

**STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD
FACT FINDING PROCEEDINGS**

**REPORT & RECOMMENDATIONS
OF THE FACT FINDER**

AS ISSUED
December 14, 2000

IN THE MATTER OF:

**City of South Euclid
(Employer)
-and-
The Fraternal Order of Police
Lodge No. 80
(Union)**

**SERB Case No. 00-MED-09-0978
 (Patrol Officers)
 00-MED-09-0978
 (Sergeants and Lieutenants)**

APPEARANCES:

On Behalf of the Union:

Robert Phillips	Advocate
Mathew Capadona	Lieutenant
Robert T. Abele	Police Officer
David J. Volek	Police Officer

On Behalf of the Employer:

Marc J. Bloch	Counsel
Shannon Polk	Counsel
Thomas W. Lucha	Chief of Police

GREGORY JAMES VAN PELT
LABOR ARBITRATION
MEDIATION & DISPUTE RESOLUTION

1691 LYNHURST ROAD
LYNHURST, OHIO 44124

SUBMISSION

In accordance with the provisions of the Ohio Revised Code §4117.14(C)(3), the undersigned was appointed Fact-finder in the present matter, effective on December 1, 2000. A series of five meetings between the Parties left a number of issues unresolved. Likewise, a brief attempt to mediate outstanding issues was made on December 9, 2000. While this attempt resulted in temporary agreement as to several proposals, a number of issues remained at impasse. Accordingly, an evidentiary session was convened, at which the Parties were afforded an opportunity to present evidence and testimony supporting their respective positions. The Parties also requested and were afforded an opportunity to submit statements of their respective positions. The statements were served upon the Factfinder and the respective Parties, and the matter was declared closed, as of December 12, 2000.

ISSUES AT IMPASSE

The Parties initially identified twelve issues as remaining unresolved. Mediation led to tentative agreement on number of these proposals, as indicated below * :

- 1. **Article II - Lodge Membership***
 - § 2.6
 - § 2.8(A)

- 2. **Article VII - Uniform Allowance**
 - § 7.1

- 3. **Article VIII – Holidays***
 - § 8.1
 - § 8.2(A)
 - § 8.3
 - § 8.4

- 4. **Article IX – Vacations**

- 5. **Article X - Hospitalization**
 - § 10.1(a)
 - § 10.3

- 6. **Article XI – Wages, Hours and Overtime**
 - § 11.1*
 - § 11.7
 - §§ 11.9-.11
 - § 11.11(A)
 - § 11.15
 - § 11.18
 - § 11.19

7. **Article XII – Firearm Proficiency Allowance**
§ 12.2
8. **Article XIII – Reimbursement for Approved Educational Course Cost***
§ 13.1
§ 13.2
9. **Article XVI – Special Leave**
§ 16.1
10. **Article XVIII – Sick Leave Ordinance**
§ 18.1
11. **Article XIX – Fund Upon Retirement***
12. **Compensatory Time***

STATUTORY CONSIDERATIONS

In weighing the positions presented by the Parties, the Factfinder was guided by the considerations delineated in OAC 4117-9-05(K):

- | | |
|------------------------|---|
| 4117-9-05(K)(1) | Past Collectively bargained agreements, if any, between the parties; |
| 4117-9-05(K)(2) | Comparison of the unresolved issues relative to the employees in the bargaining unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved; |
| 4117-9-05(K)(3) | The interests and welfare of the public, the ability of the public employer to finance and administer the issues proposed, and the effect of the adjustments on the normal standard of public service; |
| 4117-9-05(K)(4) | The lawful authority of the public employer; |
| 4117-9-05(K)(5) | Any stipulations of the parties; |
| 4117-9-05(K)(6) | Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment. |

BACKGROUND

The Parties enjoy a collective bargaining relationship that has obtained through a number of predecessor agreements. Located in the eastern suburbs of Cleveland, South Euclid is contiguous to similar suburban communities, all of which enjoy relative prosperity and quietude. While the City asserts that the citizens recently defeated an income tax proposition, it makes no argument as to lack of ability to pay the economic benefits sought by the Union here.

The FOP represents approximately 38 sworn officers, including patrol officers, sergeants and lieutenants. Comparative data presented by the FOP indicates that South Euclid officers are compensated somewhat below the average of comparable contiguous communities.

FINDINGS AND RECOMMENDATIONS

ARTICLE VII - UNIFORM ALLOWANCE

FOP's Position:

The Union proposes increasing the uniform allowance for full-time employees to \$850.00 in the agreement's first year; \$950.00 in the second year; and \$1,050.00 in the final year.

