

Pursuant to the provisions of Section 209.4 of the Civil Service Law, the undersigned Panel was designated by the Chairperson of the New York State Public Employment Relations Board, to make a just and reasonable determination of a dispute between the City of Niagara Falls (“City”) and the Niagara Falls Uniformed Firefighters Association, AFL-CIO, Local 714 (“Association”).

BACKGROUND

The City of Niagara Falls consists of 14 square miles, and is the tenth most populated of the 61 cities within New York State. The City, listed in the 1990 census as having a population of over 61,000 people, is the largest of the 3 cities located in Niagara County. The City is also unique in that it is situated on and contains within the famous “Niagara Falls” which remains an extremely popular year round tourist attraction. It also provides an entrance into Canada, which generates and results in significant traffic both entering and leaving the United States.

The Niagara Falls Uniformed Firefighters Association is the certified bargaining unit for all sworn Firefighters, excluding Command Officers and the Chief. There are approximately 92 members of the bargaining unit.

The last collective bargaining agreement between the parties expired December 31, 1996 (Joint Exhibit 3). The parties subsequently entered into negotiations for a successor contract in 1997, but such negotiations were unsuccessful, and in July 1997 the parties reached impasse and requested the services of a PERB Mediator. Subsequent mediation by the PERB Mediator was unsuccessful, and on April 13, 1998, the City filed a Petition for Interest Arbitration (Joint Exhibit 1) pursuant to Section 209.4 of the NYS Civil Service Law.

The Association filed a Response to said Petition on April 30, 1998 (Joint Exhibit 2), and thereafter, on June 1, 1998 the undersigned Public Arbitration Panel was designated by the Public Employment Relations Board, acting pursuant to Section 209.4 of the NYS Civil Service Law.

Arbitration hearings were conducted before the undersigned Panel at the Niagara Falls Convention Center in Niagara Falls, New York on September 14, September 29, October 6 and November 24, 1998. At the arbitration, both parties were represented by Counsel and had other representatives present. Both parties submitted numerous exhibits and other data, and both parties presented argument on their respective positions. Thereafter, both parties submitted post-hearing briefs, which were received by the Panel on December 9, 1998.

The Panel then met in Executive Session on December 16, 1998, and reviewed all data, evidence, arguments and issues. After discussion and deliberation at the Executive Session, the Panel members reached unanimous agreement on the terms to be included in this Interest Arbitration Award.

In arriving at the determinations herein, the Panel has specifically considered the following criteria, as specified in Section 209.4 of the NYS Civil Service Law:

- 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.

During the course of the arbitration proceeding, the Association argued strenuously for parity with the Niagara Falls Police Club. As a result of the current financial situation of the City, the Panel was unable to address this issue.

Set out herein is the Panel's Award as to what constitutes a just and reasonable determination of the parties' contract for the period commencing January 1, 1997 and ending December 31, 1998.

INTEREST ARBITRATION AWARD

1. Term of Award

2 year term, commencing 1/1/97 and ending 12/31/98

2. Wages

3% effective 1/1/97

3% effective 1/1/98

3. EMT Stipend

Effective on the Date of this Award, to be paid in January 1999 and annually thereafter, the EMT incentive payable upon initial certification and recertification as mandated by NYS shall be \$750.00.

4. Uniform Allowance

Effective on the Date of this Award, those personnel currently receiving the annual allowance of \$500 per year pursuant to Section 13.1.1 of the Agreement, shall also be given a \$200 line of credit each, to be used for the purchase of uniforms.

5. Jury Duty

Effective on the Date of this Award, when a bargaining unit member is summoned to report for jury duty, the member will be excused from work with pay. The member who reports for jury duty shall not be required to work for eight (8) hours prior to the beginning of jury duty and for eight (8) hours after the jury service. All jury service per diem fees shall be remitted to the City.

