
In the Matter of an Interest Arbitration
between the
VILLAGE OF POTSDAM, N. Y.
and the
POTSDAM POLICE PROTECTIVE ASSOCIATION

DECISION
of the
PANEL
PERB CASE #IA91-033, *MA-195*

PANEL MEMBERS:

Henry A. Ford, - Public Member and Chairperson
Fred H. Teeple, Jr. - Union Appointed Member
Dr. Paul Baktari - Village Appointed Member

**NYS PUBLIC EMPLOYMENT RELATIONS BOARD
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CONCILIATION**

Appearing for the Parties:

For the Union

Mr. Robert Burns
Village Administrator

For the Village

Sgt. Daniel W. Manor

I. BACKGROUND:

The above named parties entered into negotiations to accomplish a successor labor agreement to a previous two (2) year agreement which expired on ~~June 30~~ *July 31*, 1991. Negotiations proved unsuccessful and impasse was declared on August 11, 1991. Mediation was attempted but failed to conclude an agreement and the Union then petitioned the N.Y.S. Public Employment Relations Board seeking interest arbitration of the matter pursuant to the provisions of Section 209 of N.Y.S. Civil Service Law.

PERB designated an arbitration panel consisting of the above named members to hold a hearing with the parties and to render a decision on the issue at impasse.

The panel held a hearing in the village offices on March 4, 1992 at which time the parties were given an opportunity to present oral argument and supporting written data. Post-hearing briefs were waived.

During the course of the hearing, the parties, with permission of the panel, entered into further negotiations in an effort to resolve the impasse. While these negotiations were successful in narrowing to a great degree the differences in the parties' positions, an agreement was still not struck and the panel will render its decision on the open issues remaining.

II. ISSUES AND POSITIONS:

A. Hours of Work and Overtime - Art. V Sec. 3:

During the hearing the Village made a proposal to the Union which was accepted and the panel considers the issue resolved on the basis of that agreement.

B. This impasse involves two (2) main issues, namely **Health Insurance** and **Wages**. The parties have been negotiating these two (2) items together in package form and the panel treats them likewise.

The last positions of the parties before the panel on these issues were as follows:

1. Health Insurance:

Village - Effective June 1, 1992:

- a. Increase deductible from \$100 to \$200
- b. Increase co-pay for Rx plan from \$1.00 to \$2.00

Union - In agreement with above providing its wage proposal is acceptable.

2. Wages:

	<u>Effective 6/1/91</u>	<u>Effective 12/1/91</u>	<u>Effective 6/1/92</u>	<u>Effective 12/1/92</u>
Village:				
Increase				
Wages by	2.5%	2.5%	2.5%	2.5%
Union:				
Increase				
Wages by	5.0%	---	5.0%	---

The panel notes that the parties' positions regarding wages are very close. While the employees' salaries will be less for the first six (6) months of each contract year under the Village proposal, during the second six (6) months of each contract year their salaries will be slightly higher.

For example, take the case of the Sergeant's salary which at the end of the 90-91 contract year stood at \$30,400.00 Under the Village proposal, his salary after the first six (6) months of the 91-92 contract year would be \$31,939.00 as compared to \$31,920.00 under the Union proposal. At the end of the first six (6) months of the 92-93 contract year and from then on it would be \$33,556.00 under the Village proposal as compared to \$33,516.00 under the Union proposal.

The Union's main argument in supporting its proposal is that a 5% - 5% increase would put them in a more comparable position with salaries paid police employees in surrounding villages.

The Village points to the serious economic situation facing it currently in seeking relief in health insurance costs, citing a 37% increase in premiums in the 1990-91 year and a possible 17% in 1991-92 unless some relief is found in adjustments in the plan's limits. The Village also notes that it is incurring considerable loss in state aid revenues and that what with over 70% of its property being tax exempt it experiences the dubious honor of being in the top 10% of New York State villages with the highest tax rates and the highest in St. Lawrence County.

The Village further points out that its proposals on Health Insurance and wages have been accepted by its other unionized employees.

III. DECISIONS:

After due deliberation and discussion and in view of the foregoing, the Panel, in unanimous agreement, makes the following awards:

A. Wage Increase:

Effective 6/1/91 - 2.5%
Effective 12/1/91 - 2.5%
Effective 6/1/92 - 2.5%
Effective 12/1/92 - 2.5%

B. Health Insurance:

Effective 6/1/92:

1. Increase deductible to \$200.00.
2. Increase Rx co-pay to \$2.00.

In the Panel's opinion, while the Union might continue to lag behind salaries in other villages for a period, by the end of 18 months into the contract it will have attained the parity it was seeking with its 5% - 5% proposal. The Panel also gave serious consideration to the Village's poor economic situation in general.

In the light of this, the Panel considers its award to be very reasonable at a time when contract settlements in many communities faced with similar problems are coming in at lower figures.

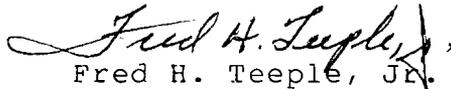
The Panel further orders that no change be made in the vacation schedule at this time feeling that the employees are currently enjoying a very reasonable amount of paid time off and that granting more would only result in additional costs to the Village in either replacement time or overtime.

And while the Panel denies the Union's proposal requiring two (2) uniformed Police Officers to be on duty at all times, it feels that this practice is desirable and although such coverage is now in effect 90% of the time, the Panel feels the Village should strive to achieve 100% coverage. Again, the Panel here recognizes the Village's financial problems but wants to remind Mr. Burns of his acknowledged intent to explore possible new ideas to accomplish this non-contractually.

Respectfully submitted,



Henry A. Ford, Chairperson



Dr. Paul Baktari

Date: March 17, 1992



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