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Liverpool Central School District and Liverpool Association of Middle Managers

Murry F. Solomon
Fact Finder

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Liverpool Central School District and Liverpool Association of Middle Managers

Abstract

Keywords
New York State, PERB, fact finding
STATE OF NEW YORK
PUBLIC EMPLOYMENT RELATIONS BOARD

In the Matter Of Fact-Finding Between:

LIVERPOOL CENTRAL SCHOOL DISTRICT

and

LIVERPOOL ASSOCIATION OF MIDDLE MANAGERS

PERB CASE NO. M2010-362

_________________________________________
_________________________________________

BACKGROUND

The Liverpool Central School District (hereinafter the “District”) and the Liverpool Association of Middle Managers (hereinafter the “Association”) are parties to a collective bargaining agreement (hereinafter the “CBA”) that expired on June 30, 2010. According to the Declaration of Impasse, the Association represents about twenty non-teaching (civil service) supervisors. Article II Recognition of the CBA defines the job titles that are included in the collective bargaining unit as follows:

Accountant 1
Assistant School Lunch Director
Assistant Transportation Ctr Dir
Auto Mechanic Crew Leader
Custodial Supervisor
Custodian III
Dir School Security/Safety
Energy Management Supervisor
Information Systems Coordinator
LAN Tech Support Specialist
Maintenance Supervisor
Safety Officer
School Bus Dispatcher
School Purchasing Officer
Software Support Specialist

In the last negotiated settlement that was for the 2009-10 school year only, Association bargaining unit members received a three and seventy-five one hundredths percent (3.75%)
salary increase with the understanding that the District would no longer make a one and twenty-five hundredths percent (1.25%) contribution to their IRS section 403(b) account. In effort to negotiate a successor CBA representatives for the District and Association have participated in five bargaining and three mediation sessions. When the foregoing failed to produce a negotiated settlement, Thomas A. Pomidoro, Negotiator for the School Administrators Association of New York State sent a letter dated August 29, 2011 to Mr. Richard A. Curreri, Director of Conciliation for the New York State Public Employment Relations Board (hereinafter the “PERB”) seeking the Appointment of a Fact Finder. By Appointment of Fact Finder dated September 6, 2011, Mr. Curreri appointed the undersigned to service in that position.

On the morning of Wednesday October 5, 2011, the Fact Finder met with Mr. Pomidoro and Mr. Timothy Manning, the District’s Assistant Superintendent for Human Resources. The parties agreed to submit written submissions by post mark dated December 6, 2011¹, in support of their respective positions pertaining to the unresolved issues over wages, payment of unused sick days upon retirement, the District’s contribution rate toward health care insurance premiums and effectuating a change from the current two tier prescription plan (generic/brand name prescriptions) to a new three tier prescription plan (generic/preferred brand name/non-preferred brand name prescriptions). Thereafter, the Fact Finder would issue his written report containing recommendations for settlement of the unresolved issues.

¹ The submission date was subsequently mutually changed/deferred to January 6, 2012
UNRESOLVED ISSUE 1 – WAGES

THE DISTRICT’S POSITION

The District submits and the Association does not actually dispute that the District is experiencing “substantial, sustained budgetary constraints”, including unprecedented reductions in both State and Federal Aid and the effects of the newly enacted property tax cap legislation that is effective in the 2012-13 school year. Notwithstanding, the District is attempting to maintain its relatively large staff while offering superior salaries as compared to corresponding jobs in comparable local area central school districts. The financial burden is further compounded by significantly escalating expenditures for the New York State Employees’ Retirement System and the District’s health care insurance program.

