

STATE OF NEW YORK PUBLIC EMPLOYMENT RELATIONS BOARD

In the Matter of the Interest Arbitration Between

THE WATERTOWN POLICE BENEVOLENT ASSOCIATION, INC.

NYS PUBLIC EMPLOYMENT RELATIONS BOARD
RECEIVED

AND

OCT 29 1992

THE CITY OF WATERTOWN

CONCILIATION

PERB CASE NO. M90-532

IA 91-018;

FINAL AND BINDING OPINION AND AWARD OF TRIPARTITE ARBITRATION PANEL

The Public Arbitration Panel Members are:

CHAIRMAN:

Thomas N. Rinaldo, Esq.
305 Elmwood Avenue
Buffalo, NY 14222

PUBLIC EMPLOYER PANEL MEMBER:

Mary Corriveau
City of Watertown
Municipal Building
Watertown, NY 13601

EMPLOYEE ORGANIZATION PANEL MEMBER:

Stanley Prue
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APPEARANCES:

For the Police Benevolent Association

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For the City of Watertown

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Pursuant to the provisions of the Civil Service Law, Section 209.4, Pauline R. Kinsella, Chairperson of the New York State Public Employment Relations Board, designated the undersigned on October 29, 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 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 Watertown ("City") is located on the Black River in Jefferson County, twenty-two miles south of the Canadian border. It is the largest city in the North Country and covers an area of 8.5 square miles and is the home to 29,429 citizens.

The Watertown Police Benevolent Association ("PBA") represents 70 sworn police officers employed by the City. The PBA collective bargaining unit includes all ranks within the Police Department from entry level officer through the rank of captain. The Chief of the Department is considered a member of management and, therefore, is excluded from the bargaining unit. The City and the PBA have been parties to successive collective bargaining agreements for a number of years. This is the first instance between the City and the PBA in which the parties were unable to reach a negotiated settlement.

The parties are currently signatories to a Collective Bargaining Agreement which expired on June 30, 1990. Negotiations for a successor contract were unsuccessful and this Public Arbitration Panel was convened. Hearings were held on February 21 and April 4, 1992. Post-hearing briefs were received on or about May 18, 1992. On August 10, 1992, the Panel met in executive session. Included in the PBA Petition for Arbitration, as later amended, was a list of twenty-nine proposals that were in dispute. Of those twenty-nine PBA proposals, the following were submitted for arbitral review:

PBA PROPOSAL 1:	JUST AND REASONABLE COMPENSATION
PBA PROPOSAL 14:	HEALTH INSURANCE
PBA PROPOSAL 21:	DISCIPLINARY PROCEEDINGS
PBA PROPOSAL 23:	GRIEVANCE PROCEDURE
PBA PROPOSAL 27:	ROLL CALL COMPENSATION
PBA PROPOSAL 9:	CALL BACK COMPENSATION
PBA PROPOSAL 17:	UNIFORM CLEANING ALLOTMENT
PBA PROPOSAL 11:	EXTENSION OF COMPENSATORY TIME SUNSET PROVISION
PBA PROPOSAL 7:	OUT OF RANK/GRADE/TITLE COMPENSATION
PBA PROPOSAL 20:	RESIDENCY REIMBURSEMENT
PBA PROPOSAL 29:	HAZARD PAY

COMPENSATION

PBA proposal: 18% per annum effective July 1, 1990.

City proposal:	1990-91	-	0%
	1991-92	-	3.5%
	1992-93	-	5%

The present salary schedule is as follows:

CITY OF WATERTOWN POLICE DEPARTMENT
DISTRIBUTION BY RANK AND PAY
(AS OF 7/1/92)

<u>RANK OF POLICE OFFICERS</u>	<u>NUMBER OF EMPLOYEES</u>	<u>CURRENT SALARY</u>	<u>CURRENT ANNUAL COST</u>
OFFICER A (Entry Level)	0	\$21,950	\$ 0
OFFICER B	6	\$22,979	\$137,874
OFFICER C	3	\$24,056	\$ 72,168
OFFICER D	9	\$25,189	\$226,701
OFFICER E	2	\$26,379	\$ 52,758
OFFICER F	27	\$27,627	\$745,929
OFFICER F *	9	\$28,939	\$260,451
SERGEANT D	1	\$30,312	\$ 30,312
SERGEANT E	2	\$31,759	\$ 63,518
SERGEANT F	4	\$33,276	\$133,104
SERGEANT F *	1	\$34,870	\$ 34,870
LIEUTENANT D	2	\$36,544	\$ 73,088
LIEUTENANT E	1	\$38,301	\$ 38,301
LIEUTENANT E *	1	\$40,147	\$ 40,147
LIEUTENANT F	1	\$40,147	\$ 40,147
CAPTAIN	<u>1</u>	\$44,117	<u>\$ 44,117</u>
TOTAL	70		\$1,993,485

AVERAGE ANNUAL SALARY PER POLICE OFFICER: \$28,478

PBA SALARY POSITION

The PBA asserts that if a Watertown Police Officer's salary is compared to other police salaries in comparable communities, the statistics will reveal that a Watertown Police Officer is paid significantly below the average police salaries used for comparison.

