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**IN THE MATTER OF FACT-FINDING
BETWEEN**

CITY OF EASTLAKE)	CASE NO. 00-MED-08-0839
)	
AND)	<u>FINDING</u>
)	AND
FRATERNAL ORDER OF POLICE, OHIO LABOR COUNCIL, INC.)	<u>RECOMMENDATION</u>
)	

JAMES M. MANCINI, FACT-FINDER

APPEARANCES:

FOR THE FOP

Charles L. Wilson

FOR THE CITY

Jack L. Petronelli, Esq.

SUBMISSION

This matter concerns fact-finding proceedings between the City of Eastlake (hereinafter referred to as the City or Employer) and the Fraternal Order of Police, Ohio Labor Council, Inc. (hereinafter referred to as the Union or FOP). The State Employment Relations Board (SERB) duly appointed the undersigned as fact-finder in this matter. Fact-finding proceedings were held on March 30 and April 20, 2001 as well as on March 18, 2002.

The fact-finding proceedings were conducted pursuant to the Ohio Collective Bargaining Law as well as the rules and regulations of SERB. During the fact-finding proceedings, this fact-finder attempted mediation of the Wage issue at impasse. However, the Wage issue remains for this fact-finder's consideration as more fully set forth in this report.

The bargaining unit involved herein consists of all full-time Dispatchers employed by the City of Eastlake. There are currently five Dispatchers in the unit.

This fact-finder in rendering the following findings of fact and the recommendations of the issue at impasse has taken into consideration the criteria set forth in Ohio Revised Code Section 4117-14(G)(6)(7). Further, this fact-finder has taken into consideration all reliable evidence presented relevant to the outstanding issue before him.

WAGES

The Union proposes 5% wage increases in each year of the Agreement. The City's wage proposal is for an increase of 4% effective upon execution of the Agreement, and 3.5% increases in each of the last two years of the Contract.

The Union basically argues that the current wage levels for bargaining unit employees fall below those paid to other dispatchers in comparable jurisdictions. The FOP contends that its wage proposal is warranted in order to bring the wages for the dispatchers more into line with average wages for dispatchers in the area. According to the Union, the dispatchers are currently paid 21% below the highest pay found in similar jurisdictions. The Union maintains that the cities of Willoughby, Wickliffe and Willowick should be used for comparison purposes based upon their populations, proximity to the City of Eastlake, and the department sizes.

The FOP further submits that there has been no pattern established within the City with respect to wage increases. It disputes the City's contention that all other employees in the City of Eastlake received wage increases as proposed by the Employer here of 4%, 3.5% and 3.5%. The FOP points out that approximately seventy percent of the patrol unit received wage increases above the Employer's pattern wage offer presented herein. This was due to changes which were made in the patrol officers' wage scale pursuant to a fact-finder's recommendation. In addition, the change resulted in a wage increase of 9.8% for the sergeants in the department in 2001. As a result of the large increases provided to a majority of the patrolmen's bargaining unit, it would be

unfair to apply a pattern wage settlement to the dispatch unit. Accordingly, the Union takes the position that its wage proposal for 5% increases should be awarded in order to prevent further erosion of the wage comparability.

The Employer argues that its wage proposal is justified based upon internal comparables which indicate that all other employees within the City received wage increases of 4%, 3.5% and 3.5%. Both the firefighters and service department bargaining units were given those kinds of wage increases for the next three years. The City points out that likewise the patrol officers who were at the Master Police Officer step were also given the same wage increases which are now being proposed for the dispatchers. There is no reason to deviate from the wage pattern which has been established within the City for the dispatchers unit.

The City further maintains that with the increases which it has offered, the dispatchers' wages would be in line with those found in comparable jurisdictions. Moreover, the City requests that the fact-finder take into consideration the fact that the Employer will bear the burden of paying for the significant increases in healthcare costs for the bargaining unit. The employees are not being asked to contribute towards those costs. Finally, the City submits that its tax revenues have fallen off for the current year and that this is another factor which supports its proposal for moderate pay increases. The cost of living simply does not warrant any increases above that which the Employer has proposed herein.

ANALYSIS – Based upon a careful review of the evidence and arguments presented by the parties, this fact-finder would recommend that there be a 4% wage increase in the first year of the Contract, another 4% wage increase in the second year, and a 3.5% wage increase in the third year of the Agreement. Such increases are warranted in order for the wages here to keep pace with those provided to dispatchers in comparable jurisdictions. In making the recommendation herein, this fact-finder has also taken into consideration the pattern of wage increases in the City as well as the decline in revenues for the current year. In addition, the fact that employees continue to receive complete Employer paid healthcare coverage has also been factored into the decision regarding wage increases for this bargaining unit.

