

STATE OF NEW YORK  
PUBLIC EMPLOYMENT RELATIONS BOARD

In the Matter of Compulsory Interest Arbitration  
Between:

DOBBS FERRY POLICE BENEVOLENT  
ASSOCIATION, INC. ("PBA")

PERB CASE NO.  
IA2012-001; M2010-279

-And-

THE VILLAGE OF DOBBS FERRY

**OPINION & AWARD**  
For the Period of  
June 1, 2010 through May 31, 2012

**BEFORE:**

Dennis J. Campagna, Esq.  
Public Panel Member and Chairman

Ernest R. Stolzer, Esq.  
Public Employer Panel Member

Thomas J. Troetti, Esq.  
Employee Organization Panel Member

NYS PUBLIC EMPLOYMENT RELATIONS BOARD

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CONCILIATION

**APPEARANCES:**

A. For the Employer Village of Dobbs Ferry

Bond Schoeneck & King, PLLC.  
Christopher T. Kurtz, Esq.  
Hilary L. Moreira, Esq.

B. For the PBA:

The Quinn Firm, PLLC.  
Andrew C. Quinn, Esq.  
John D'Allessandro, Esq.

## **BACKGROUND**

Pursuant to the provisions outlined in 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 (“PERB”) to make a just and reasonable determination of a dispute between the Village of Dobbs Ferry, (“Village”) and the Dobbs Ferry Police Benevolent Association (“PBA”).

The Village of Dobbs Ferry is located in and is part of the Town of Greenburgh in Westchester County, New York, consists of 3.2 square miles and is approximately 20 miles north of New York City. The Village is bound on the west by the Hudson River, and on the east by the Saw Mill River. Wickers Creek runs east to west through the center of the Village from its main source in the Juhring Nature Preserve, Todd’s Pond. The 2010 census population was 10, 875. The current government of Dobbs Ferry is headed by Mayor Hartley S. Connett, who was elected in November 2009 together with his three running mates for Village Trustee, all running on the Independent, non-partisan Dobbs Ferry Party line. As of the 2000 census, there were 3,792 households and the population density was 4,350 people per square mile, 3792 households out of which 34.5% had children under the age of 18 living with them, 54.8% were married couples living together and 32.2 were non-families. The median income for a household in the Village was \$70,333 and the median income for a family was \$93,127. A majority of the Village is within the Dobbs Ferry Union Free School District which consists of the Springhurst Elementary, Grades K-5, Dobbs Ferry Middle School, Grades 6-8, and the Dobbs Ferry High School, Grades 9-12. The Village is served by a paid Police Department, a Voluntary Fire Department (consisting of three pumpers and one tower ladder in two firehouses), and a Volunteer Ambulance Corps. History buffs will be interested to know that Dobbs Ferry played a vital role in the American Revolutionary War.

The PBA is the Collective Bargaining Agent for the uniformed employees of the Village’s Police Department who have the designation of Police Officer, including Police Officers assigned to the

Detective Division, Sergeant and Lieutenant. As of June 30, 2010, the bargaining unit consisted of 11 Police Officers, 2 Detectives, 6 Sergeants and 2 Lieutenants. (TR 131)<sup>1</sup>.

The last Collective Bargaining Agreement (“CBA”) between the Village and the PBA was for a period of June 1, 2007 through May 31, 2010. Following expiration of this CBA, the parties entered into negotiations for the terms of a new CBA but were unsuccessful. As a result, on March 22, 2012, the Village filed a declaration of impasse, and the matter proceeded to mediation before PERB appointed mediator. Following unsuccessful mediation efforts, the PBA filed the instant petition for compulsory interest arbitration on or about June 7, 2012. On June 25, 2012, the PBA filed its response to the Village’s petition. On or about July 2, 2013, the Village filed an improper practice charge with PERB in connection with certain proposals advanced to interest arbitration. (See Joint Exhibit 11) The Parties were able to resolve the charges by way of a tentative agreement. On July 19, 2013, the first “official” day of hearing, the PBA withdrew its proposals dealing with Vacation (PBA proposal 5), Personal Leave (PBA proposal 6), Officer Safety (PBA proposal 8) and all PBA proposals following PBA proposal 13. The PBA also agreed to modify its sick leave proposal (PBA proposal 7) by withdrawing that part of its proposal seeking unlimited sick leave.

The Chair of this Panel was designated by PERB to serve in that position on October 10, 2012, together with the Public Employer Panel Member and the Employee Organization Panel Member, (collectively “Panel”). Hearings were held on June 17, 2013<sup>2</sup>, July 19, 2013 and October 25, 2013. At such hearings, the parties were represented by Counsel, who were afforded, and took full advantage of calling and examining witnesses, as well as the right to introduce relevant evidence. The hearings were stenographically recorded, and such transcribed record is the official record of the proceedings pursuant to N.Y. Civ. Serv. Law § 209.5. Each

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<sup>1</sup> The Village had employed up to 28 sworn officers during the period of the 2008-2010 Collective Bargaining Agreement approximately 3 lost to attrition and have not been filled. (See TR 131-132).

