

STATE OF NEW YORK
PUBLIC EMPLOYMENT RELATIONS BOARD

In the Matter of Interest Arbitration Between:

CRYSTAL CITY POLICE BENEVOLENT ASSOCIATION
OF CORNING, NEW YORK, INC.

-And-

THE CITY OF CORNING, NEW YORK

PERB Case No. IA2006-019; M2005-334

**FINAL OPINION AND AWARD
OF TRIPARTITE ARBITRATION PANEL**

PUBLIC PANEL MEMBER AND CHAIRPERSON:

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PUBLIC EMPLOYER PANEL MEMBER:

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APPEARANCES:

**The New York State Union of Police
Associations, Inc., on behalf of its affiliate,
The Crvstal City Police Benevolent
Association of Corning, New York, Inc.**

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For the City of Corning

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BACKGROUND

Pursuant to Civil Service Law, Section 209.4, on November 3, 2006, Richard A. Curreri, Esq., Director of Conciliation of the New York State Public Employment Relations Board ("PERB") designated the undersigned as the Public Panel Member and Chairperson and also designated the Public Employee Panel Member and Public Employment Panel Member for the purpose of rendering a just and reasonable determination on matters in dispute between the City of Corning ("City") and the Crystal City Police Benevolent Association of Corning, New York, Inc. ("P.B.A."). The parties to this dispute operated under the terms of a Collective Bargaining Agreement with effective dates January 1, 2000 through December 31, 2002. ("CBA") The CBA was thereafter modified by an Interest Arbitration Award (PERB Case No.: IA2003-029; M2003-097) issued by Panel Chairperson Peter A. Prosper for the two (2) year term January 1, 2003 through December 31, 2004.

THE CITY OF CORNING

The City of Corning is located in Steuben County and has a population of 10, 842. The City's Police Department operates 24 hours per day, 365 days per year. It employs 19 Police Officers, excluding the Chief of Police. Police officers work a straight 3-shift 5-2 schedule, consisting of 8 hours per day for a 5-day work week.

In addition to the P.B.A., the City has a contractual relationship with 3 other bargaining units consisting of the Firefighters, Civil Service Employees Association ("CSEA") Local 8702, and the CSEA Supervisory Unit, Local 8702-1.

THE INSTANT PROCEEDING

The City and the P.B.A. commenced negotiations for a successor to the Prosper Panel Award on July 18, 2005 with an exchange of bargaining proposals and thereafter met on four (4) occasions but were unable to reach agreement. The P.B.A. filed its impasse declaration with PERB on or about March 6, 2006. PERB appointed a mediator and mediation proved to be unsuccessful. Subsequently, the P.B.A. filed its Petition for Compulsory Interest Arbitration on

September 18, 2006. The City filed its response to the P.B.A.'s petition on or about October 6, 2006.

Hearings were held in Corning, New York on March 28th and April 2, 2007. The City and the P.B.A. were represented by experienced attorneys. At all times during such hearings, the parties were accorded and took full advantage of the opportunity to introduce relevant evidence, present testimony, summon witnesses, cross-examine witnesses and otherwise support their respective positions on the outstanding issues before the Panel. A stenographic record was made at the hearings which is the official record of the proceedings. At the conclusion of the hearings, the parties elected to summarize their respective positions with the filing of post-hearing briefs postmarked June 14, 2007.

All issues which have attendant support submitted by each party were carefully considered, as well as any responses offered by the opposing party. The Public Arbitration Panel ("Panel") met in executive session on June 27, 2007 at which time the Panel deliberated on each of the outstanding issues, carefully and fully considered all the data, exhibits, briefs and testimony of the sworn witnesses who appeared at the hearings on behalf of both parties. The results of those deliberations are contained in this Opinion and Award, which constitutes the Panel's best judgment as to a just and reasonable solution of the impasse consistent with our obligation under Section 209.4 of the Act. Those issues presented by the parties which are not contained in this Opinion and Award were also carefully considered by the Panel, but are remanded back to the parties for further negotiation, at their option, and accordingly, no Award is made on those issues.

N.Y.S. CIVIL SERVICE LAW, § 209.4

On November 3, 2006, Richard A. Curreri, PERB's Director of Conciliation, designated the foregoing Public Arbitration Panel for the purpose of making a just and reasonable determination of the dispute existing between the City and the P.B.A.

The Public Arbitration Panel is charged with making a just and reasonable determination of the matters in dispute. In arriving at such determination, the Panel considered the following statutory guidelines with which it was charged by Section 209.4:

- a. Comparison of 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;
- 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.

The following demands were submitted and acted upon by the Panel pursuant to the statutory criteria set forth above:

THE P.B.A.'S DEMANDS

HOUSEKEEPING: Change to identify articles by numbers and make all attachments part of the contract through an article and/or a reference to a specific appendix referenced to that article. Insert "employee" where "member" appears throughout the contract.

All economic benefits, such as but not limited to, Wages, Longevity, Holiday Pay, etc., shall be retroactive to January 1, 2005 and paid to any employee who worked during the period of any negotiated agreement achieved, or interest arbitration award. The City shall also provide a worksheet to each employee receiving retroactive money, setting forth how the calculation(s) was made and what it represents.

1. **ARTICLE 4 - LEAVES:** (pp. 2-6)

4.1 **Sick Leave:** (pp. 2-3)

4.1.1 Amend to read as follows:

Each employee shall be credited with eight (8) hours (1 work day) on the first (1st) calendar day of each month, without limitation to accumulation.

4.1.4 Insert "work" after "consecutive" appears.

4.1.5 Delete existing language and insert the following to read as follows:

In the event of separation of an employee from service, that employee or employee's beneficiary or estate, as the case may be, shall be paid, at the rate of pay in effect at that time, for all unused sick leave accumulation no later than the payroll following separation or death.

4.1.7 Delete in its entirety.

4.2 **Personal Leave:** (p. 3)

4.2.1 Amend to read as follows:

Effective January 1st of each year, each employee shall be credited with thirty-two (32) hours (4 workdays) of personal leave. An employee who enters service during the year shall be credited with personal leave as follows:

January 1 st through March 31 st	32 hours (4 work days)
April 1 st through June 30 th	24 hours (3 work days)
July 1 st through September 30 th	16 hours (2 work days)
October 1 st through December 31 st	8 hours (1 work day)

Personal leave is leave with pay for personal business, including religious observances, which requires the employee to be absent from work. Personal leave is granted with the approval of the Chief of Police or designee and either individual shall exercise a liberal policy in the approval of the request(s).

Personal leave may be used in one (1) hour units or any multiple thereof.

