

State of New York  
Public Employment Relations Board

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Interest Arbitration between

IAFF Local 1280, Endicott Professional Firefighters

and

The Village of Endicott

PERB No. A97-036; M97-049

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CONCILIATION

#### Award of Arbitration Panel

Before: Robert J. Rabin, Chair, Anthony Massar, Employer Member, and David W. Strano, Employee Member

#### Background

This Interest Arbitration Panel was appointed by PERB on April 6, 1998. The parties submitted position papers, and the panel conducted a preliminary session on May 27, 1998 to review the background of the dispute and to agree upon the issues to be resolved through arbitration. The advocates then prepared written briefs. The Panel held an arbitration hearing on August 13, 1998, at which the material submitted in the briefs was reviewed and the issues before the Panel were further refined. Additional material was submitted at the hearing, with an opportunity for each side to respond.

The parties began their bargaining back in May, 1996. They reached a tentative agreement at the bargaining table in August, 1996 (we will refer to it as the "Tentative Agreement)," but it was not ratified by the Union membership. The parties returned to the table, but even with the help of a PERB mediator they were unable to reach final agreement. The matter then moved to binding arbitration.

During the arbitration hearing, the parties agreed to accept the terms of the August, 1996 Tentative Agreement, except as modified by this Award. The parties also agreed that the Panel has the authority to fashion an Award covering a four year period following the expiration of the previous Agreement. This Award provides for a 4 year Agreement from June 1, 1996 to May 31, 2000, covering the 1996-97, 1997-98,

1998-99 and 1999-2000 Agreement years.

In fashioning its award, the Panel has taken into account the various factors set out in the Taylor Law. These include a comparison of wages, hours and conditions of employment of similarly situated employees, the interests and welfare of the public and the financial ability of the public employer to pay, a comparison of the particularities of the profession in comparison with other occupations, and an examination of the terms of prior agreements between the parties.

### Salary

The Union submitted data comparing the salaries and economic benefits of firefighters in Endicott with salaries and benefits of firefighters in several neighboring jurisdictions of comparable size. In general, salaries and benefits of Endicott firefighters are within the norm of the comparison universe, although they fall behind salaries and benefits in at least two comparison municipalities.

The Village of Endicott faces the typical financial constraints of a small municipality in upstate New York, including a declining economic base and a shrinking of state aid. Its fiscal position is worsened by a recent substantial reduction in the tax base of the largest commercial taxpayer, IBM. On the other hand, the Union asserts in its brief that the economic problems faced by Endicott, including the reduction of its commercial tax base, are no more severe than those faced by other upstate municipalities, which have continued to provide salary increases to their employees.

The Panel has attempted to balance these competing considerations by awarding a modest salary increase that will enable the Endicott firefighters to at least hold their place among the comparison units, while at the same time recognizing that the Village cannot absorb a substantial economic burden.

In their tentative agreement the parties agreed upon a salary increase of 3% for the first year and 2.75% for the second year. This increase maintains the competitive position of Endicott firefighters for that two year period. Accordingly, the Panel awards an increase of 3% for 1996-97 and a 2.75% increase for 1997-98.

The Panel has less data to go on for the outer two years, as there are few settlements for that period in the comparison area, and the economic picture for those two years is more conjectural. The Panel concludes that the increases should be more modest in the second two years, as there is less comparative data that calls for continued increases at the pace of the first two years, and the Village will face greater economic constraints in light of the IBM development. Accordingly, the Panel awards a 2.75% increase in the third year, 1998-99, and a 2% increase for the final year, 1999-2000. All salary increases are retroactive.

## Retiree Contributions for Health Insurance

In view of the increasing cost of health insurance, the firefighters as well as the police have agreed with the Village that active officers will contribute towards the cost of their health insurance at the rate of 1% of their current salary. But since a retired firefighter no longer has a salary, a different formula must be devised for his contribution. The Village has sought a straight contribution of 10% of the premium costs. The Union is concerned that if premium costs rise too steeply, the retiring firefighter will face an unreasonably heavy cost of insurance. This issue sharply divided the parties during the original negotiations and even during discussions in interest arbitration.