Under the terms of the most recently expired CBA (July 1, 2009 thru June 30, 2010) bargaining unit members were the beneficiaries of a three and seventy-five hundredths percent (3.75%) salary increase (Article XVII), a two-tier co-payment prescription drug rider ($5.00 generic drugs/$10.00 brand name drugs and mail-order co-payment of $10.00/$20.00) (Article XIII), a group health and major medical care insurance plan with the District contributing ninety percent (90%) of the premium for individual coverage or eighty-five percent (85%) of the premium for dependent coverage (Article XIII), a separation stipend (Article XIV) and favorable paid leaves of absence (Article XII). Ergo “[i]t is the position of the District that the Fact-Finder should recognize the reality of these opposing forces, reduction in revenues and escalating costs, and support proposed concessions in future collective bargaining agreements. The Fact Finder should find the District cannot afford legacy provisions of the current contract and that, even with

2 Comparable in student enrollment and annual budgets: West Genesee CSD, Fayetteville CSD and East Syracuse Minoa CSD
the proposed concessions, the [Association] unit continues to be “well positioned” relative to middle management employed by comparable school districts.”

In regard to reduction in revenues, which includes recent legislation capping real property tax increases without relief of expensive unfunded mandates, the District’s “Financials” are displayed as follows:

<table>
<thead>
<tr>
<th>School Year</th>
<th>General Fund Budget</th>
<th>Dollar Increase or Decrease</th>
<th>State &amp; Outside Aid</th>
<th>State &amp; Outside Aid as a Percentage of the General Fund Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>$132,981,924</td>
<td></td>
<td>$58,699,446</td>
<td>44.1%</td>
</tr>
<tr>
<td>2009-10</td>
<td>132,936,007</td>
<td>-$45,917</td>
<td>58,979,228</td>
<td>44.4%</td>
</tr>
<tr>
<td>2010-11</td>
<td>131,277,809</td>
<td>-1,658,198</td>
<td>55,453,282</td>
<td>42.2%</td>
</tr>
<tr>
<td>2011-12</td>
<td>132,966,686</td>
<td>+1,688,877</td>
<td>55,453,282</td>
<td>41.7%</td>
</tr>
</tbody>
</table>

Based upon the foregoing, the District points out that from the 2008-09 school year to the 2011-12 school year its General Fund budget has not grown but actually decreased by fifteen thousand two hundred thirty-eight dollars ($15,238) while at the same time the District has received less State and Outside Aid. Moreover, the District will also experience the loss of two million eight hundred twenty-three thousand seven hundred ninety-one dollars ($2,823,791) when the “one-time” only Federal Education Jobs Bill expires and the loss of two million nine hundred fifty-five thousand three hundred seventy-one dollars ($2,955,371) when the “one-time” only BOCES Aid for local technology purchases expires in the 2012-13 school year.

Apparently in an effort to avoid larger local property tax increases, the District has applied fund balances and reserves of three million six hundred sixty-three thousand four hundred dollars ($3,663,400) in support of the 2011-12 General Fund Budget. As a result, of this and the use of previous fund balances and reserves, District analysis suggests “a greatly reduced capacity” to use
such fund balance and reserves in support of future General Fund Budgets. “Consequently” argues the District, “[it] is facing a projected $10,143,810 (deficit) between the projected revenues and projected appropriations for the 2012-13 budget. The gap is simply unmanageable without concessions from all bargaining units.” A citation has been omitted.

Notwithstanding the District’s revenue problems, it has and continues by comparison to provide above average salaries to its mid-level managers. A break out of this comparison for the 2011-12 school year is set forward as follows:

<table>
<thead>
<tr>
<th>School District</th>
<th>Salary Range Of Mid-Level Managers</th>
<th>Average Salary Of Mid-Level Managers</th>
<th>Number of Mid-Level Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Genesee CSD</td>
<td>$40,245 to $78,508</td>
<td>$56,969</td>
<td>6</td>
</tr>
<tr>
<td>Fayetteville-Manlius CSD</td>
<td>$51,202 to $70,000</td>
<td>$58,985</td>
<td>7</td>
</tr>
<tr>
<td>East Syracuse-Minoa CSD</td>
<td>$35,012 to $56,829</td>
<td>$47,956</td>
<td>5</td>
</tr>
<tr>
<td>Liverpool CSD</td>
<td>$44,741 to $83,210</td>
<td>$64,001</td>
<td>19</td>
</tr>
</tbody>
</table>

Additionally, the District notes that the districts reporting have reduced mid-level manager jobs over the past several years and expect to continue such job reductions in the future as a result of projected financial deficits. In light of the foregoing, the Liverpool Central School District maintains that its proposed wage increase of two percent (2%) effective July 1, 2010, two percent (2%) effective July 1, 2011 and no wage increase effective July 1, 2012, is appropriate.