Personal leave is not cumulative. However, any unused personal leave credits shall be transferred and credited as follows at the employee's option:

- A) Up to a maximum of eight (8) hours (1 work day) of unused personal leave credits at the end of each contract year may be carried over and added with the personal leave credited on January 1st of each year as provided for herein with the remaining unused personal leave transferred and credited to the employee's accumulated sick leave as provided in Article 4.1, or
- B) All unused personal leave credits at the end of each contract year shall be transferred and credited to the employee's accumulated sick leave as provided in Article 4.1.

In the event of separation of an employee from service, that employee or employee's beneficiary or estate, as the case may be, shall be paid, at the rate of pay in effect at that time, for all unused personal leave credits no later than the payroll following separation or death.

4.3 **Vacations:** (pp. 3-4)

4.3.1 Add the following:

The Chief of Police shall establish the vacation schedule of the Department

for each year, at which time the employees shall select vacation on the basis of seniority for the year in which it is to be taken. All employees shall select vacations in minimum blocks of one (1) workweek. In the event an employee does not select a continuous workweek, that employee shall not be entitled to seniority preference.

The Chief of Police or designee may grant vacation leave to be used in units of four (4) hours or multiples thereof, but shall not have preference to vacation blocks as set forth above, and shall not be unreasonably denied.

In the event of separation of an employee from service, that employee or employee's beneficiary or estate, as the case may be, shall be paid, at the rate of pay in effect at that time, for all unused vacation credits no later than the payroll following separation or death.

4.3.4 Amend to read as follows:

- A) No change.
 - B) Starting 2nd year of service through 4 years = 80 hours
(10 work days) per year
 - C) Starting 5th year of service through 7 years = 120 hours
(15 work days) per year
 - D) Starting 8th year of service through 10 years = 160 hours
(20 work days) per year
- Starting 11th year of service and above = 200 hours
(25 work days) per year

4.4 **Holidays:** (pp. 4-5)

4.4.1 Insert "fifteen (15)" where "eleven (11)" appears.

4.4.2 Insert "one hundred and twenty (120)" where "eighty-eight (88)" appears and insert "fifteen (15)" where "eleven (11)" appears.

4.4.4 Amend to read as follows: The Holidays are as follows:

- | | |
|--------------------------------------|----------------------|
| 1. New Year's Day | 8. Labor Day |
| 2. Lincoln's Birthday | 9. Columbus Day |
| 3. Washington's Birthday | 10. Election Day |
| 4. Martin Luther King Jr.'s Birthday | 11. Veteran's Day |
| 5. Easter Sunday | 12. Thanksgiving Day |
| 6. Memorial Day | 13. Christmas Eve |
| 7. Independence Day | 14. Christmas Day |
| | 15. New Year's Eve |

ARTICLE 6 – SCHEDULING (pp. 6-10)

NEW 6.9 Mutual Shift Change

Each employee shall be entitled to mutual ("switch/swap") his/her regularly scheduled shift, or any part thereof, as set forth in 6.3 herein, with another employee upon notification to the Chief of Police, or designee. A mutual can not be denied by the Chief of Police or designee, except when the employee(s) concerned have a specialization that is required for an operational need that has been previously designated for the shift(s) in which the mutual is to occur (i.e., certified breathalyzer operator needed for DWI operation and mutual would leave the shift without the certified employee).

3. **ARTICLE 8 - ACCOUTERMENTS,:** (pp. 10-12)

8.0.1 Amend to read as follows:

Each employee shall receive an annual uniform allowance as follows:

(+\$50.00)	(+\$25.00)
<u>1/1/03</u>	<u>1/1/04</u>
\$600.00	\$625.00

Each employee shall be paid the amounts as follows:

	<u>1/1/05</u>	<u>1/1/06</u>
January 1"	\$150.00	\$156.25
April 1 st	\$150.00	\$156.25
July 1"	\$150.00	\$156.25
October 1"	<u>\$150.00</u>	<u>\$156.25</u>
Total:	\$600.00	\$625.00

The above payment(s) shall be subject to the appropriate withholding based on the employee's W-4 certificate on file with the City, unless the employee submits a voucher or receipts which substantiates that the payment has been made for uniform expenses.

8.1 **Clothing Issue** 8.1.1 -Update list.

4. **ARTICLE 9 - RETIREE INSURANCE** (pp. 12-13) - Change heading to **RETIREE HEALTH INSURANCE.**

9.2.3 - Delete in its entirety.

5. **ARTICLE 10 - MEDICAL INSURANCE** (pp. 13-14) - Change heading to **HEALTH INSURANCE.**

10.1.4 - Delete in its entirety.

6. **ARTICLE 11-COMPENSATION:** (pp. 14-16)

11.0.1 **Rate of Pay** - Rename section title to "**Base Wage**" and amend as follows:

<u>Step</u>	<u>Title</u>	(4.5%) <u>1/1/05</u>	(4.5%) <u>1/1/06</u>
1	Starting Police Officer	\$32,799	\$34,275
2	NEW Starting 2 nd Year Police Officer	\$36,878	\$38,537
3	Starting 3 rd Year Police Officer	\$40,956	\$42,799
4	NEW Starting 4 th Year Police Officer	\$43,582	\$45,543
5	Starting 5 th Year Police Officer	\$46,207	\$48,286
	Investigator(s) *	\$47,131	\$49,252
	Sergeant(s) **	\$48,979	\$51,183
	Lieutenant(s) ***	\$51,752	\$54,080
	Captain(s) ****	\$55,679	\$58,185

* The Investigator(s) shall be paid a 2% differential over and above a Step 5 Starting 5 Year Police Officer.

** The Sergeant(s) shall be paid a 6% differential over and above a Step 5 Starting 5th Year Police Officer.

*** The Lieutenant(s) shall be paid a 12% differential over and above a Step 5 Starting 5th Year Police Officer.

**** The Captain(s) shall be paid a 20.5% differential over and above a Step 5 Starting 5th Year Police Officer.

11.2 **Shift Differential:** (p. 14)

11.2.1 Amend to read as follows:

All employees who work during the shifts of 2:00 p.m. to 10:00 p.m. and/or 10:00 p.m. to 6:00 a.m. shall be paid a differential as follows:

(+\$.25/hr)	(+\$.25/hr)
<u>1/1/05</u>	<u>1/1/06</u>
\$1.10/hr	\$1.35/hr

The shift differential shall be paid when out on any paid leave, such as, but not limited to, vacation, sick leave, personal leave, line of duty injury or illness, etc.