The PBA contends that an intellectually honest method of assessing comparability, is to develop a universe of communities with a population to complement ratio similar to the City of Watertown. Watertown's population to complement ratio, is approximately 400 to 1. Therefore, the PBA selected the following cities that have an approximate 400 to 1 population to complement ratio for comparison.

CITIES WITH APPROXIMATELY 400 to 1 POPULATION
TO COMPLEMENT RATIO

<u>UNIT</u>	<u>POPULATION</u>	<u>COMPLEMENT</u>
NIAGARA FALLS	61,840	154
ROCHESTER	231,636	620
ALBANY	101,768	288
UTICA	68,637	164
OSWEGO	19,973	50
SCHENECTADY	64,974	142
WATERTOWN	29,429	70
ELMIRA	33,724	81
TROY	54,269	126
SARATOGA SPRINGS	25,001	61
SYRACUSE	163,860	435
ITHACA	29,541	72
BINGHAMTON	53,008	136

Most cities within the 400 to 1 universe negotiate contracts on a calendar year basis. The City of Watertown uses a fiscal year. Therefore, to facilitate the Panel's review of comparability, the PBA submitted their comparisons at six month intervals. According to the PBA, the following statistics demonstrate that the salaries of the Watertown Police fall significantly below the average salary of all other Police Officers in comparable communities.

* PBA CHART I

PATROLMAN STARTING SALARIES (AS OF 1/1/90)

AVERAGE STARTING SALARY	\$22,828
WATERTOWN STARTING SALARY	\$21,950
WATERTOWN LAG	- 4%

PBA CHART II

PATROLMAN STARTING SALARIES (AS OF 7/1/90)

AVERAGE STARTING SALARY	\$22,963
WATERTOWN STARTING SALARY	\$21,950
WATERTOWN LAG	- 5%

PBA CHART III

PATROLMAN STARTING SALARIES (AS OF 1/1/91)

AVERAGE STARTING SALARY	\$24,463
WATERTOWN STARTING SALARY	\$21,950
WATERTOWN LAG	- 12%

* For the sake of brevity, the entire chart was not duplicated.

PBA CHART IV

PATROLMAN STARTING SALARIES (AS OF 7/1/91)

AVERAGE STARTING SALARY	\$24,525
WATERTOWN STARTING SALARY	\$21,950
WATERTOWN LAG	- 12%

PBA CHART V

PATROLMAN STARTING SALARIES (AS OF 1/1/90 and 1/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE STARTING SALARY	\$22,828	\$24,463
WATERTOWN STARTING SALARY	\$21,950	\$21,950
WATERTOWN LAG	- 4%	- 12%

PBA CHART VI

PATROLMAN STARTING SALARIES (AS OF 7/1/90 and 7/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE STARTING SALARY	\$22,963	\$24,525
WATERTOWN STARTING SALARY	\$21,950	\$21,950
WATERTOWN LAG	- 5%	- 12%

PBA CHART VII

PATROLMAN TOP SALARIES (AS OF 1/1/90)

AVERAGE TOP SALARY	\$30,493
WATERTOWN TOP SALARY	\$27,627
WATERTOWN LAG	- 10%

PBA CHART VIII

PATROLMAN TOP SALARIES (AS OF 7/1/90)

AVERAGE TOP SALARY	\$30,663
WATERTOWN TOP SALARY	\$27,627
WATERTOWN LAG	- 11%

PBA CHART IX

PATROLMAN TOP SALARIES (AS OF 1/1/91)

AVERAGE TOP SALARY	\$32,261
WATERTOWN TOP SALARY	\$27,627
WATERTOWN LAG	- 17%

PBA CHART X

PATROLMAN TOP SALARIES (AS OF 7/1/91)

AVERAGE TOP SALARY	\$32,339
WATERTOWN TOP SALARY	\$27,627
WATERTOWN LAG	- 17%

PBA CHART XI

PATROLMAN TOP SALARIES (AS OF 1/1/90 and 1/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE TOP SALARY	\$30,493	\$32,261
WATERTOWN TOP SALARY	\$27,627	\$27,627
WATERTOWN LAG	- 10%	- 17%

PBA CHART XII

PATROLMAN TOP SALARIES (AS OF 7/1/90 and 7/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE TOP SALARY	\$30,663	\$32,339
WATERTOWN TOP SALARY	\$27,627	\$27,627
WATERTOWN LAG	- 11%	- 17%

PBA CHART XIII

SERGEANT STARTING SALARIES (AS OF 1/1/90)

AVERAGE STARTING SALARY	\$33,445
WATERTOWN STARTING SALARY	\$28,939
WATERTOWN LAG	- 16%

PBA CHART XIV

SERGEANT STARTING SALARIES (AS OF 7/1/90)

AVERAGE STARTING SALARY	\$33,639
WATERTOWN STARTING SALARY	\$28,939
WATERTOWN LAG	- 16%

PBA CHART XV

SERGEANT STARTING SALARIES (AS OF 1/1/91)

AVERAGE STARTING SALARY	\$35,548
WATERTOWN STARTING SALARY	\$28,939
WATERTOWN LAG	- 23%

PBA CHART XVI

SERGEANT STARTING SALARIES (AS OF 7/1/91)