<sup>2</sup> Day 1 was consumed with procedural issues arising from the way in which the PBA chose to file its Petition for Interest Arbitration with PERB. Without getting into the details of this issue, the issue was resolved when Kevin Flanigan, PERB’s Director of Conciliation agreed to accept the PBA’s filing of a Supplemental Petition and at the commencement of the hearing on July 19, 2013, the majority of the Panel confirmed Mr. Flanigan’s ruling, with the Employer Panel Member voting against the Panel’s decision to accept the petition for arbitration as amended by the PBA following the first day of hearing.

witness was sworn, and the parties submitted numerous exhibits, documentation and post hearing briefs that provided arguments in support of each party's respective position. Thereafter, the Panel carefully reviewed all testimony, exhibits, documentation and post hearing briefs on the issues submitted by the parties to this proceeding. The Panel also met in Executive Session on two separate occasions and engaged in meaningful discussions over the issues at bar. Thereinafter, a majority of the Panel reached an agreement on an Interest Arbitration Award covering the two year period of June 1, 2010 through May 31, 2012.

The positions initially taken by the Parties are extensively set forth in their respective petition and response, testimony, exhibits and post-hearing briefs, all of which are incorporated by reference in this Award. These positions will be summarized for the purpose of this Opinion and Award. Accordingly, set out herein is the majority Panel's Award as to what constitutes a just and reasonable determination of the issues submitted by the Parties for the two-year period of June 1, 2010 through May 31, 2012.

In arriving at such determination, the Panel has specifically reviewed and considered all of the following statutory criteria as set forth in N.Y. Civ. Serv. Law, § 209.4:

- a) Comparison of the wages, hours and conditions of employment of the employee 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 interest 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 OUTSTANDING ISSUES FOR RESOLUTION BY THIS PANEL**

The current and unresolved issues for resolution by this Panel are summarized as follows:

<b>ISSUE</b>	<b>VILLAGE PROPOSAL</b>	<b>PBA PROPOSAL</b>
<b>Duration</b>	2 Years [6/1/10-5/31/12]	2 Years [6/1/10 – 5/31/12]
<b>Wages (PBA 2) Village 13</b>	[0%, 0%]; Employees shall be paid twice monthly	4% [6/1/10]; 4% [6/1/11]
<b>Overtime [Article VIII] (Village 2); PBA 4, 5</b>	Unit Member required to appear for a court appearance in advance of his/her regular tour paid for time actually worked. Eliminate 4 hour recall provision.	Amend overtime policy to permit Unit Members to accrue 80 hours of Compensatory time & reduce the days to request use of Comp time from 7 days to 5 days.
<b>Longevity [Article VI] (PBA 3), (Village 1)</b>	Longevity payment payable within 2 payroll periods after the anniversary date of the employment that completes the required years of service for each specific step.	Longevity: Increase each step by \$250.00 for 2010 & 2011. Eliminate the 5 <sup>th</sup> step to permit PBA members to reach maximum after 20-years.
<b>Vacations [Article X] (Village 3, 4)</b>	Eliminate the 10-years/22-working days & 15-years/25 working days language & eliminate 25 working days for Officers hired after 6/1/10.	Status Quo
<b>Sick Leave [Article XIII] PBA 6, 7</b>	Status Quo	Increase rate at which B/U members accrue sick leave from 1-day/month to 1 1/2 days per month. Amend sick leave buyout from fixed dollar to 80% of officer's base salary for each accrued day at time of retirement, resignation or death.
<b>Uniforms [Article XIV] PBA 9</b>	Status Quo	Uniform allowance to be paid by separate check on 1 <sup>st</sup> pay period of June
<b>Health Insurance (Article XV) Contribution [Active Employees] – Village 5, 6)</b>	Increase health care contributions to 25% from the current contribution of 1% of base pay. Delete Section 4 Re: two HMOs.	Status Quo
<b>Health Insurance</b>	Amend Section 5, Retirees to	Status Quo

<b>Contribution [Retirees] – Village 7)</b>	pay 25% of the health insurance premium	
<b>Health Insurance (Waiver of) Village 8</b>	Dollar amount equal to 25% of the annual premium.	Status Quo
<b>Health Insurance (Co-pays &amp; Deductibles) Village 9</b>	Delete reimbursement for co-pays & deductibles,	Status Quo
<b>Dental Insurance (Article XV(6))</b>	Status Quo	Increase the Village Contribution rate from \$50/Month (I)/\$75/Month (F) to \$75/Month (I) & \$100/Month (Family)
<b>Welfare Fund Benefit Contribution [Article XV] PBA 10</b>	Status Quo	6/1/10: Increase by \$25/month per B/U member. To \$75/Mo (I) & \$100/Mo. (F)
<b>Schedules [Article XX] PBA 11</b>	Status Quo	Members working 11 pm to 7 am shift will work a 4-2/4-3 schedule for a total of 224.6 days/year.
<b>Chart Days [Article XXI] (PBA 12)</b>	Status Quo	Increase chart days from 9 to 17 days/year for B/U members working a 5-2 schedule.
<b>Training Days [Article XXII] PBA 13</b>	Status Quo	Eliminate Training Days

**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 as well as other outstanding terms and conditions of employment, and the Village as well as the PBA further developed their respective positions on these issues in their post-hearing submissions. Accordingly, the discussion below is reflective on 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.

## CRITERIA 1 – COMPARABILITY

N.Y. Civ. Serv. Law §209.4 requires that in order to properly assess and determine the issues before it, the Panel must engage in a comparative analysis of terms and conditions of employment with “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.”