The Panel agrees with the Village that a straight 10% cost is the cleanest administrative formula, but also recognizes the need for some cap to protect the retiree in the event of a dramatic rise in the cost of health insurance. According to our most current information, a member of the bargaining unit who is required to pay for 10% of the current insurance premium would pay \$240 per year in the case of individual coverage and \$540 per year in the case of family coverage. Based upon that data, the Panel awards as follows: Any member of the bargaining unit who retires during the term of this Agreement shall, upon retirement, contribute 10% of the annual health insurance premium, with a cap of \$240 per year for individual insurance coverage, and \$540 per year for family coverage, for the duration of this Agreement. In the event of an increase in the health insurance premiums, the retired member shall contribute 10% of these additional costs, not to exceed an increase of \$100 over the figures stated above.

## Manpower Reduction

The most recent collective agreement contains a provision in Article XIII for monetary compensation of firefighters in the event of a reduction in the overall force. Under that agreement, the Village has a grace period in which to hire a replacement. The Village asserts that it needs more time to go through the procedures involved in filling vacancies. The Panel agrees this is a reasonable position. Accordingly, Article XIII is amended to provide for a 90 day grace period.

## Performance Evaluations

The parties understand that it is the Village's prerogative to establish the substantive criteria for performance evaluations. However, the Union has the right to negotiate the procedures for evaluations. At the direction of the Panel, the parties submitted proposals for such procedures. The parties have reached agreement on this issue. The Panel directs the following: The Village and the IAFF agree to the implementation of a formal evaluation system for bargaining unit members. Each

employee shall be evaluated on an annual basis pursuant to the procedure that has been agreed upon between IAFF Local 1280 and the Village.

#### The August, 1996 Tentative Agreement

The parties reviewed the terms of the August, 1996 Tentative Agreement. They have agreed that the provisions of the Tentative Agreement are mutually acceptable, except as modified in this Interest Arbitration Award. Accordingly, the Panel Awards that the August, 1996 Tentative Agreement (which incorporates the terms of the prior Agreement) shall be the basis of the current Agreement, except as modified by this Interest Arbitration Award.

#### Out of Title assignments

The parties raised a question with respect to the provision in the Tentative Agreement on out of title assignments. The Panel has considered the arguments of both sides and concludes and Awards that the measuring point for additional compensation in the out of title provision shall be increased to three days.

#### Conclusion

The full agreement between the parties shall consist of the Tentative Agreement of August, 1966, as modified by this Award.

Respectfully submitted,



Robert J. Rabin, Chair



Anthony Massar, Employer Member



David W. Strano, Employee Member

State of New York )  
County of Onondaga ) ss:

On this 9<sup>th</sup> day of Dec, 1998, before me personally came and appeared Robert J. Rabin, to me known and known to me to be the individual described in the foregoing instrument, and he acknowledged to me that he executed the same.

ELIZABETH JEFFERY  
Notary Public, State of New York  
Qualified in Onon. Co. No. 01JE5057465  
Commission Expires March 25, 2003

Elizabeth Jeffery  
Notary Public

State of New York )  
County of Broome ) ss:

On this 15<sup>th</sup> day of Dec., 1998, before me personally came and appeared Anthony Massar, to me known and known to me to be the individual described in the foregoing instrument, and he acknowledged to me that he executed the same.

Anne M. Wolf  
Notary Public

ANNE M. WOLF  
Notary Public, State of New York  
No. 4942527  
Residing in Broome County 2000  
My commission expires Sept. 26, 2000

State of New York )  
County of Broome ) ss:

On this 14<sup>th</sup> day of Dec., 1998, before me personally came and appeared David W. Strano, to me known and known to me to be the individual described in the foregoing instrument, and he acknowledged to me that he executed the same.

ELSIE PITKOR  
Notary Public, State of New York  
Residing in Broome County  
My commission expires Dec. 31, 99

Elsie Pitkor  
Notary Public

(endraftc)