 12 per cent increase over 1990-1991. The budget includes \$185,000.00 to offset the shortfall of the annual Indian lease payment. The city acts as tax collector for the total \$800,000.00. The city guarantees the lease payment of \$800,000.00 and is required to pay any default by an individual taxpayer. If a resident defaults the Senaca nation may take over land. Since the Indian nation does not pay land taxes, there would be an additional tax loss for the city.

The new indian lease is for forty years with a renewal clause for re-negotiation of another forty years. The individual lease payments are based on eight per cent of property value for residential property and ten per cent for all other property. The agreement also carries an escalation clause. Lease payments will increase if property values increase based on an evaluation

every five years.

The 50 bed Salamanca Community Hospital closed in 1990. The nearest hospital service is now located in Olean, New York.

The city was forced to take over the emergency and ambulance service formerly provided by the Salamanca Hospital.

At the time of the hearing, the unemployment rate for the city was 13.5%. The unemployment rate for native americans on the Seneca nation reservation was above 48%. These figures demonstrate the depressed conditions in the city.

The following are the 1991 budget reductions for the city

Snow Removal	\$ 1,000.00
Storm Sewers/Personnel	\$ 2,800.00
Parks & Recreation/Personnel	\$ 6,000.00
Youth Programs	\$ 1,730.00
Fire Department	
Personnel	\$12,000.00
Equipment	\$ 4,000.00
Hospitalization	\$ 4,000.00
Ambulance Service	\$ 4,201.00
Street Administration	\$ 3,200.00
Eliminated NYS Program for Aging	\$ 2,000.00
Reduction NYS Chips Program	\$52,000.00
Reduction NYS Youth Program	\$12,500.00
* 70% cut back in Chips Program	

In 1991 there was a \$25,000.00 reduction in sales tax refunds and a \$240,000.00 reduction in New York State revenue

sharing funds.

The tax rate for 1990 was 37.25 a thousand of assessed valuation. The tax rate for 1991 is 40.56, an increase of 3.31 a thousand of assessed valuation.

Based on the above, the Board of Arbitration is convinced that the employer is correct in its claim that the city has severe fiscal problems and a minimal ability to pay for a significant increase in wages for its police unit, without crippling cut backs in services.

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.

The hazards facing police officers and the stress on the family of a police officer are well known. A police officer must cope with many hazards to fulfill his job responsibilities. Today's police officers must be trained and skilled. They must apply their knowledge and experience to combat the hazards and threats of the job and to protect the safety of the citizens of Salamanca.

In addition, these officers have added problems because of the city's proximity to Allegany State Park and the Indian nation lands.

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.

The total wages paid to the police unit decreased from \$287,864.00 in 1988-1989 to \$264,643.00 in 1989-1990, a decrease of \$23,221.00.

The city pays 100% health insurance for full time police officers. The 1991 rates represent a significant increase over prior years. The annual cost of a single plan is \$1,748.00. The annual cost of a family plan is \$3,465.36. This represents \$1.80 an hour.

Police department employees have an excellent vacation and holiday schedule including sick leave, personal leave, increment wage increases, longevity payments, life insurance and a twenty year retirement plan.

Based on consideration of the above statutory criteria, the panel makes the following AWARD:

1. Effective April 1, 1991, the annual salary for each full time member of the Salamanca Police Unit CSEA shall be increased by five hundred dollars (\$500.00) a year.
2. Effective April 1, 1991, the hourly rate for each part-time

employee of the Salamanca Police Unit CSEA shall be increased by twenty four cents (.24¢) an hour.

Dated: 12/12/91
Rochester, New York

Margery Godnick
Margery Godnick
Public Member

Dated: 12/20/91
Salamanca, New York

Concepcion Anthony Pascalella Sr.
Anthony Pascalella
Public Employer Member

Dated: 12-16-91
Buffalo, New York

Mark Higgins
Mark Higgins
Employee Organization Member