**THE ASSOCIATION’S POSITION**

The Association submits that its proposal for wage increases of two percent (2%) effective July 1, 2010, two percent (2%) effective July 1, 2011, and two percent (2%) effective July 1, 2012, is well justified based upon the wage increases provided to other bargaining unit members.
employed by the District and wage increases provided to mid-level managers employed by comparable surrounding central school districts. In regard to the former internal comparison, the Association provides the following negotiated wage information as follows:

The Association will make an internal salary increase comparison with Liverpool Central School District. There are a total of five (5) Labor Organizations that bargain collectively with the Liverpool Central School District:

Liverpool Administrators Association – LAA
United Liverpool Faculty Association – ULFA
Office Personnel at Liverpool Schools – OPAL
Service Employees International Union – SEIU
Liverpool Association of Middle Managers – LAMM

The contract for all associations expires on June 30, 2012, except for LAMM (Liverpool Middle Managers’ Association), who is currently in negotiations and a party to the Fact Finding.

Liverpool salary settlements:

<table>
<thead>
<tr>
<th></th>
<th>July 1, 2010</th>
<th>July 1, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEIU</td>
<td>3.75%</td>
<td>3.50%</td>
</tr>
<tr>
<td>X LAA</td>
<td>4.00%</td>
<td>3.75%</td>
</tr>
<tr>
<td>X ULFA</td>
<td>2.20%</td>
<td>2.20%</td>
</tr>
<tr>
<td>OPAL</td>
<td>2.20%</td>
<td>2.20%</td>
</tr>
</tbody>
</table>

X = Plus, 1.0% each year for a 403(b) contribution

In regard to the external comparisons, the Association submits the following negotiated information about other area wage settlements provided to mid-level managers employed by comparable surrounding central school districts as follows:

All Districts surrounding Liverpool Central School District and all Districts within Onondaga County during the 2010-2011 school year received a salary increase of at least two percent (2%). During the 2011-2012 school year for Onondaga County School Districts:

<table>
<thead>
<tr>
<th></th>
<th>July 1, 2010</th>
<th>July 1, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baldwinsville Middle Managers</td>
<td>3.75%</td>
<td>3.75%</td>
</tr>
<tr>
<td>East Syracuse Administrators/ Directors</td>
<td>3.75%</td>
<td>In Negotiations</td>
</tr>
</tbody>
</table>
North Syracuse Middle Managers      2.00%     2.00%
Fayetteville-Manlius Middle Managers 2.00%     2.00%

In reviewing the Internal Negotiated Salary Settlements, the Liverpool Middle Managers’ Proposal for a salary increase is below the salary increase negotiated by all other Liverpool Employee Associations.

“Since “ argues the Association……its “proposal is below what the District has negotiated and agreed upon with all other District employees, the Fact Finder must grant the Association’s salary proposal.”
RECOMMENDATION

Both the District and Association have made excellent arguments in support of their respective positions. Most significantly, the District correctly points out that it must somehow cope with a confluence of economic problems relating to less revenue, limits on its taxing authority and yet manage expensive and escalating wage and supplemental benefit (pension and health care insurance) costs. To its credit, the Association recognizes the District’s revenue problems and realizes that today’s unprecedented collective bargaining environment must, within reason, give way to lesser-negotiated wage increases. Ergo, the Association understands that it must be prepared to accept a wage settlement lower than wage settlements that were previously negotiated with other bargaining units during less distressing times.