### A. The PBA’s Position

It is the PBA’s position that when considering its proposals, the Panel should look to other police departments in Ardsley, Hastings-on-Hudson and Irvington. In support of their position, the PBA notes that in an Interest Arbitration Award issued by Public Panel Member and Chairman Ben Falcigno dated December 14, 1998, the panel determined that the appropriate comparables for Dobbs Ferry were the “close riverfront comparison units of Irvington and Ardsley.” (See PBA Exhibit B, page 8) The PBA notes that the Village does not dispute this listing of comparables, but as discussed below, proposes creating a broader picture inclusive of more Westchester County Police Departments. The PBA disagrees with the Village’s proposed additions, noting that Ardsley, Hastings and Irvington are “remarkably similar” to Dobbs Ferry in that the relative population of each community is similar, the median household income of each community is similar, each is geographically located along the Hudson River south of the Tappan Zee Bridge and have developed an identity as River Towns of Westchester County. In addition, the PBA notes that the relative size of the Police Departments for each proposed comparable is similar as well – Ardsley with 18 Officers, Hastings with 20 Officers, Irvington with 22 Officers, and Dobbs Ferry with 25 Officers.

### B. The Village’s Position

It is the Village’s position that in addition to those comparable communities suggested by the PBA, Hastings, Irvington and Ardsley, a more complete comparison should include other surrounding Hudson River communities including the Villages of Sleepy Hollow, Tarrytown and

all other villages incorporated within the Town of Greenburgh, including the Village of Elmsford. The Village notes that all such communities are relatively equal in size and are located in the same geographical area. In addition, the Village notes that the Village of Sleepy Hollow is contiguous to the Village of Tarrytown and is also located on the Hudson River. Indeed, the Village notes, there is no reason to “cherry-pick” only the wealthier communities to the exclusion of those other noted communities that are part of the Town of Greenburgh.

### **DISCUSSION – COMPARABILITY**

A review of the bargaining history between the parties to this impasse is revealing. In this regard, in the interest arbitration award between the Village and the PBA covering the period June 1, 1997 through May 31, 1999, (See PBA Exhibit B), while not engaging in an extensive discussion over the issue of comparable communities, the Panel made it clear that for external comparison purposes, it was looking at the “close riverfront comparison units of Irvington and Ardsley.” In this regard, the Panel chaired by Arbitrator Falcigno noted in relevant part:

The extensive data presented by the parties during the hearing demonstrated that for most union proposals, there could be found some comparison police unit or units that enjoy a provision similar, identical to, or even greater than that being sought by the union in Dobbs Ferry for that item. . . . That percentage increase is comparable to or slightly higher than the increases negotiated in the close “riverfront” comparison units of Irvington and Ardsley.” (Id. at pages 7-8).

Since there is no evidence in the record that conclusively demonstrates that circumstances in Dobbs Ferry specifically and Westchester County generally have changed warranting a relook at comparables to the Village of Dobbs Ferry, the Panel finds and concludes that the list of “external” comparable communities to the Village of Dobbs Ferry will include the “riverfront” communities of Hastings, Ardsley and Irvington. In addition, it is both logical and rational to include those other Police Departments that are also encompassed within the Town of Greenburgh including the Village of Sleepy Hollow, Village of Tarrytown and the Village of Elmsford.

In addition to the listing of “external” comparables noted above, and as discussed in greater detail below, the Village urges that the Panel must also consider “other employees generally in

public and private employment in comparable communities” including but not limited to the contributions, benefits and terms and conditions of employment set forth in the Village of Dobbs Ferry Teachers’ and Teamsters’ Collective Bargaining Agreements. (N.Y. Civ. Serv. Law § 209.4). The Village urges that consideration of these CBAs will provide a more complete picture of the community of the Village. The Panel Chair agrees that these Agreements reflect the nature of the Community at large and must therefore be considered.

## **CRITERIA 2 - PECULIARITIES OF THE POLICE PROFESSION**

While the parties may be at odds on a number of issues, they both agree and accordingly there is no dispute that the police profession is a unique one, and consequently, there are no real comparisons that can be made in terms of work duties or responsibilities 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.

## **CRITERIA 3 – ABILITY TO PAY**

### **A. The PBA’s Position**

It is the PBA’s position that the Village has the ability to pay for its proposals. In this regard, the PBA produced Kevin Decker of Decker Economics as its expert witness on the issue of Village economics. It is the PBA’s position that Mr. Decker’s analysis was comprehensive and largely uncontested by the Village in that the Village has not suggested that it does not have the ability to fund the salary increases sought by the PBA, just that it chooses not to.

Mr. Decker testified that while there are a number of Village funds from which Dobbs Ferry budgets its expenses, the “General Fund” represents the primary operating fund and thus accounts for the greater percentage of the Village’s economic resources. Significantly, the General Fund is the fund from which PBA salaries are taken. The General Fund’s primary sources of revenue are the Village’s Sales and Use Tax and Real Property Tax. For the years

2008 through 2012, the PBA notes that the Village has maintained the following year-end unreserved fund balances: \$4,010,758.00 (2008), \$3,604,209.00 (2009), \$3,426,743.00 (2010), \$3,483,021.00 (2011), and \$3,874,528.00 (2012). However, the PBA notes that the Village has a history of conservative budgeting that is, budgeting more than is required to guard against shortfalls. Therefore, the PBA notes, in the last 5 year period, the Village has collected more revenue than it has budgeted for and in the process, has managed to keep its overall tax levy at an annual rate of 1.82% which means that the Village has not raised its tax levy by more than the price of inflation. Moreover, the PBA adds, the Village has been assessing homes at 2 1/2% to 3 1/2% rather than the taxable full value and as a result, the PBA notes that the Village is intentionally suppressing its tax revenue by not assessing its property at 100% of full market value. Making matters even more interesting, the PBA notes that Dobbs Ferry has the lowest tax levy of four of the comparable Villages inclusive of itself and Irvington, Hastings and Ardsley. In addition, the PBA notes that in 2010 the Department underspent its Personal Services Spending Budget by \$88,452.00 and in 2011-2012, the Department underspent its budget by \$161,196.00. Accordingly, the PBA notes, in the two years under consideration for this Award, the Village budgeted but did not spend \$249,648.00, the equivalent of a 6% raise for PBA members. Similarly, the \$161,196.00 budgeted for the Department and not spent in 2011-12 represents the equivalent of a 4% raise for PBA members.