AVERAGE STARTING SALARY	\$35,641
WATERTOWN STARTING SALARY	\$28,939
WATERTOWN LAG	- 23%

PBA CHART XVII

SERGEANTS STARTING SALARIES (AS OF 1/1/90 and 1/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE STARTING SALARY	\$33,445	\$35,548
WATERTOWN STARTING SALARY	\$28,939	\$28,939
WATERTOWN LAG	- 16%	- 23%

PBA CHART XVIII

SERGEANTS STARTING SALARIES (AS OF 7/1/90 and 7/1/91)

	<u>1990</u>	<u>1991</u>
AVERAGE STARTING SALARY	\$33,639	\$35,641
WATERTOWN STARTING SALARY	\$28,939	\$28,939
WATERTOWN LAG	- 16%	- 23%

The PBA asserts that the above statistical data supports their 18% pay raise demand.

The PBA also asserts that the average police arbitration award for 1990 was over 6.4% and for 1991 was over 6.48% as reported by the New York State Public Employment Relations Board.

According to the PBA, the City of Watertown has the ability to fund the pay raise requested, and, furthermore, it is not in the interest and the welfare of the public to pay the Police Officers of Watertown less wages and salaries than those paid in comparable units or comparable cities.

On the ability to fund the demands of the the PBA, the PBA presented testimony and a report from Municipal Finance Consultant, Edward J. Fennell. Mr. Fennell testified that after he reviewed the fiscal data of the City, he was able to reach the following conclusions:

1. The City of Watertown has an overall tax rate that is in the mid-range when compared with New York State cities of comparable size.

2. The City has a taxing margin of \$6,206,484 representing 80.2% of its limit for fiscal 1991. This constitutes 29% of its general fund budget.

3. The City has utilized 66.7% of its debt limit.

4. The total fund balance in the general fund for the fiscal year ending 6/30/91 is \$2,362,088.

5. The unappropriated surplus as of 6/30/91 amounted to \$864,428.

6. The relative cost to raise the Police Department base salary and wages 1% has the effect of increasing the tax levy and general fund only .37% and .11%, respectively.

The PBA asserts that the workload of a police officer and the hazards of employment have increased significantly in recent years. According to departmental reports, in 1990, there were 34,354 calls dispatched, an increase from 1989 of 2,619 calls. In the Uniform Patrol Division, calls for service were up from 1989 by 8.2%, and in the Criminal Investigation Division there was an increase of 28.7%. In 1991, there were similar increases for service both in the Uniform Patrol Division and in the Criminal Investigation Division. In a six year study, calls for police service was up over 100%.

According to the PBA, no matter how you address the problem, the demands on a Watertown Police Officer have increased significantly in the recent past.

The PBA points out that the City of Watertown is fortunate in that it contains Fort Drum, the largest Army installation in the northeast. More than 24,000 soldiers, family members and civilian employees are currently stationed at the post. Over 11,000 reservists attend training 52 weeks a year. This Army installation represents significant revenue to the community. According to the PBA in fiscal year 1990, over \$43 million in supply, service and construction contracts were awarded at the base. And, in fiscal year 1990 alone, the government spent over

\$3 million on the Domestic Lease Program; over \$18 million in community housing, of which more than \$5.7 million was spent in the City of Watertown alone.

The PBA concludes that the City of Watertown has the fiscal ability to pay its police officers commensurate with their counterparts throughout the State.

THE CITY'S POSITION REGARDING COMPENSATION

The City contends that they come to this proceeding in the midst of an unprecedented fiscal crisis. According to the City, its external revenue sources are drying up and its tax base is deteriorating, while its expenses continue to climb. Despite the City's fiscal problems, the City has offered all bargaining units, including the police, a 3-year wage proposal of 0%, 3.5% and 5%. The City contends this proposal holds a line on current expenses while allowing the City to adjust its finances to fund future pay raises. Except for this bargaining unit, all other bargaining units, including the Watertown Firefighters, have accepted the City's 3-year proposal for pay increases of 0%, 3.5% and 5%.

The City pointed out that during the late 1980's, Jefferson County's unemployment rate was significantly above the New York State average. However, in recent years, conditions have deteriorated to the point that the Jefferson County unemployment rate reached a high of 16.6% in February, 1992, which was almost

two times greater than the New York State average. This rate means that one out of every six workers in Jefferson County is unemployed.

According to the City, the severity of the current economic decline in the North Country, and its long-term impact, is revealed by a number of companies who have either closed their doors or decreased their payroll by a significant number.

The City demonstrated that state revenue sharing, sales tax revenue, and other revenue sources of the City have shown a significant decrease over the past number of years. Revenues from state aid, a significant component of the City's revenue, has decreased as follows:

<u>YEAR</u>	<u>STATE REVENUE SHARING</u>
1984-85	\$2,479,272
1985-86	\$2,641,109
1986-87	\$2,773,715
1987-88	\$2,773,671
1988-89	\$2,773,671
1989-90	\$2,773,671
1990-91	\$2,015,370
1991-92	\$1,471,150

According to the City, prior to the period at issue in these proceedings, state aid was a stable and secure revenue source. For the 1986-87, 1987-88, 1988-89, and 1989-90 years, state aid equaled \$2.77 million per year.

