

STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

STATE EMPLOYMENT
RELATIONS BOARD
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December 14, 2000

In the Matter of Fact-Finding Between

THE CITY OF GENEVA

and

OHIO PATROLMEN'S BENEVOLENT
ASSOCIATION

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Case No.: 00-MED-08-0791
00-MED-08-0792
00-MED-08-0801

APPEARANCES

For the City:

Craig R. Zins
Lynda Rossiter
Gary R. Holt

City Manager
Director of Finance
Captain, Geneva Police Department

For the Union:

Colleen Bonk, Esq.
Daniel Dudik
William E. Hopes
Greg Wiley

Attorney
Director, Sergeants
Director, Dispatchers
Director, Patrolmen

Fact-Finder:

Virginia Wallace-Curry

INTRODUCTION AND BACKGROUND

This matter concerns the fact-finding proceeding between the City of Geneva (the "City") and the Ohio Patrolmen's Benevolent Association (the "Union" or "OPBA"). The bargaining units involved in this matter consist of full-time Geneva Police Department Dispatchers, Sergeants and Patrolmen. Virginia Wallace-Curry was appointed fact-finder in this matter by the State Employment Relations Board. A hearing was held on December 12, 2000.

The parties' current collective bargaining agreement expires December 31, 2002, but wages for the final two years beginning January 1, 2001 are subject to a reopener. This fact-finding concerns only the wage reopener for the years 2001 and 2002.

The parties commenced negotiations regarding the wage reopener on August 25, 2000. They were unable to reach agreement. On November 15, 2000 the parties met with a Federal Mediator, but with no success. The fact-finder attempted to mediate the issue on December 12, 2000, but again mediation proved unsuccessful, and a fact-finding hearing was held.

The fact-finding proceeding was conducted pursuant to Ohio Collective Bargaining Law and the rules and regulations of the State Employment Relations Board, as amended. Consideration was given to criteria listed in Rule 4117-9-05 (J) of the State Employment Relations Board.

ISSUE

ARTICLE 32 - WAGES

Union's Position

The Union proposes a wage rate increase of 6% for each of the two remaining years of the current collective bargaining agreement, beginning January 1, 2001 and January 1, 2002 respectively. It asserts that this increase is necessary to obtain the average rate of pay for law

enforcement employees working in the area, and to compensate for the gross inequity created by the City as a result of the parties' past negotiation.

The Union argues that the City's law enforcement employees are severely underpaid in comparison to employees in the area, such as those in Ashtabula, Ashtabula County, and Madison Township. Only those employees in the city of Conneaut receive a lower rate of pay. The City of Geneva has lost law enforcement employees to surrounding communities which pay higher wages and will continue to do so if wages are not adjusted. The average wage increase for police units in Ohio is 4.25%, well above the City's proposal of 3% or 3.5% (with the rescinding of position guarantees). The City's proposal will further erode the employees' position and perpetuate the lag behind other area jurisdictions.

The Union also argues that a 6% increase each year is needed to offset the unanticipated increases in out-of-pocket expenses connected with its health care insurance. The City changed health care insurance carriers after the last contract was negotiated. The new insurance plan requires significant co-pays for out-patient services and hospital stays, ranging from \$100 to \$250 per incident, where no co-pay was required under the old plan. The Union agreed to split the cost of premiums over a cap amount but did not anticipate substantial increases in co-pay amounts. A 6% increase in wages would help employees recoup some of these unanticipated costs.

The Union argues that the City has the ability to provide for the funds to meet the Union's proposal through a residential tax levied by vote of City Council. The residential tax, which was in place previously but was rescinded, could be reinstated without placing a tax issue on the ballot.

City's Position

The City argues proposes a 3% increase in wages for the years 2001 and 2002. The City could offer a 3.5% wage increase if the Union agrees to rescind a Memorandum of Agreement in which current staffing levels of 13 full-time positions are guaranteed. A reduction in staff would permit the City to offer the higher wage increase. The City asserts that it is not wealthy and that funding is limited.