11.3 **Overtime Pay:** (p. 14)

11.3.1 Amend to read as follows:

Work in excess of an employee's regularly scheduled eight (8) hour shift, or when not regularly scheduled to work or forty (40) hours in any workweek, shall be considered overtime. In these circumstances, overtime shall be paid at the rate of time and one-half (1.5X) that employee's

applicable Base Wage, inclusive of longevity and degree payment, if applicable, to that employee. The employee shall have the option to be paid or elect compensatory time as set forth herein. All paid leave, such as, but not limited to, vacation, sick leave, personal leave, etc. shall constitute time worked towards the calculation of overtime.

11.5 Degree and Credit Hour Pay: (pp. 14-15)

11.5.1 Amend to read as follows:

An employee shall receive the following amounts each year for:

	<u>1/1/05</u>	<u>1/1/06</u>
BMP Certificate	\$300.00	\$350.00
2 year degree in Police Science or Criminal Justice	\$500.00	\$550.00
4 year degree in Police Science or Criminal Justice	\$800.00	\$850.00

The above amounts shall be included in the calculation of overtime. 11.6

Longevity: (p. 15)

11.6.1 Amend as follows:

All employees shall be paid longevity as follows:

YEAR OF SERVICE	1/1/05 AMOUNT	1/1/06 AMOUNT
Starting 8 th through 11 th	\$525.00	\$550.00
Starting 12 th through 15 th	\$575.00	\$600.00
Starting 16 th through 19 th	\$600.00	\$625.00
Starting 20 th and above	\$625.00	\$650.00

11.6.3 Amend to read as follows:

The above longevity amounts shall be included in the calculation of overtime.

11.9 Investigator: (p. 16)

11.9.3 Insert "\$1,000.00" where "\$800.00" appears.

11.9.4 Amend to read as follows:

In recognition of the Investigator(s) work schedule which may be varied and his/her "on call" status, he/she shall be guaranteed and paid sixteen (16) hours of overtime per month.

11.9.5 Delete in its entirety

NEW 11.11 Certified Instructor:

An employee, who is certified as an instructor, shall be paid as set forth herein, which shall be included in his/her Base Wage upon obtaining and maintaining a certification.

<u>Course of Instruction</u>	<u>Number of Instructors</u>
A. Firearms	2
B. General Topics	1
C. CPR/First Aid	1
D. Cultural Awareness	1
E. Defensive Tactics	1
F. Radar	1
G. Breathalyzer	1
H. Police Ethics	1
I. Defensive Driving	1
J. Crime Prevention	1
K. Chemical Agents	1
L. DARE	1
M. Instructor Evaluator	1
N. Field Training Officer (FTO)	3

An employee shall not be paid more than three hundred dollars (\$300.00) each year he/she is certified as an instructor in "a" through "m" in more than one (1) discipline. However, the Field Training Officer(s) shall be paid six hundred dollars (\$600.00) each year he/she is certified.

7. ARTICLE 18 - LIGHT DUTY: (p. 20)

18.3 Other Conditions: (p. 20)

18.3.1 Delete "for the duration of this Agreement.". 8.

8. ARTICLE 19 - CONCLUDING: (pp. 20-21)

19.2 Totality and Modification: (p. 20)

19.2.1 Delete the 1st sentence.

19.3 Duration: (p. 21)

19.3.1 Insert "2005" and "2006" where "2000" and "2002" appear respectively.

9. PROPOSED NEW ARTICLE:

GENERAL MUNICIPAL LAW SECTION 207-C PROCEDURE ¹

¹ This P.B.A. demand is currently the subject of an Improper Practice Charge before PERB (Case No. U-27122). Accordingly, the Panel is not legally authorized to deliberate and rule on this demand at this time.

THE CITY'S DEMANDS

Re: Opening Package of Proposals

The following constitutes the Opening Package of Proposals to amend the current collective bargaining agreement extant between the parties. The City reserves unto itself the right to amend, alter, modify, add to, or delete from the proposals set forth herein in its responses to the P.B.A.'s negotiation proposals. NOTE: This is a two year package, i.e., 1/1/05 - 1/1/06,

<u>Proposal#</u>	<u>Article/page</u>	<u>Proposal</u>
1.	4.1.6/p.3	Add new PP: "Bargaining unit members hired on or after, January 1, 2006 can cash in forty-five percent (45%) of their total accumulated sick leave at said member's rate of pay in effect at time of his/her retirement.
2.	8.01/p.10	Delete; replace with: 11.93/p.16 "Each unit member shall be eligible to be reimbursed up to \$525.00 in each calendar year for expenses incurred for the cleaning and maintenance of the unit member's uniforms. At the end of each month unit members shall provide to the Chief copies of paid receipts issued from a vendor for the cleaning/ maintenance of the uniforms. The unit member shall be reimbursed within five (5) business days after providing the paid receipt to the Chief. Note: The reimbursement amount for investigators is \$825.00 per calendar year."
3.	9.2.2/p. 12	Delete
4.	9.2,4/p.13	Delete, "and dental insurance" from first line. Add, as last sentence "As per Article 10.0, unit members whose spouse also is an employee of the City, are eligible for one family plan."
5.	10.1.1-' p.13	Delete, replace with: "The Employer shall provide unit members with the Blue Cross/Blue Shield PPO I Plan with a \$5/15/30 dollar prescription drug co. Each unit member shall receive in their Section 125 Plan up to \$300.00 each calendar year to cover dental expenses.
6.	New Insurance:	Add the following under Article 10.1: "In the circumstance where the unit member's spouse works for the City of Corning, or is retiree from the City, they must enroll in one family medical plan. The one plan will cover both spouses and any dependents. If a unit member declines coverage, s/he will receive each calendar year a \$1500.00 medical reimbursement account, non-cumulative, to pay for

any out of pocket expenses incurred. The account will be established each January 1st to the maximum of \$1500.00. Upon submission of paid receipts for medical expenses the unit member shall receive the full amount of the paid receipt within 5 calendar days of the submission up to the yearly \$1500 limit."

"The unit member must make his/her election as to which spouse shall enroll in the family medical coverage no later than each December 1st of the preceding calendar year. This provision applies only under circumstances where the unit member's spouse is employed by the City."

"At the time of retirement and the unit member's spouse is the enrollee in the family medical coverage, the unit member's sick leave cash in benefits can be used to pay for the family plan's premiums into retirement.

Notwithstanding the language set forth in Article 9.2, at retirement, there can only be one family plan per couple in circumstances where both husband and wife work(ed) for the City."