6. Health Insurance

The City's Health Insurance Proposal dated 6/23/97 is adopted; subject to the following modifications:

- A. For new employees hired on or after the Date of this Award:
1. For the first six (6) months of employment, he/she will be required to pay 25% of the monthly health insurance premium. No contribution will be required after the completion of six (6) months of employment.
 2. The current Blue Cross/Blue Shield Traditional Plan and the Traditional Alternative Plan will not be available.
 3. Available health insurance options are the City Sponsored Traditional Plan, the City Sponsored PPO (HMO) Plan, Choice Care Plan, Independent Health Gold Plan, and the Community Blue Option 1 Plan.
- B. For employees hired before the Date of this Award:
1. May elect to remain in the current Blue Cross/Blue Shield Traditional Plan but will be required to pay 15% of the monthly health insurance premium.
- C. Bargaining unit members will be given thirty (30) days from the Date of this Award to indicate to the City their health insurance option, consistent with this Award, until the window period in August as set forth in the attached City Health Insurance Proposal.

A copy of the adopted Health Care Plan, subject to the above modifications, is attached hereto and made a part of this Award.

7. Preparation of the 1997-99 Agreement

The expired Agreement shall be amended to reflect the terms of this Interest Arbitration Award and shall be reproduced as the 1997-99 Agreement, for distribution to all interested parties.

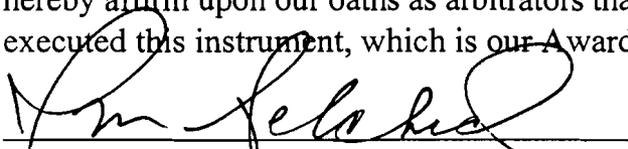
8. Remaining Issues

All other terms of the expired Agreement are continued unless modified herein. Any proposal and/or items other than those specifically modified by this Award are hereby rejected.

By our signature below, the undersigned Panel indicates that we concur with the terms of the Award as specified above.

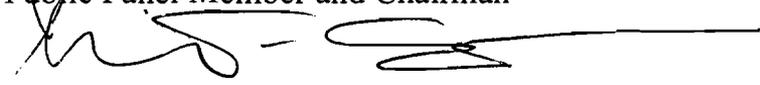
AFFIRMATION

We, Jeffrey M. Selchick, Esq., Nicholas J. Sargent, and W. James Schwan, Esq., do hereby affirm upon our oaths as arbitrators that we are the individuals described in and who executed this instrument, which is our Award.



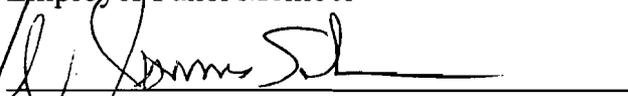
Jeffrey M. Selchick, Esq.
Public Panel Member and Chairman

12/16/98
Date of Award



Nicholas J. Sargent
Employer Panel Member

12/16/98
Date



W. James Schwan, Esq.
Employee Organization Panel Member

12/16/98
Date

June 23, 1997

CITY OF NIAGARA FALLS HEALTH CARE PLAN

EMPLOYEE INCENTIVE

In an effort to reduce the cost of health care and share the savings with City employees the following program is being offered:

The current Blue Cross/Blue Shield Traditional Plan will no longer be offered. The current rate of \$630.00 per month per family plan and \$280.00 per month single plan will be used as the maximum premium base which the City will pay at 100%.

Employees will have the option of the following Health Plans:

1. City Sponsored Traditional Plan
2. City Sponsored PPO (HMO) without referral requirement.
3. Choice Care Plan
4. Independent Health Gold
5. Community Blue Option 1
6. Blue Cross Blue Shield Traditional Alternative Plan.

A. Employees who elect either the City Sponsored Traditional Plan, City Sponsored PPO (HMO) Plan or Choice Care Plan will receive an incentive in the amount of One Thousand Dollars (\$ 1000.00) payable in a lump sum December 15th of each year. This incentive will be pro - rated for 1997 only. This incentive will be re-occurring annually through the duration of the Agreement provided the employee remains a member in one of these health care plans. Employees who select Blue Cross Blue Shield Traditional are NOT eligible for the incentive.

B. For Employees who select Independent Health Gold (Encompass A) Plan or Community Blue Option 1, the incentive for this selection will be \$750 per year pro-rated in 1997 only.

1. The premium base for these plans have been set at \$370 per month Family Plan and \$130 per month Individual Plan. For each increase in premium of \$25 above the base, the incentive of \$750 will be reduced in \$25 increments.