South Euclid's Position:

The City proposes increases in the uniform allowance of \$25.00 in each of the agreement's three years.

Findings and Recommendation:

While the City's proposal of a \$25.00 increase each year seems too little to adequately cover the increasing costs of uniform maintenance, no evidence was presented to indicate the increase proposed by the FOP is necessary. Therefore, a fifty dollar (\$50.00) increase in each of the three years is recommended.

ARTICLE IX - VACATIONS

FOP's Position:

The Union proposes language that would allow advancement in vacation entitlements every five years rather than the 7-7-5 year schedule contained in the obtaining agreement. This, says the Union, would make South Euclid Officers more comparable to neighboring communities in vacation allowance.

South Euclid's Position:

The City proposes that current contract provisions be maintained.

Findings and Recommendation:

Review of comparable contiguous collective bargaining agreements reveals that South Euclid's vacation allowance is not out of line with those of neighboring communities. Accordingly, no change in the vacation schedule is recommended at this time.

ARTICLE X - HOSPITALIZATION

South Euclid's Position:

The City proposes to change the health care policy currently offered its employees and to require bargaining unit members to contribute to the cost of insurance in future years. These changes, the Employer contends, are made necessary by a 39% increase in the cost of health insurance coverage for employees. Moreover, South Euclid points out that a proposed income tax increase of 1/2 of 1% was rejected by the voters, leaving City revenues limited and unable to sustain a similar increase in the future without employee participation.

In response to potential escalating premiums, the City proposes to offer employees a choice of one of three QualChoice plans, with varying levels of participation. To this end, the City proposes:

	<u>Maximum Employee Contribution</u>		
	<u>2001 (Single/Family)</u>	<u>2002</u>	<u>2003</u>
<u>2001 Plan</u>	\$0.00/\$0.00	\$5.00/\$15.00	\$10.00/\$30.00
<u>1001 Plan</u>	\$10.00/\$25.00	\$12.50/\$37.50	\$18.00/\$50.00
<u>5001 Plan</u>	\$14.00/\$38.00	\$18.00/\$50.00	\$22.00/\$60.00

All plans proposed by South Euclid include dental and vision care benefits at least equivalent to those now enjoyed by bargaining unit members.

FOP's Position:

The Union points out that South Euclid's Police Officers have been afforded premium medical insurance in the past. The City is now proposing not only a lower level of coverage requiring co-payments, but employee contribution in the cost of premiums, as well. The FOP argues that these employee contributions effectively reduce the wages of bargaining unit members, and therefore proposes no change in the current health care provisions. In the alternative, the Union urges the Factfinder to recommend corridor caps on employee participation in the medical coverage, as well as increased longevity and other economic benefits to compensate employees for diversion of income to health care participation.

Findings and Recommendation:

Ironically, the success of the present administration in negotiating premium medical coverage at a reasonable cost has, to a great degree, resulted in the

present impasse between these Parties. Having successfully kept health care costs low and benefits high through at least the last two agreements, the City is now informed by its carrier that rates will increase by almost 39%, while the high level of coverage now enjoyed by South Euclid employees will decrease. Concerned that similar increases in the future will become an unmanageable burden, the Employer proposes bargaining unit participation in the form of both premiums and co-payments.

The FOP correctly points out that participation in medical insurance effectively reduces the take-home pay of South Euclid Police Officers. Already compensated in the middle range of comparable surrounding communities, the Union asserts that participation in health insurance costs would further erode the bargaining unit's relative compensation position.

It is clear that some employee contribution to health care benefits is inevitable in South Euclid, as in most of the working world. It is also reasonable that the burden not be so great as to diminish the real wages paid bargaining unit members. Accordingly, the following participation mechanism is recommended:

§ 10.1 (a) Effective March 1, 2001, for regular full-time employees, the City will make available the QualChoice hospitalization insurance plan 2001, 1001, or 5001, as amended, which include vision examination provisions and a prescription drug rider as summarized in each respective policy (5/10/20). In addition, the City will continue to offer preventive dental coverage as described in the American Dental Center Preventive Dental Plan, or a plan which is equivalent or better. The City will continue its present administrative procedures and eligibility requirements for the life of this agreement. Such programs will be arranged with such insurance company, carrier or agency as the City may select and shall be subject of the terms of the master contract issued to the City. The City shall have the right to choose an alternative carrier and to provide other delivery systems after discussion with the Union. The City's obligation shall be limited to the payment of premiums as set forth in this article, and any dispute between a claimant and any insurance company, carrier or agency shall not be subject to the grievance procedure.