Add as new 10.1.5, Insurance Buy-Out

"For those unit members whose spouse does not work for the City, or and has retired from the City and has been en-rolled in the City's health insurance plan for at least one calendar year may choose to withdraw from the present health insurance family of individual plan on an annual basis as follows:

S/he must notify the City by April 1st of each year for a buy-out that would become effective on July 1st of that year. The member is eligible for a buy-out at the level of insurance for which the unit member is enrolled as of April 1st. If the unit member's family or marital status changes, and the spouse is not a City employee that change will not go into effect until the following July 1st. Effective April 1, 2006, a unit member who elects to withdraw from the health insurance plan shall be entitled to a buy-out at \$2000.00 for family and \$900.00 for a individual. That payment will be made by July 15th of each year. The unit member electing to opt out must also provide to the City at the time s/he makes their election a certificate of insurability.

The unit member who chooses to withdraw may re-enroll in the health plan by providing to the City a thirty (30) day notice. The unit member who, due a life altering event, e.g. divorce settlement, court order etc... may re-enroll at any time with not waiting period. If the unit member re-enrolls at a time other than July 1st, s/he will reimburse the City on a pro-rata basis for any sums paid on a buy-out."

- | | | |
|----|--------------|--|
| 7. | 11.0.1/ p.14 | 1/1/05, 0%; 1/1/06, 2.0%.** |
| 8. | 11.2.1/p.14 | Add:
"The shift differential shall only be paid for actual hours worked." |
| 9. | 11.8. / P.15 | Add:
"Required appearances for court or grand jury the minimum shall be compensated at the rate of one and one half times the unit member's base pay for a minimum of two (2) hours."

*Effective 12/1/05.
** Retroactive only to those unit members on the active payroll at the time both parties have ratified the agreement. |

POSITION OF THE PARTIES ON THE STATUTORY CRITERIA

1. THE ISSUE OF COMPARABLE JURISDICTIONS

A. The P.B.A.'s Position

The P.B.A. maintains that given the Department's location in Steuben County, there are few police groups to which it can compare itself. Accordingly, the P.B.A. asserts that the comparable universe must be expanded beyond those police departments located in Steuben County to include communities such as the Village of Bath and the City of Hornell, communities in close proximity to the City of Corning and within Steuben County. In addition, the P.B.A. proposes that several neighboring communities located in the Counties of Broome, Chemung, Cortland, Ontario and Tompkins that should be used in the comparison. Those communities proposed by the P.B.A. are: The City of Binghamton, City of Canandaigua, City of Cortland, City of Elmira, Village of Elmira Heights, Village of Endicott, City of Geneva, Village of Horseheads, City of Ithaca, Village of Johnson City and Town of Vestal.

In reviewing the profiles of the foregoing jurisdictions, the P.B.A. notes that there are many socio/economic similarities within a fairly homogeneous region in the southwestern part of New York. By way of example, according to the 2005 estimates, Steuben, Chemung, Ontario and Tompkins counties have populations of approximately 100,000 residents. The median value of owner-occupied housing units in Steuben, Chemung, Broome and Cortland Counties is

approximately is approximately \$70,000 with Steuben County at \$66,200. The 2003 median household income for each noted county is approximately \$36,000, with only Ontario County higher, at approximately \$45,000.

The 13 municipalities proposed by the P.B.A. represent a fair cross section of municipalities within these counties. The P.B.A. notes that the City falls well within the top half of municipalities from a financial perspective. For example, for the year 2004, per capita real property wealth ranged from \$17,478 to \$42,525, with 8 municipalities exceeding \$30,000. The City ranked third-highest at \$39,186.

The 13 comparable communities proposed by the P.B.A. each have full-time police departments, ranging from a high of approximately 144 police officers in the City of Binghamton to a low of 12 full-time officers in the Village of Horseheads.

The P.B.A. notes that its list of proposed comparable communities provides the panel with a reasonable basis upon which to draw comparisons for purposes of rendering an Award upon the parties' proposed terms and conditions of employment. Anything narrower, the P.B.A. asserts, would be under-exclusive and certainly lead to a skewed analysis. For example, the P.B.A. notes that the City's comparability assertions focused on the City of Hornell. That, the P.B.A. submits, is obviously to narrow a market for comparison purposes. By way of example, the P.B.A. notes that Hornell's per capita real property wealth is \$18,357 as compared to Corning's at \$39,186. Moreover, the crime rate in Corning was nearly twice as high as that reported by the City of Hornell.

B. The City's Position

It is the City's position that the most relevant comparison for comparability purposes is the City of Hornell. This is so, the City maintains, due to the fact that Hornell enjoys virtually identical population to the City, is located within the same county and is the only other City within Steuben County other than Corning, to which it is close in proximity. Moreover, the City notes, Hornell's payroll schedule is comparable with Corning's and while acknowledging that there are some differences, such differences are not substantive particularly where the compensation for police officers between these 2 cities is comparable.

2. THE ABILITY TO PAY

A. The P.B.A.'s Position

The P.B.A. notes that not much has changed since it made its ability to pay argument before the Prosper Panel. Then, as now, the City has not asserted an inability to pay. Moreover, and in this same general regard, the City was not able to overcome the assertions made by P.B.A. economist and municipal finance expert Kevin Decker wherein he asserted, through testimony and exhibits, that the City is in an excellent financial position and clearly has the ability to fund the wage and benefit package sought by the P.B.A. In addition, the P.B.A. notes, the testimony of City witness Mr. Goodling, was unable to successfully challenge the P.B.A.'s position. Moreover, the P.B.A. notes that Mr. Goodling did not claim any expertise in municipal finance or budgeting.

The P.B.A. points to various financial items offered in support of its assertion that the City has the ability to pay the P.B.A.'s demand regarding salary increases and other financial benefits. In this regard, real property taxes, the City's largest revenue source, have increased an average of 4.17% per year from 1997 through and including 2007. The tax base during this same period has risen from \$417 million to \$443 million. The P.B.A. notes that the City has the fourth highest per capita property wealth among the P.B.A.'s 13 comparables, exceeded only by Canandaigua, Vestal and Ithaca. The City falls in the lower middle among the P.B.A.'s comparables in terms of combined county, municipal and school taxes. Thus, the P.B.A. asserts, the data supports its contention that the City is not high taxed in comparison to surrounding communities. In this general regard, the P.B.A. notes that the City compares "very favorably" in its use of its constitutional tax limit which, since 1997, has ranged as high as 37% to a low of 17%, to its present level of 25.9%, thereby leaving a tax margin of \$6.3 million. Accordingly, the P.B.A. maintains that there is no legal impediment to the City funding the increases sought through its budget surplus, by raising taxes, or by increasing debt. Moreover, and in this same general regard, the P.B.A. notes that the City's general fund has had 4 surpluses in the last 5 year period with large reserves. The total fund balance and unreserved fund balance as a percentage of expenditures are a "very health" 30% and 12.4% respectively, thereby supporting the conclusion asserted by Mr. Decker that the City is nowhere near any "fiscal distress".