C. Buy-Out- Employees who have coverage through their spouse and cancel health care coverage with the City will be eligible for a One Thousand Five Hundred Dollars (\$1500) incentive payable December 15th of each year. For the Year 1997 the incentive will be Pro-Rated.

1. This provision does not apply to spouses who are both employed by the City.

2. In the event an employee requests a return to one of the City Health Care Plans during the calendar year, the full month(s) in which the employee was not participating will be charged against the incentive payable December 15th for that year. There will be no compounding of the Health Care Incentive and the Buy - Out Incentive.

3. The window period for health care option selection will be during the month of August for the following year.

D. New Employees - will not be eligible for the Traditional Alternative Blue Cross/Blue Shield Plan.

1. New Employees are defined as individuals who are hired after the signing date of this Agreement. Excluded in this definition are all former employees who are either on lay-off status and recalled from lay-off or civil service preferred list, provided, they have not exercised their right of refusal or the recall/preferred list has not expired, they quit or terminated their employment regardless of the reason.

New Employees - May elect to participate in one of the available City's Sponsored Health Care options, however, the following schedule will apply:

1. The first six (6) months of employment the employee will be responsible for 100 % of the premium cost per month.

2. Commencing on the seventh (7th) month of employment, the employee and the City will share the premium cost at the rate of 80% by the City and 20% by the employee. This rate will remain in effect for the remainder of the employee's employment with the City.

a. The premium cost will be deducted bi-weekly through payroll deductions commencing with the first pay.

3. New Employees as defined above shall not be eligible to receive the incentive.

E. This incentive program will terminate at the expiration date of this Agreement.

F. The City's Sponsored Traditional Health Care Plan will feature the following benefits:

Hospital 42/43
Medical 60/61
Medical Deductible \$ 50
Prescription Drug Rider - \$ 1.00 Generic; \$5 Brand Name;
No Co - Pay for Maintenance Drugs
Dependent Children to Age 23
Psychiatric Care
Ambulatory Care
Chiropractic Maximum \$500.00
Pre Care Plus
Out of Area Benefits
Annual Routine Physical \$10 Co - Pay

G. Current employee(s) who elect to participate in the Blue Cross Blue Shield Traditional Alternative Plan may do so during the month of August.

The Plan will provide the following coverage:

Blue Cross Hospital 42/43
Blue Cross Medical 60/61
Major Medical \$100 Deductible
Prescription \$5 Co-Pay
Rider 8 Dependents to Age 23
Rider 22 Ambulatory Care
Rider 45 Cosmetic Surgery
Rider 46 Pre-Care Plus
Rider 48 Out-of-Area Benefit

Riders which have either been eliminated or reduced from the Blue Cross Blue Shield Traditional Alternative Plan are:

Major Medical from \$ 50 to \$ 100; reduced
Prescription Co-pay from \$3 to \$5 reduced
Chiropractic eliminated
Psychiatric Care eliminated.

The premium cost for this alternative Blue Cross Blue Shield Plan is \$570 per month family and \$256 per month individual Plans.

The City will pay 100% of the premium to a maximum of \$630 per month family and 280 per month individual. The employee will be responsible for the increase in premiums above these caps at 100%.
Example:

\$570/month City pays 100%
\$630/month City pays 100%
\$680/month City pays 100% up to \$630 the employee is responsible for the difference in this case \$50 out of pocket through payroll deduction.

1. There will be a special window for employees who select Blue Cross Blue Shield Traditional Alternative Plan. This window will be opened for a period of thirty (30) days from the date the City receives notification of the rate increase from Blue Cross Blue Shield.

At the close of this window, employee (s) who remain in the Blue Cross Blue Shield Traditional Alternative Plan will do so until the next August window. There will be no exceptions.

REOPENER:

In an effort to continually monitor the cost and the benefit levels of health care during the term of the Agreement, either party may serve the other with thirty (30) days written notice for the sole purpose of reopening the contract for further negotiations limited to health care. During such negotiations, all Articles covering health care benefits shall remain in effect until new terms are mutually agreed upon. If the parties cannot agree, the issue may be submitted to an independent mediator chosen by the parties in an attempt to reach a resolution.