Based on the foregoing, the PBA notes that Mr. Decker opined that the Village is in good financial shape and certainly has the ability to pay for the PBA's proposed increases.

#### B. The Village's Position

It is the Village's position that this Panel must consider the Village's limited ability to pay for the PBA's demands. The Village offers the following in support of this position.

First, the Village notes that it operates "[i]n a restrictive world created by New York State's Tax Cap legislation" and there is an uncertainty as to how the Tax Cap will affect municipalities like Dobbs Ferry now and in the future. Left with this uncertainty, the Village notes that it has adopted a fiscally conservative but responsible budget approach which has never exceeded the

Tax Cap. Given the current rate of inflation at 1.66%, together with the fact that municipal property tax levies cannot exceed 2% or the cost of living, whichever is lower, the current tax levy for the Village is set at 1.66%. Thus the Village notes, any hope for a retroactive salary increase has been dashed by the consequences of this tax cap together with the fact that the Village has not set aside any monies for police raises in the years at issue. In addition, the Village notes that “to complicate the problem, the Village has a large population of renters, 38.6%, thereby leaving a relatively small group of property owners to shoulder most of the burden associated with the \$2 million increase.

Next, the Village maintains that the “unprecedented economic crisis” has left Village residents with the hope that there might be some relief from the current tax rate, and more importantly, that there will be no increase in the current tax rate. This point is important the Village notes, given the fact that over the past 10 years, Village residents have had imposed upon them an average tax increase of 5.2% per year, or 52.06% (non-compounded) over the same time period. Moreover, since the Village relies primarily on the revenues collected from property taxes to fund the bulk of Village services, it should be noted that since 2007, property taxes collected by the Village has increased by nearly \$2 million.

Next, the Village maintains that given the current economic climate, it is crucial that it maintain a stable fund balance or rainy day fund. This fact is all the more important given that the Village has run an overall deficit over the past 5 years and to balance its budget in light of those deficits the Village draws from its reserves (fund balance). In the two years preceding the instant award, the Village has a cumulative deficit of \$1,229,186. The Village notes that while it has always tried to maintain a healthy fund balance, current economic conditions have resulted in a reduction of the Village’s balance of \$1 million, or 35.7% since 2007. Based on the advice of the Village’s financial advisor and the recommendation of Moody’s, in 2011 the Village passed a fund balance policy which requires the maintenance of a fund balance between 10% and 15%. At the current level of 11%, the Village notes that its fund balance is at the lower end of this recommendation. Given this stark reality, the Village asserts that awarding the salary increases sought by the PBA will surely put the Village at risk of eviscerating its financial reserves.

Next, the Village notes that “exploding pension costs” together with staggering increases in health insurance premium costs have had a dramatic negative impact on the Village’s budget as well as the Village taxpayers who must shoulder the burden for such increases. With respect to pension cost increases, the Village notes that Village contributions to the NYS Police and Fire Retirement Systems accounted for 63% of the Village’s overall total retirement contribution for all Village employees in 2010, 54% in 2011 and 58% in 2012. Moreover, the Village adds, it is anticipated that costs for the Retirement system will increase by approximately 25.1% in the next year, a staggering increase given that for 2013, the rates rose by approximately 28%. With respect to health insurance increases, the Village notes that between 2003 and 2012, the annual premiums for a Family Plan nearly doubled, from \$11,097 per year in 2004, to \$20,238 per year in 2013, for an increase of \$9,141 or 82%. When considering these staggering increases, the Village notes that one must remember that it is responsible for active employees as well as retirees. In this regard, the Village notes that it currently has more retired officers on the health insurance rolls than it does active members. Moreover, the Village adds, there is no forecast that health insurance costs will not rise significantly in future years.

Next, the Village notes that the household income of the average Village resident is below that earned by a Village Police Officer by a significant amount. In addition, the Village notes that declining Village revenues consisting primarily of mortgage and sales tax revenues have decreased or have fallen below the anticipated budgeted amounts during the two years that incorporate the Award in this matter. This decrease in revenues has caused the Village to rely more upon its unreserved fund balance in order to balance its yearly budgets. Making matters worse the Village notes that the current Tax Cap places even more of a burden on the Village Budget.

Finally, the Village notes that the total assessed valuation of homes in the Village peaked in 2007 and have been on a significant decline ever since. Therefore, the Village notes, a decrease in the total taxable value will likely result in an increase in the tax rate in order to maintain the same amount of property tax revenue the Village received in the prior years. However, the Village adds, Village residents should not be burdened with any more property taxes in order to pay for the PBA’s demands.

Given the foregoing, the Village asserts that it is unfathomable to expect taxpayers to pay more for police services. Moreover, the Village adds, there is no evidence demonstrating that the average taxpayer could afford to pay more.