In summary, the P.B.A. notes that there is over \$1.3 million in unreserved fund balance as well as approximately \$150,500 in the City's adopted 2006-2007 contingency account. In addition, the City's 2006-2007 adopted budget increased appropriations for police personal service by approximately \$121,500 over the actual fiscal year 2005-2006 spending. The overall combination of the foregoing is available to the City to fund the P.B.A.'s sought-after wage and benefit package. Given the uncontested fact that the cost of a 1% wage increase for this bargaining unit, including roll-up, amounts to \$13,340, in light of the above conclusions, the P.B.A. asserts that the City is well within its means to pay any fair and reasonable award this Panel might Award.

B. The City's Position

As its initial point, the City concedes that as a matter of law, it has the financial ability to pay the increases in wages and benefits sought by the P.B.A. but disputes the wisdom of doing so given other real and practical considerations resting on the interest and welfare of the public. In this regard, the City notes that the record evidence in this matter demonstrates that the demographics of the residents of the City render them vulnerable to increased property taxes. This is so the City urges due to the residents' ability to pay, particularly since only 42.3% of them are within their prime earning years (ages 25 to 54), and the number of City residents that can absorb any tax increases imposed has been decreasing since 1974. Moreover, the City notes, the medium household income of City residents is \$32,780, and more significantly, 41.5% of the City's population is in the low to moderate income group and nearly one-third of the households have a combined income of \$20,000 or less.

Next, the City notes that its 2 largest sources of revenues, sales tax and property taxes, are not in the best of fiscal condition. In this regard, the City notes that its tax revenues during the last 10-year period have actually decreased by approximately \$100,000 without any adjustment for inflation. During this same time frame, inflation has increased by 28%, thereby resulting in a decrease in sales tax revenue. Accordingly, the City notes, the only place with potential funds to make up revenue lost is from the real property taxes. However, the full value of taxable real property in the City has decreased by 22% between 1997 and 2007 when adjusted for inflation.

Given the foregoing, the City notes that the conclusion is inescapable – the City is comprised of progressively smaller population with residents that are increasing in age and earning very little money who must shoulder the increased tax burden placed on them. Accordingly, while the City recognizes that it has the ability to pay by raising taxes within its constitutional tax limit, the City asserts that such an action would not be in the interest and welfare of the public to do so.

2. PECULIARITIES OF THE POLICE PROFESSION²

A. The P.B.A.'s Position

The P.B.A. maintains that the police profession is a unique one, and consequently, there are no real comparisons that can be made with other trades or professions. No other is truly comparable. Appropriate weight must therefore be given to the particularly hazardous nature of a police officer's work as well as to their special qualifications, training and skills required for the position of police officer.

B. The City's Position

As noted above, the City combined the ability to pay with the interest and welfare of the public criterion. However, as in its prior arguments before the Prosper Panel, the City notes that since crime rates have decreased over time, there should be no premium paid for this criterion. Moreover, the City notes that aside from asserting a claim of a "unique profession", the P.B.A. has not presented specific and identifiable data to support its claim. Therefore, since the P.B.A. has failed to present evidence on this issue, the City maintains that the Panel cannot assess any premium for this criterion to the P.B.A.'s benefit.

² See Exhibit 6, the Prosper Panel Interest Arbitration Award dated March 6, 2005, "Peculiarities of the Police Profession" at page 28. The parties have not contended that their respective positions on this Statutory provision have changed since the issuance of the Prosper Award. Accordingly, this Panel adopts the same conclusions reached by the Prosper Panel.

3. THE TERMS OF PAST COLLECTIVE AGREEMENTS NEGOTIATED BETWEEN THE PARTIES

A. The P.B.A.'s Position

The P.B.A. asserts that the City's demand for concessions, particularly those having a financial impact, represent issues that have been negotiated over time and contained in numerous contracts between the parties. Given the lack of any compelling reason in the record for any change in these jointly negotiated provisions, the P.B.A. asserts that the City's demands should not be awarded by this Panel. The City's current proposal on health insurance would move P.B.A. unit members to a lesser health insurance plan that obligates substantially greater out-of-pocket payments labeled as medical visit co-payments and prescription drug co-payments. The record supports an Award by this Panel consistent with the demands submitted by the P.B.A. in its petition.

B. The City's Position

The City maintains that it has submitted a historical comparison of salary increases accorded the P.B.A, the City's fire department and both C.S.E.A bargaining units covering the period 1997-2007, the purpose of which is to demonstrate that not only is the City's proposal consistent with the prior negotiated raises between the City of Corning with all of the other unions having a bargaining relationship with the City. It also demonstrates that in the aggregate, the City has paid above the CPI for the Northeast region with regard to those salary adjustments.

POSITION OF THE PARTIES ON THE OUTSTANDING ISSUES AND THE PANEL'S FINDINGS AND CONCLUSIONS ON THESE ISSUES

The parties presented testimony, argument and documentary evidence with respect to wages, health insurance and other benefits, in which their respective positions were further amplified and developed on the issues in the post-hearing briefs. Therefore, the discussion below is reflective of the manner and method the parties chose to support their positions. It should also be noted that in addition to such arguments, documents and evidence, the Panel, in reaching its

determination on the issues discussed below, has carefully considered the statutory guidelines set forth in Section 209.4 as well as the positions of the parties on these guidelines as set forth above.

1. DURATION OF AWARD

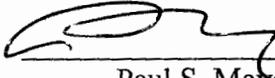
The parties agree to a 2-year Award, which shall be effective January 1, 2005 through December 31, 2006. Based on such agreement, the Panel hereby makes the following

AWARD

The term of this Award shall be from January 1, 2005 through December 31, 2006.

I (concur) (~~do not concur~~) with the above Award.

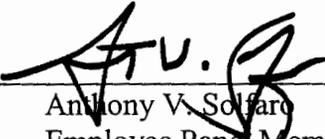
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07



Anthony V. Solfraro
Employee Panel Member

2. WAGES

The P.B.A. has proposed a 4.5% base wage increase for each of the 2-year Award. In addition, the P.B.A seeks to adjust the current schedule by adding two new steps, a “starting 2nd year Police Officer” and a “starting 4th year Police Officer” step. The salary rates for each of these steps are computed by taking one-half of the difference between the preceding and immediately following steps. The P.B.A also seeks:

- to adjust the schedule for Investigators by paying them a 2% differential above top grade police officers, and
- to provide an increase in the existing rates to a percentage differential for the Sergeant(s), Lieutenant(s) and Captain(s). The Sergeant(s) current percentage differential when

computed into a percentage is 5,82%. The P.B.A.'s demand is for a 6% differential above the "top" police officer. The Lieutenants current percentage differential when computed into a percentage is, 11.63%. The P.B.A.'s demand is for a 12% differential above the "top" police officer, and a slight decrease for Captains, from 20.58% to 20.5% for the purpose of making the differentials more uniform. (Note: There are currently no Captains in the Police Department)

The City's demand is that there be no change in wages from the existing 2004 levels for 2005, and a 2% across-the-board wage increase for 2006.