For the 1990-91 fiscal year, for which the PBA is demanding an 18% pay increase, the City budgeted for a reduction in state aid to \$2.44 million. However, because New York State was facing a multi-million dollar deficit, it cut back even more on its aid to municipalities. When the State legislature and Governor Cuomo finally resolved the State's budget impasse in 1991, the City received only \$2,015,370 in state aid for the 1990-91 fiscal year. This was a devastating blow to the City because the amount of state aid was \$424,000 less than the City had budgeted for.

According to the City, the impact of the state aid cut was particularly burdensome to the City because of the differences in the City's and the State's fiscal years. The City's fiscal year is July 1 through June 30, while the State's fiscal year is April 1 through March 31. Ordinarily, the City receives revenue from the State in late June, which is in the first quarter of the State's fiscal year, but at the end of the City's fiscal year. Thus, the City does not have this aid available during the course of its fiscal year to finance its operation. According to the City, because the state aid cuts for 1990-91 were unprecedented, the City could not adequately anticipate or adjust for the revenue shortfall during its fiscal year. Instead, the City was forced to compensate for this loss of revenue by drastically cutting expenses and services in 1991-92.

According to the City, during the two years at issue here, the City has lost \$2.05 million or 37% of its state aid. Given the timing of these unprecedented cuts, the City could not anticipate the loss of revenue in its budget process, and thus was required to make extensive cost-cutting measures including significant layoffs.

Another substantial source of revenue for the City is County sales tax revenue. Although the City budgeted for a slight increase in sales tax revenue to \$7.729 million, actual revenues have lagged due to the recession, loss of jobs in the region, and the closing of numerous retail stores such that sales tax revenues for 1991-92 are now projected to be only \$7.643 million.

Real property tax revenue is one of the few revenue sources that is within the City's power to control. Because real property tax revenue decisions have already been made for the years in dispute, the City does not have the power to retroactively increase the property taxes for either 1990-91 or 1991-92.

According to the City, during the past eight years real property taxes have increased some 46.79% which is well ahead of inflation 32.64% and average wage increases of 28.38%.

The City contends that although they have been very aggressive in increasing the tax rate on real property, as well as assessing this property, there is a limit on the sacrifice the City taxpayers may be asked to shoulder.

The City argues that although they have extracted revenue from every conceivable source, factors beyond the City's control have limited its income stream. For example, for many years the City operated a landfill which provided a steady revenue source. In the 1990-91 fiscal year, the City earned \$1.2 million from non-City residents for the disposal of refuse at its landfill. However, now that the regional landfill in Rodman, New York, has been approved, the City is obligated to close its landfill and pay the Development Authority of North Country for the disposal of solid waste generated by City residents. Closure costs for the City's landfill are estimated at \$6.5 million and transportation and fees for disposal of the refuse at the Rodman landfill are estimated to be \$850,000 per year.

To pay for the cost of refuse disposal, the City will implement on July 1, 1992, a "pay per bag" program which will require residents to purchase special bags for the disposal of garbage at a cost of \$2 to \$3 per bag. There is no question that the "pay per bag" program is an additional tax on City residents.

The City points out that the unreserved fund balance was a subject of considerable dispute at the interest arbitration hearing. The PBA contended that the City had a significant unreserved fund to draw on for salary increases. According to the City, at the end of the fiscal year 1990-91, the unreserved fund balance was \$1,057,648. However, for 1991-92, the City budgeted to spend \$222,683 from the fund balance and, in 1992-93, it

anticipates spending \$743,884 from the fund balance to equalize revenue and expenses. Obviously, under these circumstances, the City will operate at a deficit.

The City argues that the positive impact of the Fort Drum army installation on the City's economic well being is actually a misperception. In September, 1984, the U.S. Army announced its decision to station the Tenth Mountain Division at the Fort Drum army installation, which is located a few miles north of the city. As a result, by 1989, the military-related population at the Fort had increased by 30,000 people. This infusion of military personnel expanded the North Country's economy in the mid-1980's. Many profited from this expansion, however, the City was not so fortunate. The City points out that the Fort Drum expansion resulted in significant long-term and short-term costs associated with such expansion. The influx of people created a major strain on the City's resources and placed a heavy burden on many of the City's municipal services, including its transit system, roadways, bridges, sewers, and public works.

The City points out that, although there has been this increase in population, the City's sales tax revenue has been stagnant for the past five years. Also, the City has not enjoyed a normal return on federal government housing and other structures built within the City to accommodate the expanded Fort Drum population. Federal government construction, including Section 801 Housing, is exempt from real property tax and, therefore, does

not provide the City with the normal increase in tax revenues that private expansion would provide. Lastly, the City points out that Fort Drum is retrenching by eliminating a number of military and civilian personnel.