### **DISCUSSION – ABILITY TO PAY**

As we view the economic climate in New York State, there is no doubt that the Village's ability to pay has been negatively impacted as a result of the economic downturn experienced throughout New York State and the United States. Declining revenue sources coupled with increasing governmental mandates, the increase in health insurance premiums and contributions to the pension system together with the property tax cap have had a negative effect on the Village's ability in this regard. However, for purposes of telling the full and neutral story regarding the Village's financial condition, Moody's represents that source. In Moody's February 2012 (most recent) analysis of the Village's financial condition, Moody's concluded in relevant part:

Moody's Investors Service has assigned a Aa2 rating<sup>3</sup> to the Village of Dobbs Ferry's (NY) \$1.34 million General Obligation Bonds, Series of 2012. The proceeds of the bonds will be used to finance a variety of projects including police and other public safety equipment, a fire alarm system, road resurfacing, and others. . . .The Aa2 rating incorporates the [Village's] well-managed financial operations with consistent and conservative budgeting, a mature tax base with above average income levels, and a manageable debt burden. . . . Effective January 1, 2012, all local governments in New York State are subject to a property tax cap which limits levy increases to 2% or the rate of inflation, whichever is lower.

Moody's continues:

[t]he 1.6 billion tax base is mostly residential with strong income levels. Both assessed and full values have fallen in recent years, with five-year average declines of 0.5% and 1.5% respectively. Moody's does not expect significant growth in the tax base in the near term, given that the Village is largely built out. Per capita and median family incomes are 150% and 180.2% of the state and full value per capita is \$149,341.

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<sup>3</sup> The Village's "debt is considered high grade, high quality and is the 3<sup>rd</sup> best rating available from Moody's (out of 21)." (See Decker Economics Report, PBA Exhibit 1A, at Exhibit R)

Moody's notes further that the Village has a manageable debt position, and while a sustained strengthening tax base could improve the Village's overall rating, a depletion of Village reserves and a continued tax base decline could have a negative impact on the Village's rating.

However, all is not doom and gloom with regard to the Village's financial picture. In this regard, Mr. Decker observed that "[t]here is a new development occurring in Dobbs Ferry as evidenced by the 1.15% tax base growth factor included in the Village's FY 2013-14 Tax Levy Limit calculation. This is the 3<sup>rd</sup> largest growth factor of any Village in Westchester County." (Id.) In addition, Mr. Decker noted, and it remains undisputed, that according to the Village's tax levy cap calculations, the Village was \$64,091 below the tax levy limit allowed for FY 2012-13, and \$173,333 below the allowable tax levy limit for FY 2013-14. (Id.)

With the forgoing discussion in mind, noting that a 1% on total salary driven pay equates to \$29,557 for FY 2010-11 and \$28,825 for FY 2011-12 (\$40,135 and \$39,142 respectively when considering roll-ups for FICA, NYS Pension and MTA Mobility Tax), it is apparent to the Chair of this Panel that the Village can comfortably afford a fair and equitable increase for each of the two years at issue. Thus, we are left with a determination as to what "fair and equitable" equate to in this matter.

First, as to comparables, Village Police Officers fare well, second out of the seven comparable Villages, just behind Hastings-on-Hudson:

<u>Comparable Community</u>	<u>Top Grade Salary as of January 2010</u>
Village of Hastings-on-Hudson	\$93,165
<b>Village of Dobbs Ferry</b>	<b>\$91,162</b>
Village of Ardsley	\$90,554
Village of Irvington	\$89,169
Village of Tarrytown	\$88,756
Village of Sleepy Hollow	\$88,506
Village of Elmsford	\$87,089

In this same general regard, these same comparable communities received the following increases for the two years at issue:

<u>Comparable Community</u>	<u>2010 Percentage Base Salary Increase</u>	<u>2011 Percentage Base Salary Increase</u>
<b>Village of Dobbs Ferry</b>	<b>4% (proposed)</b>	<b>4% (proposed)</b>
Village of Tarrytown <sup>4</sup>	3.85%	4%
Village of Elmsford	3.5% + \$1,000	2.5%
Village of Ardsley	2.95%	2.95%
Village of Irvington	2.25%	3%
Village of Sleepy Hollow	2.5%	2.9%
Village of Hastings-on-Hudson	2%	3%

Also factoring into what is “fair and equitable” for Village Police Officers is what other bargaining units in the Community have agreed upon in a manner consistent with Section 209.4(c)(v) of the Act. In this regard, the Dobbs Ferry United Teachers agreed to a “hard freeze” for 2013-14 and a 1.5% increase plus step for 2014-15. Therefore, if the Teachers’ incremental value is equivalent to 2%, the Dobbs Ferry United Teachers average increase for the two years in question equates to 1.75%. Granted that Teachers do not perform the type of services Village Police Officers perform, but this point notwithstanding, Section 209.4(c)(5) requires that the Panel consider such increases none-the-less. In addition, the Department of Public Works employees are the other unionized employee unit in the Village. Those employees, represented by IBT (“Teamsters”) Local 456 negotiated with the Village salary increases for the years of this Award as follows: Effective 6/1/10: 2% and effective 6/1/11: 2%

Taking the foregoing factors into consideration, the Panel is of the opinion that an increase of 2.75% for the first year of this Award (6/1/10-5/31/11), and a 2.50% increase for the second year (6/1/11-5/31/12) represent a fair and equitable increase, one that the Village can afford. Moreover, as discussed in greater detail below, the Panel is of the opinion that such increases be fully retroactive.

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<sup>4</sup> An Interest Arbitration Award was recently issued that dismissed the Tarrytown PBA’s request for a 3.95% raise as “not warranted” and instead Awarded unit members a base salary increase of 2.6% in 2012 and 2.6% in 2013.