The parties presented documentary evidence and argument in support of their respective positions on the issue of Wages, bringing into evidence a comparison of the wage rates and other benefits in other comparable communities, including those with similar skills, the City's ability to pay, an analysis of wages and other benefits negotiated by the parties in the past. Particular emphasis was placed on a comparison of wages of the City's Police as compared to Police in other jurisdictions, as well as a thorough discussion on the City's ability to pay. Those arguments are found in the discussion of the Statutory Criteria above.

Based on an analysis of all testimony, exhibits as well as other documentary evidence, the Panel makes the following

AWARD

- **The 2004 salary schedule shall be increased four (4.0%) percent on each and every step on January 1, 2005.**
- **The 2005 salary schedule shall be increased by four (4.0%) on each and every step on January 1, 2006 to reflect the following:**

	(4.0%) <u>1/1/05</u>	(4.0%) <u>1/1/06</u>
Patrolman	\$32,642	\$33,948
Patrolman II	\$40,760	\$42,390
Patrolman III and Investigator	\$45,986	\$47,825
Sergeant	\$48,660	\$50,606
Lieutenant	\$51,334	\$53,387
Captain	\$55,449	\$57,667

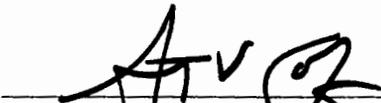
I (~~concur~~) (do not concur) with the above Award.

Date: 10/17/07


Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07


Anthony V. Salfaro
Employee Panel Member

3. LONGEVITY

The P.B.A.'s demand includes a compression of the existing longevity schedule with a \$25.00 increase at all steps effective January 1, 2005 and January 1, 2006. The P.B.A.'s demand also has the unit-member's longevity increment included in their overtime calculation.

The City's demand is to retain the existing longevity schedule, with no increases.

Following a careful and thorough analysis of all testimony, exhibits and other documentary evidence, the Panel makes the following

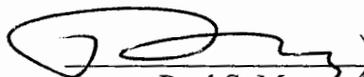
AWARD

- On January 1, 2005, the 2004 Longevity schedule shall be increased by \$25.00 for each of the three (3) steps.
- On January 1, 2006, the 2005 Longevity schedule shall be increased by \$25.00 for each of the three (3) steps to reflect the following:

YEAR OF SERVICE	2005 LONGEVITY	2006 LONGEVITY
Starting 10 th through 14 th	\$550.00	\$575.00
Starting 15 th through 19 th	\$600.00	\$625.00
Starting 20 th and above	\$550.00	\$575.00

I (~~concur~~) (do not concur) with the above Award.

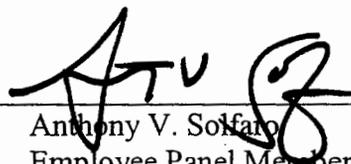
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07



Anthony V. Solfaro
Employee Panel Member

4. SHIFT DIFFERENTIAL

The P.B.A.'s demand is to increase the shift differential currently paid for the 10:00 p.m. to 6:00 a.m. tour from its current rate of \$0.85/hr. to \$1.10/hr. effective January 1, 2005 and a further increase to \$1.35/hr., effective January 1, 2006. The P.B.A.'s demand also includes paying the same differential amounts to the 2:00 p.m. to 10:00 p.m. shift. In addition, the P.B.A.'s demand is to include the differentials paid to unit members when such member is on any paid leave.

The City's demand is to have the current shift differential paid only for actual hours worked and only for the 10:00 p.m. to 6:00 a.m. shift.

Following a careful and thorough analysis of all testimony, exhibits and other documentary evidence, the Panel makes the following

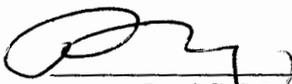
AWARD

All unit members who work during the 10:00 p.m. to 6:00 a.m. shift shall be paid a differential as follows:

(+\$.10/hr)	(+\$.10/hr)
<u>January 1, 2005</u>	<u>January 1, 2006</u>
\$0.95/hr	\$1.05/hr

I ~~(concur)~~ (do not concur) with the above Award.

Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) ~~(do not concur)~~ with the above Award.

Date: 10/19/07



Anthony V. Solfaro
Employee Panel Member

5. CLOTHING ALLOWANCE

The P.B.A.'s demand is to increase the clothing allowance from the existing \$525.00 to \$600.00 effective January 1, 2005, and to \$625.00 effective January 1, 2006. The P.B.A.'s demand also includes that the allowance be paid on a quarterly basis.

The City's demand is that unit members be reimbursed up to the current \$525.00 for cleaning and maintenance of issued uniforms.

Following a careful and thorough analysis of all testimony, exhibits, and other documentary evidence, the Panel makes the following

AWARD

- Effective January 1, 2005, each unit member shall receive an increase of twenty-five (\$25.00) dollars for clothing allowance.
- Effective January 1, 2006, each unit member shall receive another increase of twenty-five (\$25.00) dollars for clothing allowance to reflect the following:

(+\$25.00)	(+\$25.00)
<u>1/1/05</u>	<u>1/1/06</u>
<u>\$550.00</u>	<u>\$575.00</u>

- The parties' reached an agreement on the revised mandatory basic issue and optional uniform list which shall be considered part of this Award, and as set forth below:

MANDATORY BASIC ISSUE

	ITEM	QUANTITY
1	Long sleeve shirt	5
2	Short sleeve shirt	5
3	Pants	5
4	Uniform hat	1
5	Hat rain cover	1
6	Badges (2 breast, 1 hat)	1
7	Collar brass (set)	1
8	Name tag	2
9	Defense spray w/case *	1
10	Impact weapon w/case *	1
11	Tie	1
12	Tie bar	1
13	Portable radio & case	1
14	Search gloves	1
15	Range pants	1
16	Range shirt	1
17	Bullet resistant vest	1
18	Firearm (sidearm) *	1
19	Firearm holster	1
20	Ammunition carrier	1
21	Glove carrier	1
22	Handcuffs w/case & key	1
23	Duty belt w/keepers	1
24	3 season jacket	1
25	Raincoat	1

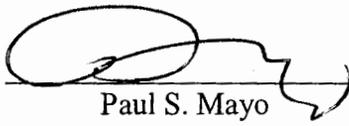
*Upon completion of required training

OPTIONAL: At member's request

	ITEM	QUANTITY
1	Winter uniform hat	1
2	Winter gloves (pair)	1
3	Boots (pair)	1
4	Shoes (pair)	1
5	Whistle	1
6	Reflective safety vest	1

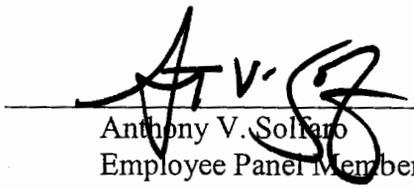
I (concur) (~~do not concur~~) with the above Award.