The City contends that Watertown Police salaries are extremely competitive with North Country Police salaries as demonstrated by the following salary comparison schedule:

COMPARISON OF NORTHERN NEW YORK
POLICE OFFICERS' SALARIES
(As of 7/1/90)

<u>CITY</u>	<u>MINIMUM SALARY</u>	<u>TOP STEP SALARY</u>
MASSENA	\$19,950	\$26,075
OGDENSBURG	\$17,955	\$23,100
OSWEGO	\$23,360	\$28,819 *
PLATTSBURGH	\$15,100	\$28,426 *
ROME	\$21,846	\$29,485
UTICA	\$25,756	\$28,167
AVERAGE **	\$20,661	\$27,345
WATERTOWN	\$21,950	\$27,627

* Represents 6th Step because Plattsburgh and Oswego include Longevity in Salary Schedule.

** Excludes Watertown

COMPARISON OF NORTHERN NEW YORK
POLICE OFFICERS' SALARIES
(As of 7/1/91)

<u>CITY</u>	<u>MINIMUM SALARY</u>	<u>TOP STEP SALARY</u>
MASSENA	\$20,848	\$27,248
OGDENSBURG	\$18,853	\$24,255
OSWEGO	\$24,762	\$30,548 *
PLATTSBURGH	\$15,100	\$29,564 *
ROME	\$21,846	\$29,485
UTICA	\$25,756	\$28,167
AVERAGE ***	\$21,194	\$28,211
WATERTOWN	\$22,718 **	\$28,594 *

- * Represents 6th Step because Plattsburgh and Oswego include Longevity in Salary Schedule.
- ** Includes City's proposed 3.5% Increase.
- *** Excludes Watertown.

The City also compared the Watertown Police salaries with those of other Jefferson County workers. The City's analysis demonstrated that the average PBA member earns 45% more per week than the average worker in Jefferson County. The City also points out that the PBA is fortunate in that the City has not had to layoff any Police personnel.

Lastly, the City contends that their wage offer was accepted by the City's Firefighters, a unit which has enjoyed parity with the Police.

DISCUSSION

The City of Watertown, like many municipalities in New York State, has had to cope with significant revenue shortfalls. Reductions in state aid and reduced sales tax revenues resulting from a soft economy are the major causes of the City's current fiscal problems. Although the City budgeted for a reduction in state aid to \$2.44 million, the City received only \$2,015,370 in aid for the 1990-91 fiscal year. This decrease resulted in \$424,000 less in aid than the City had budgeted for. Because of the weak economy, the City has also experienced a decrease in sales tax revenue. In addition to revenue shortfalls, the City of Watertown, as many northeast communities, has witnessed a decrease in their industrial tax base primarily because of industrial relocation.

To meet its ever increasing fiscal problems, the City has looked more and more to its real property taxpayers to help balance its budget. During the past eight years, real property taxes have increased by some 46.79%. The City has been forced to rely on its fund balance year after year to pay its operating expenses. As demonstrated by the City, the unreserved fund balance has dropped from \$3.34 million to \$831,000 -- a 75% reduction - in only four years. The City's fiscal difficulties can be highlighted by Moody's Investment Service summary of the City's condition:

Watertown must address increasing service demands caused by expansion at the Fort at a time when aging infrastructure and revenue softness are straining its debt and financial position.

* * *

The City's ability to maintain strict budgetary control in the face of static taxable resources and declining state support for the operations will be a critical factor in [the] future

Despite the City's deteriorating fiscal condition, the PBA has made a convincing demonstration that a City of Watertown Police Officers' salary compares unfavorably to the average salary of Police Officers in comparable communities. The PBA's universe for comparison was a population to police complement ratio of 400 to 1. This comparison included cities such as Binghamton, Ithaca, Syracuse, Troy, Elmira, Schnectady and Oswego, all cities and Police Departments which are similar to the City of Watertown. By comparison, Watertown Police Officers' salaries fall below the average salaries of these municipalities.

The PBA has also convincingly demonstrated that a Watertown Police Officer's work load has increased dramatically in the last number of years. This increase, in part, is a result of the increase in population brought about by the influx of military personnel to Fort Drum.

However, what the PBA has not convincingly demonstrated is that the City has the ability to fund their 18% increase salary demands.

This Panel is mindful of the 0%, 3.5% and 5% salary offer made and accepted by the other bargaining units (including the Fire Department) in the City. This Panel is also aware of the Police Interest Arbitration Awards issued for 1990 and 1991 which have averaged in the 6% range. Also, this Panel is aware of the Sands Award which awarded 0% pay raises for the City of Syracuse police and fire bargaining units. This Panel does not believe the Sands Award should have any bearing on our decision in this case. Arbitrator Sands dealt with problems in his Award unique to the City of Syracuse. He attempted to soften potential threatened layoffs by deferring pay raises. The City of Watertown's fiscal problems are significantly different than those of the City of Syracuse. Therefore, this Panel will attach no weight to the Sands Award as precedence for its resolution of the dispute over salary increases.

This Panel has carefully considered all the data submitted by the parties to support their respective positions. We have summarized in this Award those relevant facts submitted by the parties we considered particularly important in arriving at our conclusion that a 4% salary increase per year is in keeping with the statutory mandates to consider and compare the fiscal resources of a municipality with the demands of the Union. We feel that although the City's fiscal resources are limited, that a pay raise totaling 8% for two years is within the City's ability to fund and should be the minimum pay raise for the services performed by these police officers. The job of a police officer

is becoming increasingly more difficult and dangerous as the demand for police services continues to increase and the type of criminal activity witnessed by a police officer becomes increasingly more violent and threatening to his/her personal safety. This Panel acknowledges that a 4% per year pay raise will not fully compensate these officers for the hazards of their employment, but rather will keep this department comparable with other similar police departments. Our Award was tempered by the City's need to control expenses until the economy improves and its revenues increase. We, therefore, make the following:

AWARD

All bargaining unit members shall receive a 4% increase in salary effective July 1, 1990.