Taking into consideration the arguments forwarded by the District and the Association, the Fact Finder is persuaded that the District’s wage proposal is at this time, on balance, a fair and appropriate wage settlement. Accordingly I do herewith recommend the following:

<table>
<thead>
<tr>
<th>School Year</th>
<th>Wage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>2% effective July 1, 2010</td>
</tr>
<tr>
<td>2011-12</td>
<td>2% effective July 1, 2011</td>
</tr>
<tr>
<td>2012-13</td>
<td>0% effective July 1, 2012</td>
</tr>
</tbody>
</table>
UNRESOLVED ISSUE 2 – LONGEVITY PAYMENTS

THE DISTRICT’S POSITION

For the reasons previously expressed at pages 3 thru 5, the District opposes any further increases in longevity payments.

THE ASSOCIATION’S POSITION

The Association argues that the current longevity stipend at Article XVII Compensation subsection 17.2 Longevity Stipends that provides annual stipends of six hundred dollars ($600) for those who have completed five (5) years of continuous service and six hundred fifty dollars ($650) for those who have completed ten years of continuous service is less than the longevity payment awarded to other District employees. The Association offers a comparison as follows:

The Association will only make an internal comparison between the five (5) Liverpool Employee Associations for Longevity.

Longevity
Effective July 1, 2010

<table>
<thead>
<tr>
<th>OPAL</th>
<th>ULFA</th>
<th>LAA</th>
<th>ULFA Teaching Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 years</td>
<td>$ 677</td>
<td>$3,047</td>
<td>$ 989.63</td>
</tr>
<tr>
<td>10 years</td>
<td>$1,845</td>
<td>after tenure</td>
<td>$1,350</td>
</tr>
<tr>
<td>15 years</td>
<td>$ 634</td>
<td>------</td>
<td>$ 300</td>
</tr>
<tr>
<td>20 years</td>
<td>$ 495</td>
<td>$1,310</td>
<td>$ 300</td>
</tr>
</tbody>
</table>

Based upon the foregoing, the Association submits that the Fact Finder should recommend that the longevity payment schedule for mid-level managers be adjusted as follows:

Effective July 1, 2010, annual longevity will be paid to managers who have completed five (5) or more years of continuous service since their last date of appointment to a position represented by this bargaining unit as follows:

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5 years</td>
<td>$ 675</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 years</td>
<td>$1,850</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 years</td>
<td>$ 675</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 years</td>
<td>$ 675</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RECOMMENDATION

The Fact Finder is mindful about the District's significant/real budget problems and escalating expenditures for supplemental benefits. As a result, I recommended a significantly lesser wage settlement than previously negotiated with other bargaining units during less distressing times. At the same time, it appears that a modest adjustment in the longevity stipend schedule is on balance, in order. Accordingly, I do herewith recommend that effective July 1, 2012, the longevity stipend after completion of five (5) years of continuous service be modified from six hundred dollars ($600) to six hundred fifty dollars ($650). All other provisions pertaining to the application of the longevity stipend at §17.2 would remain unchanged.
UNRESOLVED ISSUE 3
CONTRIBUTION RATES TOWARD HEALTH CARE INSURANCE PREMIUMS

THE DISTRICT’S POSITION

As it currently stands, the District contributes ninety percent (90%) toward a bargaining unit member’s individual health care insurance premium and eighty-five percent (85%) toward a bargaining unit member’s dependent health care insurance plan. The written submission on behalf of the District shows that the increase costs for this expensive supplemental benefit for the entire Association bargaining unit has risen as follows:

<table>
<thead>
<tr>
<th>School Year</th>
<th>District’s Health Care Insurance Expenditure</th>
<th>Dollar Increase In Expenditure From Previous School Year</th>
<th>Percentage Increase In Expenditure From Previous School Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>$220,902</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>*2011-12</td>
<td>$237,225</td>
<td>$16,323</td>
<td>7.39%</td>
</tr>
</tbody>
</table>

*Estimated projection of cost 2011-12

In addition to the above expenditures, the District also points out that it spent twenty-three thousand two hundred eight dollars ($23,208) for retired bargaining unit members’ health care insurance in the 2009-10 school year and twenty-eight thousand two hundred forty dollars ($28,240) for retired bargaining unit members’ health care insurance in the 2010-11 school year. The foregoing represents an increase of five thousand thirty-two dollars ($5,032) or approaching a twenty-two percent (22%) increase in health insurance expenditures.