Date: 10/17/07


Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07


Anthony V. Solfero
Employee Panel Member

6. INVESTIGATOR PAY

The P.B.A.'s demand is to increase the uniform allowance for the Investigator's position from \$825.00 to \$1,000.00 effective January 1, 2005, and to increase the Investigator's payment each month due to his/her on-call status from 12 to 16 hours of overtime.

The City's demand is that the Investigator(s) be reimbursed annually for business attire upon presentation of paid receipts.

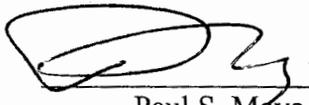
Following a careful and thorough analysis of all testimony, exhibits, and other documentary evidence, the Panel makes the following

AWARD

- **Effective January 1, 2006, the Investigator's uniform allowance shall be increased by \$25.00 to a total of \$850.00.**

I (~~concur~~) (do not concur) with the above Award.

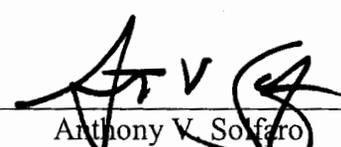
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07



Anthony V. Solfero
Employee Panel Member

7. SICK LEAVE

The P.B.A.'s demand is to credit sick leave on the 1st day of each month, to eliminate the current 170 day cap on accumulation, and to expand the payment of sick leave paid upon retirement to payment upon any separation, including but not limited to retirement.

The City's demand is to limit the payment for sick leave for those employees hired on or after January 1, 2006 to 45% of the employee's accumulation.

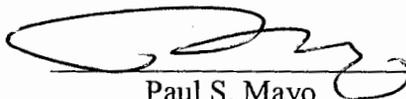
Following a careful and thorough analysis of all testimony, exhibits, and other documentary evidence, the Panel makes the following

AWARD

Effective January 1, 2006, Section 4.1.1 of the 2000 to 2002 collective bargaining agreement shall be modified to provide a maximum sick leave accumulation of 185 days.

I (~~concur~~) (do not concur) with the above Award.

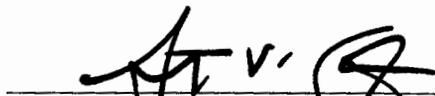
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07



Anthony V. Salfaro
Employee Panel Member

8. HOLIDAYS

The P.B.A.'s demand is to add 4 paid holidays to the existing 11, bringing the total number of paid holidays to 15, and to make the necessary adjustments to the contractual language to reflect this change.

The City's demand is there be no change to the existing 11 Holidays.

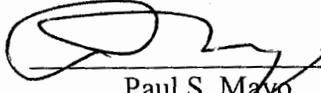
Following a careful and thorough analysis of all testimony, exhibits, and other documentary evidence, the Panel makes the following

AWARD

- **Effective January 1, 2006, Martin Luther King Jr.'s birthday shall be added as to the current list of Holidays, bringing the total number of paid Holidays to 12.**

I (~~concur~~) (do not concur) with the above Award.

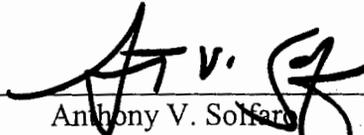
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) (~~do not concur~~) with the above Award.

Date: 10/19/07



Anthony V. Solfaro
Employee Panel Member

9. HEALTH INSURANCE

The current health insurance plan covering unit members is a traditional indemnity plan provided by Blue Cross/Blue Shield, known as the Seventy Day Hospital Service Plan, Comprehensive Benefits Plan. It is a paid in full, also known as a 1st dollar coverage medical plan. Unit members also have a \$3.00 (Generic)/\$10:00 (Brand Name) prescription-drug plan.

A. The City's Position

The City seeks to eliminate the current Indemnity plan and substitute in its place a Blue Cross/Blue Shield PPO I plan, an unrestricted managed care plan, with a three-tiered prescription-drug formulary rider at \$5.00(Generic)/\$15.00(Brand Name)/\$30.00 (Formulary). The City asserts the proposed plan, while not reducing medical benefits, in fact offers slightly increased benefits and is designed to give employees an incentive to economically and "wisely" use the Plan. For example, there is an incentive to make doctor office visits in lieu of emergency room visits where possible. There is also an incentive to make a telephone call to a pre-designated number for medical guidance and information in lieu of making an office visit whenever possible. The PPO I plan, like the current indemnity plan, is also "portable", offering benefits to retirees who seek to live in warmer states during the winter months. The City

maintains that the PPO I plan will soon replace the current indemnity plan in any event, since, given the testimony from its witness, it is clear that Excellus will not support the current indemnity plan since it is moving to a PPO product.

In addition to providing benefits comparable to the current indemnity plan, there is yet another reason why the P.B.A. should be moved into the PPO I plan the City urges. That reason is cost savings. In this regard, using the Family plan as an example, the City notes that the 2005 monthly charge for the current indemnity plan is \$901.90 as compared to the PPO I plan, which was \$849.23, representing a saving of \$52.67 per month, or approximately \$632.00 on an annual basis. In addition, the City notes that every labor union with which it has a contractual relationship has moved to the PPO I plan except for the P.B.A. Accordingly, there is currently a disparity in the plans between the other Unions who have accepted the PPO I plan and the P.B.A., and from a public policy point of view, the City maintains that this current state represents an “unwanted, undesirable situation.”

Finally, the City notes that the P.B.A. has not lived up to its responsibility under Section 10.1.4 of the CBA. This Section obligates the parties to “set up an advisory health insurance committee consisting of equal voting representation by the Employer and all union representatives for the recognized labor organizations representing City employees who are covered by the City’s health insurance plan.” The committee is charged with “developing alternatives for health and dental insurance coverage, prior to July 1, 2000, and to explore the possibility of affiliating with a larger insurance pool, either with other municipal plans or through a cooperative self-funded plan.” The City asserts that despite this language, the Union has done “very little.” Accordingly, the City urges that given the sharp increase in insurance premiums, likely to escalate even further, together with the P.B.A.’s lax attitude in seeking a resolution, the Panel should issue a ruling that changes the carrier to the Blue Cross/Blue Shield PPO I plan.

B. The P.B.A.'s Position

The P.B.A. asserts that no change in the health insurance plan is warranted.