All bargaining unit employees shall receive a 4% increase in salary effective July 1, 1991.

PBA PROPOSAL 14: NON-CONTRIBUTORY HEALTH INSURANCE

PBA proposal: Eliminate co-pay.

THE PBA'S AND THE CITY'S POSITION ON THE ELIMINATION OF CO-PAY

Shortly after the declaration of impasse was made, the City began to informally study the concept of self-insurance and the

possible savings associated therewith. Shortly after the petition for compulsory interest arbitration was filed, the City advised the PBA that self-insuring meant considerable savings to the City, and formally asked the PBA to consent to said plan. Although the PBA was not adverse to the concept of self-insurance, the PBA refused to sign off on said issue because the PBA believed that the employees should share in the savings by the elimination of co-pay. Last minute discussions of this issue resulted in the following agreement: First, the PBA set forth in writing that it would consent to the changeover on the condition that the City not preclude the PBA from seeking the elimination of co-pay. Second, the City and the PBA entered into a formal agreement through which, in addition to the above right to seek the elimination of co-pay, the City agreed that from the date that said agreement was signed through June 30, 1995 (a) all employees hired before July 1, 1983, would continue to receive full non-contributory individual and full non-contributory dependent coverage, and (b) all employees hired after July 1, 1983 would likewise continue to receive full non-contributory individual coverage, unless said employees also elected dependent coverage, in which event the City agreed that the maximum co-pay for said dependent coverage would be (I) 25% of the additional premium associated with dependent coverage or (II) \$25, bi-weekly, whichever amount is less.

The City resisted any proposal which would change the current employee contribution.

AWARD

No change in current contract language. The PBA has not persuaded this Panel that the savings generated by the City by self insuring should result in the elimination of the health insurance contribution required of certain police officers. Containment of health insurance cost is a reasonable goal of any employer in the face of escalating health insurance costs.

PBA PROPOSAL 21: DISCIPLINARY PROCEEDING

PBA proposal: Substitute binding arbitration in lieu of Section 75 of the Civil Practice Law and Rules.

THE PBA'S AND CITY'S POSITION REGARDING THE
ELIMINATION OF SECTION 75

The PBA contends that the present procedure for dealing with disciplinary matters is patently unfair because the attorney who represents the removing officer (the Corporation Counsel) can also represent the charging party (the Chief of Police). According to the PBA, the charging party's interest is "proving guilt" whereas the removing officers' interest is "determining guilt". Those interests are adverse, contends the PBA, and no attorney should have the right to represent adverse interests, in the same

proceeding. Moreover, Section 75 Hearing Officers are unilaterally selected by the City which lends itself to a charge of bias or prejudice on the part of the Hearing Officer.

The Union is proposing the joint selection of an impartial Hearing Officer from PERB's voluntary dispute resolution list with the Arbitrator's decision being final and binding.

The City believes that the current law (Section 75) has served the City well. According to the City, the PBA has not convincingly demonstrated a need to change this current administrative right of the City to discipline its employees.

DISCUSSION

Since the advent of the Taylor Law, most unions have been successful in negotiating final and binding arbitration as an alternative to Section 75 of the Civil Practice Law and Rules. Section 75 gives an employer the unilateral right to appoint a hearing officer which could, in fact, be a City official.

This Panel believes that any individual facing disciplinary charges should have his/her guilt determined by a neutral third party and that said decision of the Hearing Officer shall be final and binding on all parties concerned. We, therefore, make the following:

AWARD

In lieu of Section 75 of the Civil Practice Law and Rules, a disciplinary proceeding shall be brought in front of a neutral third party mutually selected by the parties from a list supplied by the New York State Public Employment Relations Board.

PBA PROPOSAL 23: GRIEVANCE PROCEDURE

PBA proposal: The PBA is proposing the restructuring of the procedure for the resolution of all disputes through a process that culminates in final and binding arbitration vis-a-vis the voluntary dispute resolution procedures of the New York State Public Employment Relations Board.

Specifically, the PBA is proposing that:

CLARIFY GRIEVANCE PROCEDURE, ARBITRATE THRU PERB

In the event of a disagreement between a unit employee and the City, or in the event of a disagreement between the Association and the City, as to the interpretation and/or performance of the express terms of this Agreement, and/or as to the benefits provided thereunder, said disagreement shall be addressed, processed and resolved in accordance with the dispute resolution procedure hereinafter set forth.