### 3. LONGEVITY

Each party to this proceeding is seeking a change in the Longevity Article (Article VI). The Village proposes that longevity payments be payable within 2 payroll periods after the anniversary date of the employment that completes the required years of service for each specific step. For their part, the PBA is seeking an increase to the current longevity in the amount of \$250 for each of the two years of this Award. In addition, the PBA is seeking to eliminate the 5<sup>th</sup> step such that PBA members reach the maximum longevity payment after 20 consecutive years of service. Therefore, the PBA seeks a reformulated longevity schedule that looks as follows:

<u>Years of Service</u>	<u>2010</u>	<u>2011</u>
After five (5) years: from \$1,750 to	\$2,000	\$2,250
After ten (10) years: from \$2,000 to	\$2,250	\$2,500
After fifteen (15) years: from \$2,500 to	\$2,750	\$3,000
After twenty (20) years: from \$3,000 to	\$3,250	\$3,500

Looking at the current longevity schedule, it is apparent that PBA Unit Members fare very well among the comparable Villages placing them at or very near the top of such comparables as noted in the following chart:

<u>Comparable Communities</u>	<u>Longevity Payments</u>		
<b>Village of Dobbs Ferry</b>	<b>June 1, 2007 – May 31, 2010:</b>		
	<b>After 5 yrs: \$1,500</b>		
	<b>After 10 yrs: \$1,750</b>		
	<b>After 15 yrs: \$2,000</b>		
	<b>After 20 yrs: \$2,500</b>		
	<b>After 25 yrs: \$3,000</b>		
<b>Village of Sleepy Hollow</b>	<b>Years of Service</b>	<b>June 1, 2009- May 31, 2012</b>	<b>June 1, 2012</b>
	After 5	\$950	\$975
	After 8	\$1,325	\$1,350

	After 11	\$1,700	\$1,750
	After 14	\$2,075	\$2,125
	After 17	\$2,450	\$2,525

Village of Tarrytown	June 1, 2008 – May 31, 2012  After 5 yrs.: \$1,678 After 10 yrs.: \$1,917 After 15 yrs.: \$2,157 After 20 yrs.: \$2,396
Village of Irvington	June 1, 2009 – May 31, 2014  After 7 yrs: .75% of Base Wages After 11 yrs: 1% of Base Wages After 15 yrs: 2% of Base Wages
Village of Elmsford	June 1, 2008 – May 31, 2011  EEs hired on or before May 31, 2008:  After 7 yrs: 0.5% of base salary After 11 yrs: 1% of base salary After 15 yrs: 1.5% of base salary After 20 yrs: 2% of base salary  EEs hired on or after May 31, 2008: After 5 yrs: \$681 After 10 yrs: \$909 After 15 yrs: \$1,363 After 20 yrs: \$1,817
Village of Hastings-on-Hudson	June 1, 2009 – May 31, 2013:  After 5 yrs: \$880 After 10 yrs: \$1,030 After 15 yrs: \$1,280 After 20 yrs: \$1,380
Village of Ardsley	June 1, 2010 – May 31, 2017:  EEs receive the following Longevity payments, up to a maximum of 3 years prior to retirement if they have 17 years of service: 3 years prior to retirement: 6% of the





annual premium for the Employee and dependents, if any. Such payment shall be made in the payroll period following the completion of each one (1) full year period the employee does not participate in the Health Insurance Plan provided by the Village.

To be eligible for the payment, the Employee must provide the Village with written proof of coverage from another source prior to withdrawal.

In addition, the Village seeks the deletion of Section 4 regarding HMOs.

### **Position of the Parties on the Village's Health Insurance Proposal**

#### **A. The Village's Position**

It is the Village's position that whereas it has no control over the dramatically increasing health insurance premiums that apply for both active as well as retired PBA Officers, the only avenue it has to obtain some relief from the spiraling costs is through health insurance contributions. The Village notes that between 2003 and 2012, the annual premium for the Family Plan has nearly doubled from \$11,097 in 2004 to \$20,238 in 2013 for an increase of \$9,141 or 82%. And there is no sign of relief from spiraling increases any time in the future the Village adds. In real dollars, the Village notes that currently, PBA members who do contribute 1% of their base salary only contribute approximately \$911 per year which equates to a 4.5% contribution. In furtherance of their position, the Village notes that Police Officers in comparable communities pay more than their counterparts in Dobbs Ferry, up to 25% of the premiums for employees hired after March 14, 1994 until they reach top grade, after which the contribution falls to 1% of their base salary (Tarrytown).

In addition to active PBA members, the Village seeks some relief from retirees. In this regard, the Village notes that it currently pays 100% of the premium for all retirees, and that the Village currently has more retired Police Officers on its health insurance rolls than it has active unit members, and the majority of those retirees opt for family coverage. Moreover, given the ability to retire after 20 years of Police service, the Village notes that it is indeed possible for the

Village to carry Police retirees on its health insurance rolls for 30 to 40 years. This is an incredible burden on Village taxpayers the Village adds.

Finally, with respect to the Village's proposed buy-out proposal, the Village notes that inclusion of such a provision is beneficial to both the PBA as well as the Village since PBA Unit Members will be eligible to receive a cash payment for electing alternative health insurance coverage such as through a spouse while the Village saves on health insurance premiums.

#### B. The PBA's Position

It is the PBA's position that the Village's proposed 25% contribution rate be rejected since it is inconsistent with what comparable communities paid for 2010 and 2011. In this regard, Officers in two such communities contributed nothing (Irvington and Ardsley) and currently, Irvington Officers pay \$ 400 for individual coverage and \$ 700 for family coverage. Moreover, the PBA adds, this Village proposal "is precisely the same demand made by the Village and rejected by the panel in 1998 and again in 1988." More importantly, the PBA notes, the "handshake agreement" the PBA reached with the Village which permitted the Village to change from POMCO to the NYSHIP/Empire plan saved the Village a substantial sum of money of approximately \$1 million dollars, to which the PBA was led to believe that the "payback" from the Village would be a fair and equitable new CBA. It is apparent, the PBA notes, that the Village never had any intention of honoring their agreement.