Suffice to say, and based upon the foregoing, the District submits that it is fully justified in proposing a five percent (5%) increase in the unit member's contribution to his or her individual or dependent health care insurance premium.
THE ASSOCIATION’S POSITION

In contrast to the District’s position that bargaining unit members contribute an additional five percent (5%) to their individual or dependent health care insurance premiums, the Association opposes any increase in premium payments. In support of that position, the Association makes the point that no other bargaining unit members employed by the District contribute more than its members. The Association’s written submission provides a comparison as follows:

The contract for all other bargaining units representing employees in the Liverpool CSD, expires on June 30, 2011 and no other bargaining unit pays a higher health insurance contribution rate than the Middle Managers.

<table>
<thead>
<tr>
<th>Bargaining Unit</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teachers (ULFA)</td>
<td>Single 5% Family 15%</td>
</tr>
<tr>
<td>Administrators (SAANYS)</td>
<td>Single 10% Family 15%</td>
</tr>
<tr>
<td>Maintenance (SEIU)</td>
<td>Single 10% Family 15%</td>
</tr>
<tr>
<td>Office Personnel (OPALS)</td>
<td>Single 5% Family 15%</td>
</tr>
<tr>
<td>Food Service (HERE)</td>
<td>Single 10% Family 15%</td>
</tr>
<tr>
<td>Middle Managers (SAANYS)</td>
<td>Single 10% Family 15%</td>
</tr>
</tbody>
</table>

In addition to the foregoing internal comparison, the Association also notes that mid-level managers employed in neighboring schools contribute less toward their health care insurance premiums than bargaining unit members employed by the Liverpool Central School District. This comparison is set forward as follows:

<table>
<thead>
<tr>
<th>Location</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Syracuse</td>
<td>Single 5% Family 10%</td>
</tr>
<tr>
<td>Baldwinsville</td>
<td>Single 10% Family 10%</td>
</tr>
<tr>
<td>Jamesville-Dewitt</td>
<td>Single 0% Family 10%</td>
</tr>
</tbody>
</table>

In summary, the Association argues that a five percent (5%) increase in the premium for dependent health care insurance coverage would cost a bargaining unit member with such coverage seven hundred dollar ($700). Thus, an average bargaining unit member who earns sixty-three thousand eight hundred fifty dollars ($63,850) would actually net less than a one
percent (1%) wage increase of five hundred eighty dollars ($580) if the parties agreed to a two percent 2% wage settlement.

“Since” submits the Association, “the Middle Managers Association pays the same as three (3) District bargaining units and more than two (2) District bargaining units, and all five (5) of the District bargaining units received a higher salary increase than proposed by the District for July 1, 2010 and July 1, 2011, the Fact Finder must reject the District proposal to increase the employee contribution by 5%.”
RECOMMENDATION

Taking into consideration the present economic environment, this Fact Finder has recommended a wage increase settlement that is significantly less than the wage settlement previously negotiated with other bargaining unit members employed by the Liverpool Central School District and mid-level managers employed in some of the other local neighboring school districts. Based upon that, this Fact Finder cannot also recommend that Association mid-level managers pay more toward their health care insurance premiums than other bargaining unit members employed by the District. Stated yet another way, since the undersigned recommended a lesser wage increase for mid-level managers, it would seem less reasonable to, at the same time, expect them to also pay more than others toward their health care insurance. That does not mean, however, that the District’s reasoning for a larger contribution is without justification. Rather, it means that at this time, and under the circumstances of this particular recommended settlement, a proposal to increase the mid-level manager contribution rate should be deferred. Accordingly, this Fact Finder recommends that the current health care insurance premium contributions remain unchanged.
UNRESOLVED ISSUE 4
THE PAYMENT FOR SICK DAYS

THE DISTRICT’S POSITION

Inasmuch as the District is confronting significant budget problems and expenditure costs, it opposes the enrichment of any supplemental benefit. Indeed, for the reasons previously expressed, the District is seeking to reduce supplemental benefit expenditures. Ergo, the District is opposed to increasing the payment for unused sick days.