Step 1. In the event of a disagreement between a unit employee and the City, a grievance shall be reduced to writing and presented to the Association within ten (10) calendar days of its occurrence or within ten (10) calendar days of the grievant's first having knowledge of its occurrence, to the Association, which if the Association deems the grievance to be meritorious, shall thereafter present the same to the Chief of Police

within ten (10) calendar days of the receipt of same from the unit employee. In the event that the Association deems the grievance to be either frivolous or non-meritorious, the unit employee shall have the equal right to process the grievance in the place and stead of the Association in the same manner and within the same limits that the Association would otherwise have if the Association were processing the grievance. In the event of a disagreement between the Association and the City (whether the disagreement be on behalf of the Association, or be on behalf of a unit employee), such a grievance shall be reduced to writing and presented to the Chief of Police within ten (10) days of when the Association first had knowledge of its occurrence.

The Chief of Police shall within ten (10) calendar days of his receipt of any such grievance, present his response in writing, to the Association (or when applicable, to the unit employee).

If the Chief's response is not satisfactory to the Association (or when applicable, not satisfactory to the unit employee), the Association (or when applicable, the unit employee) shall within ten (10) days of the receipt of the Chief's response present the grievance, the Chief's response and any reply thereto, to the City Manager.

The City Manager shall within ten (10) calendar days of his receipt of any such grievance, present his response in writing, to the Association (or when applicable, to the unit employee).

If the City Manager's response is not satisfactory to the Association, the Association (or where appropriate, the unit employee) shall then have ten (10) calendar days within which to submit a Demand for Arbitration to the New York State Public Employment

Relations Board, in accordance with PERB's Voluntary Dispute Resolution Procedure. The Arbitrator's decision shall be final and binding upon the City, the Association (and all unit employees if the Association sought the arbitration), or upon the City and the unit employee involved (if the unit employee sought the arbitration).

The Arbitrator will have no power to amend, modify or delete any provision of this agreement.

Expenses for the Arbitrator's services shall be shared equally by the City and the grieving party.

Each party, however, shall be responsible for the expenses of its own witnesses. Either party may have a transcript made at its own expense.

Time limits within which a particular grievance has to be processed and/or responded to may be extended by the Association and the City, by mutual agreement, in writing.

The City is resisting any change in current contract language.

DISCUSSION

This Panel is persuaded to accept the PBA's proposal that the current grievance procedure should provide that any disagreement between the PBA and the City over the interpretation or performance of the express terms of the Agreement or the

benefits provided, unless specifically excluded by the contract, should be resolved in accordance with a dispute resolution procedure before a neutral third person mutually selected by the parties from a list supplied by the New York State Public Employment Relations Board, unless specifically excluded by contract. This Panel's only concern is that the current PBA language provides that an employee as well as the Association can process a grievance to arbitration. This Panel believes that any dispute over the interpretation of the collectively negotiated agreement between the City and the Union should be processed by the Association and not by an individual unit employee. While an employee should have the right to reduce a grievance to writing, any decision to pursue said grievance to arbitration should be reserved to the Association and not to an individual employee. We, therefore, make the following:

AWARD

The PBA's proposal to restructure the procedure for the resolution of all contract grievance disputes through a process that culminates in final and binding arbitration vis-a-vis the Voluntary Dispute Resolution Procedure of the New York State Public Employment Relations Board is hereby adopted except that the processing of said grievance shall be reserved exclusively to

the Association. While a unit employee may have the right to file a grievance, only the Association should have the right to process said grievance to arbitration.

PBA PROPOSAL 9: CALL BACK COMPENSATION

PBA proposal: A minimum guarantee of two hours; call back pay at time and one-half.

POSITION OF THE PARTIES

The PBA points out that when an off-duty officer is called to return to duty, there is no minimum guarantee of pay. A Police Officer is compensated for the time he actually works but is not given any minimum pay although the call back could result in a substantial inconvenience to the Officer who has already completed a tour of duty.

The PBA has presented comparable data demonstrating that most if not all Police Departments have some minimum call back pay. The PBA also points out that the Watertown Firemen have a minimum guarantee of two hours pay at time and one half if called back to duty.

The City objects to this proposal based on economic considerations.

DISCUSSION

This Panel is persuaded that the City should be obligated to provide a minimum two hour guarantee of pay at time and one half if an Officer is called back to duty after his regular tour of service. The cost to the City of this proposal is certainly within the ability of the City to control. The City need not call back any Officer and thus not incur any expense. However, if call back is necessary, then an Officer should have a guarantee of pay for the inconvenience of returning to duty.

AWARD

The PBA proposal for a minimum guarantee of two hours call back pay of time and one half is awarded. This award is to be effective June 30, 1992 and shall only apply to a return to duty call back.

PBA PROPOSAL 17: CLEANING ALLOTMENT

PBA proposal: \$500 cleaning allowance.

DISCUSSION

For a number of years, the PBA negotiated and the City paid a cleaning allowance which amounted to \$700. On or about July 1,

1990, the City implemented a Quarter Master System for the purchase and replacement of uniforms. Uniformed patrolmen received their uniforms, while plain clothes officers received the sum of \$500 per year, for the purchase and replacement of their clothing (in lieu of participation in the Quarter Master System).

The PBA contends that their members are entitled to a reasonable clothing allowance to maintain their uniforms which in the PBA's estimation amounts to approximately \$500 per year. The PBA contends that their proposal is reasonable and is consistent with other Police Departments which make some allowances for cleaning of uniforms.

The City sees this as an additional economic cost and contends that the expense associated with this proposal is prohibitive.