In addressing the Village's proposal regarding retirees, the PBA notes that a review of the comparable Departments establishes that no river Town requires its retirees to contribute toward their health insurance coverage. In Ardsley, the PBA notes that while the Village contributes 100% of the premium costs for their retirees, it retains the option of continuing such contributions where the retiree secures new employment that provides health insurance coverage at a lesser cost than Dobbs Ferry. Finally, the PBA notes that those Officers who have already retired have done so with the belief and understanding that they will receive fully funded health care benefits for life. Since these retirees are, for the most part, on a fixed income, a 25%

contribution at this stage of their lives is unwarranted, particularly given the strong financial condition of the Village of Dobbs Ferry.

**DISCUSSION ON HEALTH INSURANCE**

There is no doubt that health care costs have increased dramatically over time and that as a result, negotiations over this issue has become difficult and contentious, creating an impasse in numerous negotiations. Moreover, as we venture into the formative years of the Affordable Health Care Act, there is no reason to believe that significant health care cost increases will curtail any time soon. As a result, it is both significant and noteworthy that non-Police employees both represented as well as non-represented have come to grips with the stark reality that it is time for employees to share in the costs associated and attributed to health insurance. The contributions in other communities are as follows:

<u>Comparable Community</u>	<u>Active Employee Health Insurance Contribution</u>
Village of Elmsford	<ul style="list-style-type: none"> <li>• EEs hired on or after June 1, 2006 contribute 5% for first 10 yrs. of employment</li> <li>• EEs hired on or after June 1, 2007 contribute 10% for first 10 yrs. of employment</li> <li>• EEs hired on or after June 1, 2008 shall contribute 10% of their premiums</li> </ul>
Village of Tarrytown	<ul style="list-style-type: none"> <li>• EEs hired after March 14, 1994 pay 25% of their premiums until they reach top grade, then they pay 1% of their base salary</li> <li>• EEs hired after June 1, 2008 pay 25% of their premiums for the first 4 yrs. of service, then they pay 1.5% of their base salary</li> </ul>

Village of Ardsley	Year	Individual	Family
	6/1/2012	.5% of base salary	1% of base salary
	6/1/2013	.625% of base salary	1.25% of base salary
	6/1/2014	.75% of base salary	1.5% of base salary
	6/1/2015	.875% of base salary	1.75% of base salary
	6/1/2016	1% of base salary	2% of base salary

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Village of Irvington	<ul style="list-style-type: none"> <li>• EEs hired after August 1, 2011 shall contribute 2% of their base wages up to a maximum of \$2,100 per yr for the first 10 yrs. of employment</li> </ul>
Village of Dobbs Ferry	<ul style="list-style-type: none"> <li>• <b>EEs hired after January 1, 1982 contribute 1% of their base salary until they complete 20 years</b></li> </ul>
Village of Hastings-on-Hudson	<ul style="list-style-type: none"> <li>• EEs hired prior to June 1, 1998: Village pays 100%</li> <li>• EEs hired on or after June 1, 1998 pay \$400 for single officers and \$700 for married officers</li> </ul>

While it is true, as reflected in the foregoing chart, that other active Police Officers in comparable communities pay more for their health insurance benefit than do their counterparts in Dobbs Ferry, the fact remains that when the current active complement of Police Officers signed onto employment with the Village of Dobbs Ferry, they did so knowing that their contribution rate for health insurance coverage would be 1% of their base salary for the first 20 years of their employment with the Village, after which time the Village would pay 100% of the premium costs. Thus, they knew that as their salaries increased, so did their contribution rates. This fact must be taken into consideration when determining what a just and fair contribution rate should be for active Officers. However, there is no reason why future new hires cannot contribute a sum toward their health insurance benefit that is more in line with the comparable communities.

With respect to the Village's proposal for retirees, notwithstanding the fact that other active Police Officers in comparable communities contribute more to their health insurance benefit, the fact remains that for retirees, the standard among comparable communities reflects that the Employer funds the entirety of this benefit. Putting aside the legalities of altering the contribution rate for current retirees, the fact remains that just as the active employees understood what their contribution rate and health insurance benefit would be at the time they agreed to become part of this Police Department, so too did those officers understand that so long as they met the eligibility criteria for health insurance upon their retirement from the Department, that the Village would fully fund this benefit. While the Panel agrees that the costs associated with this benefit have indeed skyrocketed over time, it is both unnecessary and unfair to ask retirees to begin contributing to their health care program. Moreover, it is important to note that under the current NYSHIP/Empire Plan, once a retiree reaches Medicare eligibility, Medicare Part B contributions are required, Medicare becomes the primary plan for the retiree,





A. The Village shall pay to the Association, for each employee, for a mutually agreed upon Dental Plan, as follows:

Individual	\$50/month
Family	\$75/month

The Association seeks an increase of each of the foregoing by \$25.

For the Welfare Trust Fund, the PBA seeks to increase the Village's monthly contribution at its current amount by \$25.