This fact-finder has determined that increasing the dispatchers' wages by 4%, 4%, and then 3.5% would allow the dispatchers' wages here to keep pace with those paid to similarly situated employees in comparable area jurisdictions. For purposes of comparability, this fact-finder finds that the cities of Wickliffe and Willowick are the most comparable jurisdictions in terms of population, department size and tax base. The evidence does show as the Union points out that currently the base wage of dispatchers in the bargaining unit here falls below that provided to dispatchers in these two other jurisdictions. However, this fact-finder finds that it would be appropriate to also consider the fact that unlike the cities of Wickliffe and Willowick, the Employer here pays for the entire cost of health insurance coverage for the bargaining unit. The dispatchers in Wickliffe and Willowick must contribute towards the cost of their health insurance plans.

Moreover, Eastlake picks up the employee's contribution towards their pension plan. Again, this benefit is not provided to dispatchers in Willowick and Wickliffe. It should also be noted that the dispatchers will benefit from the significant increase in the sick leave conversion benefit which has been provided to them by the City. Therefore when one looks at the total compensation package provided to dispatchers here compared to those in the other two comparable jurisdictions, it is apparent that with the recommended wage increases the bargaining unit wages will compare quite favorably.

Moreover, this fact-finder finds that there is justification for a wage increase greater than that proposed by the City for the second year of the Agreement. As indicated, the evidence shows that currently bargaining unit wages fall below those in the comparable jurisdictions of Willowick and Wickliffe. With the recommended 4% increase in the second year of the Agreement, the bargaining unit here will be able to gain slightly on the wage disparity which currently exists. That is, the 4% wage increase given to the bargaining unit would be greater than the 3.5% and 3.75% increases provided to dispatchers in Willowick and Wickliffe. An additional one-half percent increase beyond the City's proposal for the second year of the Agreement will have minimal cost impact upon the City considering the relatively small size of the bargaining unit. Again, there are only five dispatchers in the bargaining unit. The additional cost of a one-half percent increase would be approximately \$7,000 for the City.

For the third year of the Agreement, this fact-finder finds that it would be appropriate to provide for a 3.5% wage increase for the bargaining unit. In that regard,

this fact-finder has taken into consideration the internal wage comparables which show that 3.5% wage increases have been granted to most other City employees for the year 2003. The only exception as noted by the FOP relates to patrol officers who in some cases received greater increases than the pattern settlements due to a change in their wage scale. However, it should be noted that even with respect to the patrol unit the Master Patrol Officers who were at the top of the wage scale received a 3.5% increase in the third year of their Agreement. Moreover, this fact-finder has taken into consideration for the third year of the Agreement evidence produced by the City which indicates that tax revenues have declined for the current year. The Finance Director, Jack Masterson, testified that there has been a fifteen percent decline in tax revenues through February 2002 from the previous year. Mr. Masterson expressed concern that such a decline in revenue could continue throughout the year and as a result could affect the City's ability to fund wage increases in the year 2003. Considering the financial data presented as well as the wage pattern which has been established for the year 2003, this fact-finder recommends a 3.5% increase for the bargaining unit here for the third year of the Agreement.

Therefore this fact-finder finds that it would be reasonable, considering all of the factors, to provide the bargaining unit members with wage increases of 4% in the first year, 4% in the second year, and 3.5% in the third year of the Agreement. It would also be appropriate to provide that the first year wage increases be retroactive to January 1, 2001. The record reveals that in the past, the parties have always provided for retroactive

pay increases. There was no compelling reason offered in this case as to why the first year wage increase should not be made retroactive to January 1, 2002. In summary, this fact-finder believes that the recommended wage increases will serve to allow the wages for the dispatchers here to keep pace with those provided to dispatchers in comparable jurisdictions in the area. However, the wages provided to the dispatchers should not be considered in isolation from the other benefits provided to the bargaining unit which include fully paid health insurance, an enhanced sick leave conversion benefit, and a pension pickup. The pattern of wage increases provided to most other City employees has also been taken into consideration here. Considering the current state of the economy which as noted by the Finance Director indicates that there could be reduced revenues in the upcoming years for the City, this fact-finder believes that the recommended wage increases are fair and reasonable.

RECOMMENDATION

It is the recommendation of this fact-finder that there be general wage rate increases in each year of the Agreement as set forth below:

WAGES

Effective January 1, 2001 – Four Percent (4%) increase.

Effective January 1, 2002 – Four Percent (4%) increase.

Effective January 1, 2003 – Three and One-Half Percent (3.5%) increase.

CONCLUSION

This fact-finder hereby submits the above referred to recommendation on the outstanding Wage issue presented to him for his consideration. Further, this fact-finder incorporates all tentative agreements previously reached by the parties and recommends that they be included in the parties' final Agreement.

APRIL 12, 2002



JAMES M. MANCINI, FACT-FINDER