AWARD

This Panel believes that a uniform cleaning allowance should be granted in the amount of \$50 per year effective July 1, 1991. This Award will not represent a significant cost to the City and will compensate an officer, in part, for the expense associated with keeping uniforms cleaned.

PBA PROPOSAL 11: EXTENSION OF COMPENSATORY TIME

SUNSET PROVISION

PBA proposal: Continuation of compensatory time in lieu of holiday pay.

DISCUSSION

For a number of years, Officers entitled to holiday pay had to take the same, in cash, as they did not have the option to take compensatory time off.

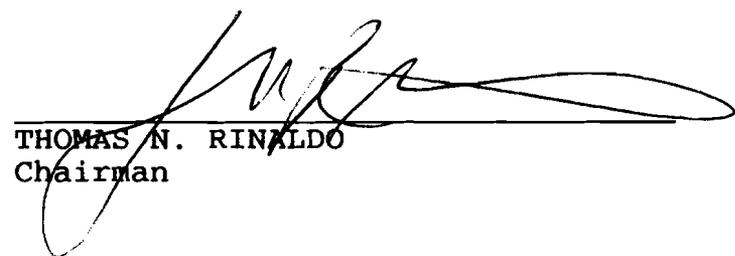
In January of 1986 and for the duration of the 1986 through 1988 Agreement, Officers were given the option to take up to 88 hours per year in compensatory time. Said option was extended in the 1988 Agreement which expired June 30, 1990. The PBA is proposing the continuation of that privilege and calls to the attention of this Panel that the City advanced no argument opposing this benefit.

AWARD

The PBA's proposal is awarded.

OTHER PBA PROPOSALS

This Panel has carefully considered the other PBA proposals including roll call compensation, out of title compensation, hazard pay, and residency reimbursement. This Panel believes that the above Award is both fair and reasonable and within the City of Watertown's ability to fund. Any further economic benefits awarded to the PBA would result in an additional strain on the City's already tight budget. We, therefore, reject said proposals in lieu of the above Award.

Date: 10/27/92 
THOMAS N. RINALDO
Chairman

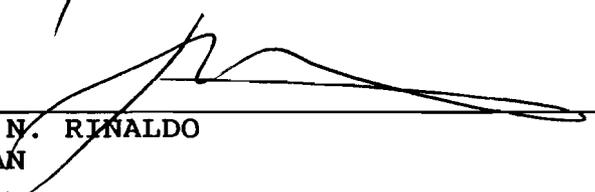
Date: 10-23-92 
MARY CORRIVEAU Concur Disagree
Employer/Panel Member

Date: 9-25-92 
STANLEY PRUE Concur Disagree
Employee Organization Panel Member

STATE OF NEW YORK)
COUNTY OF ERIE) SS.:

I, THOMAS N. RINALDO, do hereby affirm upon my oath as Panel

Chairman that I am the individual described in and who executed the within Award on 12/27/92, 1992.


THOMAS N. RINALDO
CHAIRMAN

STATE OF NEW YORK)

COUNTY OF) SS.:

I, MARY CORRIVEAU, do hereby affirm upon my oath as Employer Panel Member that I am the individual described in and who executed the within Award on October 23, 1992.


MARY CORRIVEAU
Employer Panel Member



BONNIE L. SCULLY
Notary Public in the State of New York
Qualified in Jefferson County No. 4510955
My Commission Expires 10/31/93

STATE OF NEW YORK)

COUNTY OF ONEIDA) SS.:

I, STANLEY PRUE, do hereby affirm upon my oath as Employee Organization Panel Member that I am the individual described in and who executed the within Award on Sept 25, 1992.


STANLEY PRUE
Employee Organization Panel Member


JOANNE M. AMBROSELLI
Notary Public, State of New York
Appointed in Oneida County
My Commission Expires 03/01/93

OPINION OF DISSENTING PANEL MEMBER

Over the past several years, the City of Watertown has struggled with a series of fiscal crises. Difficult choices have been made requiring a variety of sacrifices from City residents and employees alike. The panel's award is clearly inconsistent with this prevailing climate. Accordingly, I can not agree with the panel's award.

The PBA initially proposed an 18% wage increase to be effective July 1, 1990. This unrealistic position never formally changed throughout the negotiating process. However, the City presented several progressively accommodating wage increase proposals. The City's final offer submitted during arbitration included a wage freeze on July 1, 1990; a 3 1/2% increase on July 1, 1991; and a 5% increase on July 1, 1992. This final offer was consistent with the agreements endorsed and signed by the City's other bargaining units. In particular, the panel's award to the PBA of a 4% wage increase effective July 1, 1990 is irreconcilable with the provisions made by the other bargaining units in accepting a wage freeze during this same period.

The City has historically endeavored to show parity in wage and benefits afforded both the police and fire unions. Unfortunately, this award ignored parity completely and has upset the balance between the uniform services. This award presents the City with a major challenge in future contract negotiations with these uniformed services.

Considering all the issues presented above, I must dissent from the arbitration panel's award. While I feel strongly about this position, I'd like to thank all parties involved throughout the arbitration proceedings. The presentations, discussions and deliberations were conducted in a most professional manner.

Mary Curran