Accordingly, the Panel **AWARDS** the following changes to Article XV-Welfare Benefits and Welfare Trust:

Amend Section (6) paragraph (A) Dental Plan as follows: Upon execution of this Award, the Village shall increase its contribution to the Dental Plan to the following total monthly amounts:

Individual:	\$75/month
Family:	\$100/month

<u>X</u>	_____	<u>ERNEST R. STOLZER, ESQ.</u>	<u>11/13/14</u>
CONCUR	DISSENT	EMPLOYER PANEL MEMBER	DATE
<u>X</u>	_____	<u>THOMAS J. TROETTI, ESQ.</u>	<u>12/01/14</u>
CONCUR	DISSENT	EMPLOYEE PANEL MEMBER	DATE

Effective June 1, 2011, the Village shall increase its current contribution to the Welfare Trust Fund by \$25.00 per month.

<u>X</u>	_____	<u>ERNEST R. STOLZER, ESQ.</u>	<u>11/13/14</u>
CONCUR	DISSENT	EMPLOYER PANEL MEMBER	DATE
<u>X</u>	_____	<u>THOMAS J. TROETTI, ESQ.</u>	<u>12/01/14</u>
CONCUR	DISSENT	EMPLOYEE PANEL MEMBER	DATE

**6. ARTICLE XXIV, GRIEVANCE & ARBITRATION**

Article XXIV, Section 5 of the CBA provides, in relevant part, that the parties shall use one of three named Arbitrators. The Village proposes deleting the list of Arbitrators and to amend Section 5 to read as follows:

The Arbitrator shall be selected pursuant to the Voluntary Labor Arbitration Rules of the American Arbitration Association.

The Village urges adoption of its proposal as a means of achieving a fair and equitable process for both sides and as a means of alleviating Arbitrator availability issues that might arise due to the fact that as the language currently stands, the parties are limited to selecting one of three named individuals. The PBA has not voiced strong objection to the Village's proposal.

Accordingly, the Panel **AWARDS** the following changes to Article XXIV-Grievance and Arbitration: Delete the current Section (5) and replace with the following language:

The Arbitrator shall be selected pursuant to the Voluntary Labor Arbitration Rules of the American Arbitration Association.

<u>X</u> CONCUR	DISSENT	 ERNEST R. STOLZER, ESQ. EMPLOYER PANEL MEMBER	<u>11/13/14</u> DATE
<u>X</u> CONCUR	DISSENT	 THOMAS J. TROETTI, ESQ. EMPLOYEE PANEL MEMBER	<u>12/6/14</u> DATE

**7. VILLAGE PROPOSAL ON BI-WEEKLY PAY**

The Village proposes the addition of a new provision to Article IV, Base Wages, to read as follows:

Employees shall be paid twice each month.

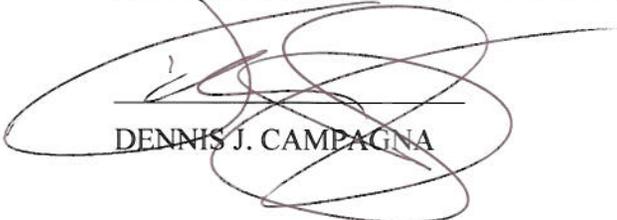


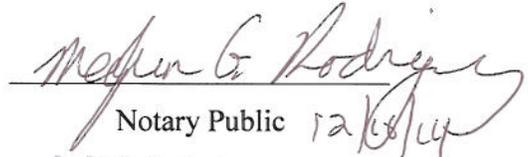




STATE OF NEW YORK)  
COUNTY OF ~~WESTCHESTER~~ ss.: *Dutchess*

On this 10 day of ~~October~~ <sup>*December*</sup>, 2014 before me personally came and appeared Dennis J. Campagna, Esq., 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.

  
\_\_\_\_\_  
DENNIS J. CAMPAGNA

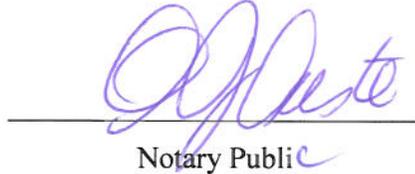
  
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Notary Public *12/10/14*

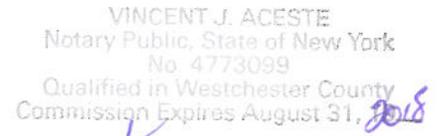


STATE OF NEW YORK)  
COUNTY OF Westchester) ss.:

On this 1 day of ~~October~~ <sup>*December*</sup>, 2014 before me personally came and appeared Thomas J. Troetti, 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.

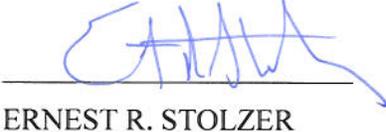
  
\_\_\_\_\_  
THOMAS J. TROETTI

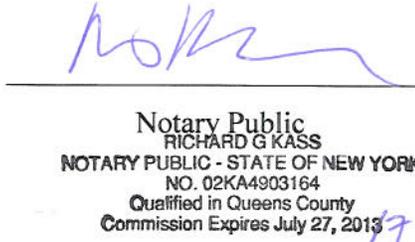
  
\_\_\_\_\_  
Notary Public



STATE OF NEW YORK)  
COUNTY OF NEW YORK) ss.:

On this 13 day of ~~October~~ <sup>*NOV.*</sup>, 2014 before me personally came and appeared Earnest R. Stolzer, 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.

  
\_\_\_\_\_  
ERNEST R. STOLZER

  
\_\_\_\_\_  
Notary Public  
RICHARD G. KASS  
NOTARY PUBLIC - STATE OF NEW YORK  
NO. 02KA4903164  
Qualified in Queens County  
Commission Expires July 27, 2013 *17*