The P.B.A. notes that the City's proposal to move P.B.A. members into a PPO I plan is not a new one, having been visited and reviewed by the Prosper Panel, a move that Panel rejected. Once again, as before, the P.B.A. asserts that it opposes this plan and as before, the City's current proposal before this Panel should be denied because the City does not have any more reason to change the insurance plan than it did before the Prosper Panel. The P.B.A. offers the following in support of its opposition to the change proposed by the City

First, the P.B.A. notes that the cost of the PPO I plan as compared to the current indemnity plan are not appreciably less. In this regard, the difference in the family plan is about \$50, and assuming that every unit member was in the family plan, the savings to the City is approximately \$12,600, a de minimis amount when compared to the City's \$1.4 million annual budget. The P.B.A. asserts that given this financial reality, it is apparent that the City's insistence that the P.B.A. move to this PPO product is not driven by economic or other genuine needs but rather an insistence on a position with little if any substance to support it. Moreover, just because other unions have agreed to the move does not make the move by the P.B.A. any more palatable.

Next, the P.B.A. maintains that the City's proposal to move to the PPO I plan saves the City money due to the shifting of costs to employees. By way of example, the P.B.A. notes that a move to the PPO I plan mandates a move to the \$5.00/\$15.00/\$30.00 three-tier prescription drug formulary. Given the stark reality of a three-tier system, the P.B.A. maintains that its members have no input into the tier placement of drug purchases, and prior arbitration proceedings have demonstrated that the most frequently prescribed medications will fall into the \$30.00 tier. In addition, new co-payments and charges for services most frequently used by P.B.A. members and their families such as office visits, physicals and emergency room visits, plus penalties as high as \$500.00 per occurrence for failure to comply with the 48-hour pre-authorization requirement mandated by the PPO I plan will result in cost savings to the City at a substantial out-of-pocket expense to P.B.A. members. The indemnity plan currently in effect does not contain any of these financial mandates the P.B.A. maintains. Accordingly, the P.B.A. asserts

that the City cannot credibly claim that the current indemnity plan and its proposed PPO I plan are virtually identical.

Finally, in acknowledging the existence of the health insurance advisory committee in Section 10.1.4, the P.B.A. suggests that the use of this committee process, by all parties, will lead to a more realistic and acceptable result.

Based on the foregoing arguments, the P.B.A. urges the Panel to reject the City's proposal.

DISCUSSION

As we begin this discussion, it is apparent that any direction by this Panel on the health insurance issue before it must be made in light of the fact that this Award covers the period January 1, 2005 through December 31, 2006. Accordingly, for all intents and purposes, this Award will have "expired" even before it has been issued. Therefore, there remains a serious question as to the practicalities of an Award that changes a health insurance plan retroactively. Moreover, since the parties have continued the current indemnity plan into calendar year 2007, which is quickly nearing an end, and given the fact that the parties will enter negotiations for a successor to the current collective bargaining agreement, together with the Interest Arbitration Award issued by the Prosper Panel, and the instant Award to be issued the Panel is of the opinion that, as the Prosper Panel wisely determined, "the parties need to further discuss such major changes in health insurance rather than have it imposed by an arbitration panel." This conclusion makes sense, particularly in light of the language set forth in Section 10.1.4. In creating the advisory health insurance committee, the parties recognized that the best outcome to any insurance issue is one that is jointly created. In reviewing the language in Section 10.1.4, the Panel notes that the composition of this committee is not limited to the City and the P.B.A., but rather wisely included all City Unions. This Panel is not aware of any discussions that occurred during the term of this Award by the advisory committee that ultimately created "alternatives" to the current health and dental insurance plans.

However, notwithstanding the foregoing conclusion reached, the Panel would not impose the PPO I plan on P.B.A. members at this time for other reasons. When reviewing the PPO I plan in the aggregate to the current indemnity plan, it is clear that such plans, while similar in coverage, are not "substantially identical" as urged by the City. This lack of identity is created by the

imposition of additional costs to be borne by P.B.A. members, most notably in the change from the current \$3.00/\$10.00 Rx plan to the proposed \$5.00/\$15.00/\$30.00 three-tiered plan. Indeed, given the potential usage of the plan as suggested by the P.B.A., it is more likely than not that any increased wage rates could be nullified by new and imposed costs to P.B.A. members as a result of a shift to the PPO I plan. The Panel is therefore of the opinion that the potential cost savings realized by the City from a shift to the PPO I plan are not substantial enough to warrant the imposition of this plan together with its inherent costs on P.B.A. members. It is therefore the judgment of this Panel that the parties make full use of Section 10.1.4 in order to seek a mutually acceptable resolution to this issue.

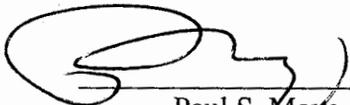
Following a careful and thorough analysis of all testimony, exhibits, and other documentary evidence, the Panel makes the following

AWARD

There shall be no change to the current Blue Cross/Blue Shield indemnity plan.

I ~~(concur)~~ (do not concur) with the above Award.

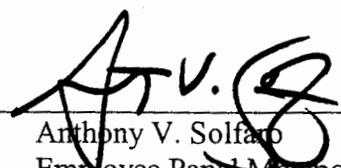
Date: 10/17/07



Paul S. Mayo
Employer Panel Member

I (concur) ~~(do not concur)~~ with the above Award.

Date: 10/19/07



Anthony V. Solfa
Employee Panel Member

AWARD AFFIRMATION

STATE OF NEW YORK
COUNTY OF ERIE

On this 24th day of OCTOBER, 2007 before me personally came Dennis J. Campagna to me personally known and known to me to the same person described in and who executed the foregoing instrument, and he acknowledged to me that he executed the same:

Kathleen D. Albion

KATHLEEN A. ALBION
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 6-24-2011

STATE OF NEW YORK
COUNTY OF ORANGE

On this 19th day of October, 2007 before me personally came Anthony V. Solfaro to me personally known and known to me to the same person described in and who executed the foregoing instrument, and he acknowledged to me that he executed the same:

Lorraine J. McGuinness

LORRAINE J. Mc GUINNESS
Notary Public, State of New York
Qualified in Orange County
Reg. No. 4620194
Commission Expires June 30, 20 11

STATE OF NEW YORK
COUNTY OF ~~CHEMUNG~~ Steuben

On this 17th day of October, 2007 before me personally came Paul S. Mayo to me personally known and known to me to the same person described in and who executed the foregoing instrument, and he acknowledged to me that he executed the same:

Florence M. Wheatcraft

FLORENCE M. WHEATCRAFT
Notary Public, State of New York
No. 01WH6050728
Qualified in Steuben County
Commission Expires November 13, 20 10