Since 1997, the Police Department employees have received the highest wage increases for any group of City employees, including fire-fighters, administrative staff, and management personnel. The Police Department appropriation budget has grown faster than an all other City departments. A 3% increase is comparable or above what other City employees will receive for the years 2001 and 2002.

The City argues that it does not have the same tax base as other surrounding communities. The population is just under 7,000 people with an average household income of \$45,000 and a 10% poverty rate. Many employees do not work in the City, further eroding the tax base. The City of Geneva does not have the industry that other jurisdictions have. Additionally, Ashtabula County can levy a sales tax, while the City of Geneva cannot. The City asserts that all recent tax levies placed on the ballot have failed. City Council discussed reinstating the residency tax, but there were not enough votes to pass the legislation.

DISCUSSION

In the fact-finding report issued by William Miller in November 1999, Mr. Miller found that the wages of the law enforcement bargaining units were "lower than other similarly situated

employees in surrounding areas.” He noted that the City has the ability to adjust its sources of revenues. He stated that “the applicable criteria submitted in Ohio Revised Code 4117 give the City the basis for increasing revenues in an appropriate manner so as to meet the needs of its bargaining unit employees.” Mr. Miller recommended that the City take the necessary steps to increase revenues and, therefore, he left the issue of wage increases for 2001 and 2002 to be negotiated based on any change in the City’s financial position.

There has been no change in the City’s financial position. The tax levies placed on the ballot were not successful. But tax increases are never popular, and it can be politically unwise to support tax increases or the imposition of new taxes, as the City stated at the fact-finding hearing. Consequently, the City Council did not increase the revenues of the City, and it still does not have the financial ability to meet the Union’s demand of a 6% increase.

However, the City’s argument that Police Department employees have received the highest increases of any group of City employees is not relevant to the issue before this Fact-Finder. The only issue relevant is the wages of the law enforcement personnel, not other employee groups. The fact remains that law enforcement employees’ wages are considerably lower than those in the surrounding areas, and the City is losing its senior, trained personnel to these communities. A 3% increase will only widen this gap and further erode the experience of the police force.

The law enforcement employees must at least maintain their relevant position with respect to the surrounding communities by attaining an increase that is close to that of police units statewide. Therefore, a 4% increase is recommended for the years 2001 and 2002.

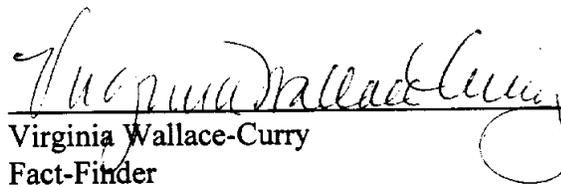
The City should be able to meet this level of increase. One of the 13 full-time positions is

currently paid for by a federal grant. Senior employees have left or will be leaving the department soon. Half of the force is young, which means that are paid at a lower rate of pay and are not entitled to long vacations that cost the City money in part-time personnel to cover vacations. As Mr. Miller pointed out in his fact-finding between the parties, the City has the ability to raise revenues, and it must continue its efforts to do so.

RECOMMENDATION

<u>YEAR</u>	<u>PERCENT INCREASE</u>
1/1/2001	4%
1/1/2002	4%

Respectfully submitted,


Virginia Wallace-Curry
Fact-Finder

December 14, 2000

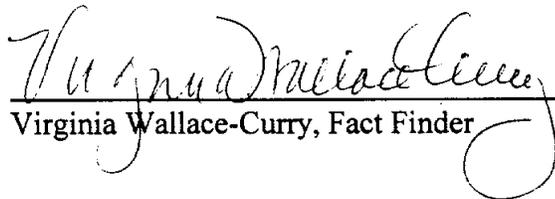
CERTIFICATE OF SERVICE

This is to certify that a true copy of the Fact-Finding Report for the City of Geneva and the Ohio Patrolmen's Benevolent Association was sent to the parties via facsimile and by regular mail and to the State Employment Relations Board by regular U.S. mail on this day, December 14, 2000. The Fact-Finding Report was served upon:

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Virginia Wallace-Curry, Fact Finder