The District argues that its benefits upon entering and in retirement are substantial and expensive. Article XVI Retirement provides a mid-level manager who retires when he/she is first eligible to retire under the terms of the New York State Employees’ Retirement System with a payment of thirty-two thousand five hundred dollars ($32,500). If, however, the mid-level manager continues in employment and thereby is ineligible for the retirement incentive he/she is eligible for the benefit at Article XIV Separation Stipend. Illustrations of the calculation of this benefit are set forward at page 16 of the CBA. As an example, a unit member who has been employed by the District for more than 13 years and has accumulated 235 sick days will receive a formula payment of nine thousand four hundred dollars ($9,400).

Moreover, the District, pursuant to Article XIII Group Insurance 13.6 Retiree Insurance will allow a mid-level manager “to participate at the same benefit level(s) contribution rates as those currently employed” when he/she retires. To be eligible for health care insurance in retirement, those hired prior to January 1, 1993 must have completed 10 years of service in the District. Those hired after January 1, 1993, must have completed 15 years of service in the District. To summarize, the District argues that in light of the District’s financial problems it has “less capacity to absorb these legacy costs.”

In addition to the benefits provided through the CBA, the District must also fund the New York Employees’ Retirement System at the present rate of fifteen and six tenths percent (15.6%)
of the mid-level managers’ total salaries of one million two hundred sixteen thousand and twenty-four dollars ($1,216,024). The District’s contribution toward the New York State Employees’ Retirement System has drastically/uncontrollably increased as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Percentage Contribution Rate of Total Salaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thru February 2010</td>
<td>6.9%</td>
</tr>
<tr>
<td>Thru February 2011</td>
<td>11.3%</td>
</tr>
<tr>
<td>Thru February 2012</td>
<td>15.6%</td>
</tr>
<tr>
<td>Projected Thru February 2013</td>
<td>18.4%</td>
</tr>
</tbody>
</table>

“Simply put” argues the District, “LAMM members will continue to receive an increasingly costly benefit, over the short term and long term, paid by the District on behalf of the individual’s pension plan. Increasing pension costs are amongst the most significant, and uncontrollable, factors contributing to the District’s budget (deficits) projected for the foreseeable future.”

**THE ASSOCIATION’S POSITION**

As it presently exists Article XII Leaves of Absence subsection 12.2.1 Sick Leave (IV) provides that on June 30 of each year, twelve-month employees who have 220 or more accumulated sick leave days shall be permitted to sell back to the District at the current rate of $65 per day up to 50 said days. Under the current arrangement the maximum payout would be three thousand two hundred fifty dollars ($3,250) (50 days x $65 per day = $3,250).

The Association proposes to convert $65 to an amount equal to “50% [of the] employee’s daily wage” not to exceed a maximum of 50 days. Under this arrangement, the maximum payout using a unit member’s average daily salary of two hundred sixty-five dollars ($265) would be six thousand six hundred fifty dollars ($6,650) (50 days x $133 per day = $6,650).
In support of its proposed position, the Association sets forward an internal comparison based upon the benefit provided to other bargaining unit members employed by the Liverpool Central School District. The comparison is as follows:

The Association will make comparisons on sick leave PAYMENT UPON RETIREMENT with the other four (4) Associations within the District.

The SEIU bargaining unit receives 50 days of accumulated sick leave paid at termination, at the current daily rate of pay: average daily rate $110 ($5,500)

The Liverpool Administrators Association SAANYS (LAA), receives 40 days of accumulated sick leave paid at termination, at the current daily rate of pay: average daily rate $300 Total ($12,000)

Liverpool Faculty Association (ULFA), receives a payment of up to 200 accumulated sick leave days at $50 dollars per day total ($10,000)

Office Personnel at Liverpool Schools (OPALS), receive a payment of up to 240 accumulated sick leave days at $40 per day Total ($9,600)

The Liverpool Association of Middle Managers’ (LAMM) proposal, employees receive on average, a daily salary of $133 a day. The employee would be eligible for payment up to 50 days of accumulated sick leave times their average daily wage paid at termination for a total of $6,650.
RECOMMENDATION

This Fact Finder is persuaded that notwithstanding the Association’s comparison and justification for the further payment of accumulated sick days, the District’s benefits at Article XVI Retirement, Article XIV Separation Stipend, Article XIII Group Insurance subsection 13.6 Retiree Insurance, and contributions toward the New York State Employees’ Retirement System are significant and expensive. As a result, I recommend that Article XII Leave of Absence subsection 12.2.1 Sick Leave (IV) involving the payment of certain accumulated sick leave days remain unchanged.
UNRESOLVED ISSUE 5
PRESCRIPTION DRUG CO-PAYMENTS

THE DISTRICT’S POSITION

For the reasons previously articulated pertaining to the District’s budgetary problems and escalating expenditures for supplemental benefits, it has proposed a cost-saving change at Article XIII Group Insurance subsection 13.1.4. That subsection provides a five dollar ($5.00) co-payment for generic drugs and a ten dollar ($10.00) co-payment for brand name drugs with a corresponding mail order co-payment at ten dollars/twenty dollars ($10.00/$20.00). The District seeks to replace the co-payments with a three tier prescription plan with no co-payment for generic drugs, ten dollar ($10.00) co-payment for preferred brand drugs and a twenty-five dollar ($25.00) co-payment for non-preferred brand prescriptions.

ASSOCIATION’S POSITION

The Association submits that, for the most part, other bargaining unit members employed by the Liverpool Central School District presently enjoy the same drug prescription co-payments as presently enjoyed by mid-level managers. Based upon analysis provided by Independent Health (Buffalo) and MVP (Syracuse and Albany) the three tier prescription co-payment system would on “average [cost] each bargaining unit member [who] uses three (3) prescriptions per month ... an annual increase in cost of $60 per unit member.” The Association estimates that the annual saving to the District would be one hundred eighty dollars ($180) on an individual and four hundred twenty dollars ($420) on a family health care insurance plan. The Association argues that inasmuch as the mid-level managers pay the same or even more toward their prescription co-payments as other District employees who received higher wage increases, the Fact Finder must respectfully reject the District’s proposal to increase the mid-level managers’ prescription co-payments.
RECOMMENDATION

Taking into consideration the present economic environment, this Fact Finder has recommended a wage increase settlement that is significantly less than the wage settlement previously negotiated with other bargaining unit members employed by the Liverpool Central School District and mid-level managers employed in some of the other local neighboring schools. Based upon that, this Fact Finder cannot also recommend that Association mid-level managers pay more for prescription drugs than other bargaining unit members employed by the District. Stated yet another way, since the undersigned recommended a lesser wage increase for mid-level managers, it would seem less reasonable to, at the same time, expect them to also pay more than others toward their prescriptions. That does not mean, however, that the District’s reasoning for a three-tier prescription co-payment plan is without justification. Rather, it means that at this time, and under the circumstances of this particular recommended settlement, a proposal to increase the mid-level manager prescription costs should be deferred. Accordingly, this Fact Finder recommends that the current two-tier prescription co-payment plan remain unchanged.
CONCLUSION

Section 209 Resolution of disputes in the course of collective negotiations of the Public Employees’ Fair Employment Act (Civil Service Law, Article 14) more commonly referred to as “The Taylor Law” addresses the fact-finding process. Section 209.3(c) provides that the fact finder shall transmit his/her findings of fact and recommendations for resolution of the negotiations dispute to the Chief Executive Officer of the government involved and to the employee organization involved. In keeping with that obligation, the undersigned does herewith respectfully submit his findings of fact and recommendations for a negotiated settlement. If, as the Taylor Law provides, I can offer further assistance to that desired end, I remain committed to your service.

Respectfully submitted,

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Murry F. Solomon, Fact Finder

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Date