§ 10.3 Effective March 1, 2001, employee contribution for hospitalization insurance differs depending upon which of the three (3) QualChoice plans (2001, 1001, or 5001) is chosen by the employee, according to the following contribution schedule. For March 1, 2002 through February 29, 2004 the City will pay the first six percent (6%) of premium increases for all three (3) QualChoice plans, but the employee and the City will split equally (50/50) all premium increases in excess of the first six percent (6%). Notwithstanding, employee contribution will not exceed the amounts provided in the following schedule:

Maximum Employee Contribution

	<u>2001 (Single/Family)</u>	<u>2002</u>	<u>2003</u>
<u>2001 Plan</u>	\$0.00/\$0.00	\$5.00/\$15.00	\$10.00/\$25.00
<u>1001 Plan</u>	\$10.00/\$25.00	\$12.50/\$35.00	\$18.00/\$45.00
<u>5001 Plan</u>	\$14.00/\$35.00	\$18.00/\$45.00	\$22.00/\$55.00

§ 11.11(A)

The FOP proposes across-the-board increases in longevity allowances of \$378.00 in the first year of the new agreement; \$393.00 in the second; and \$409.00 in the contract's final year. In support of this position, the FOP submits evidence that South Euclid ranks in the middle of comparable contiguous communities. More, says the Union, an increase in longevity pay would assist in off-setting out-of-pocket contributions toward health care which serve to further erode this bargaining unit's total compensation.

§ 11.15

The Union proposes an increase in the present 10% rank differential to 11% for both Sergeants and Lieutenants.

The Union also proposes a \$100.00 per month differential for employees assigned to the Detective Bureau

§ 11.18

The FOP proposes a new Section providing for specialist pay of 3% of base rate applicable to SWAT team members; B.A.C. Operators; Training Officers; Range Officers; and Honor Guard members.

§ 11.19

The Union proposes a respective shift differential of \$.25 and \$.35 per hour for bargaining unit members working the afternoon or midnight shifts.

Findings and Recommendation:**§ 11.7**

Evidence indicates South Euclid's proposal of 2 hours pay at time and one-half for employees for Municipal Court appearances and 3 hours pay at time and one-half for appearances made by officers in the Court of Common Pleas is in the mid-range of such benefits provided officers in comparable contiguous communities. Consequently, the City's proposal is recommended.

§§ 11.9-11

Wages of South Euclid officers rank in the middle of those in comparable surrounding communities. Accordingly, a 4% increase in base pay is recommended in each of the three contract years.

§ 11.11(A)

As in wages, South Euclid's longevity benefits rank in the low-mid range of allowances provided by neighboring jurisdictions. In order to retain qualified officers in the City, the following longevity schedule is recommended:

<u>Length of Service</u>	<u>Payment</u>
<u>2001</u>	
5 years	\$655.00 (\$100.00 increase)
10 years	\$1075.00 (\$200.00 increase)
15 years	\$1545.00 (\$300.00 increase)
20 years	\$1925.00 (\$300.00 increase)
<u>2002</u>	
5 years	\$855.00 (\$200.00 increase)
10 years	\$1275.00 (\$200.00 increase)
15 years	\$1745.00 (\$200.00 increase)
20 years	\$2125.00 (\$200.00 increase)
<u>2003</u>	
5 years	\$1055.00 (\$200.00 increase)
10 years	\$1475.00 (\$200.00 increase)
15 years	\$1945.00 (\$200.00 increase)
20 years	\$2325.00 (\$200.00 increase)

§ 11.15

No evidence presented indicated that the present 10% rank differential inadequately compensates Sergeants and Lieutenants for their increased responsibilities. Accordingly, the present contract language is recommended

The Union also proposes a \$100.00 per month differential for employees assigned to the Detective Bureau. While it is difficult to determine what level of additional compensation might be appropriate for Detectives in South Euclid, it is reasonable that employees so assigned receive some additional compensation. Therefore, a differential of three percent (3%) of base pay is recommended.

§ 11.18

The FOP proposes this new Section providing for specialist pay of 3% of base rate applicable to SWAT team members; B.A.C. Operators; Training Officers; Range Officers; and Honor Guard members. However, no evidence indicates that the City is having difficulty attracting specialized officers, or that those officers are under-compensated compared to colleagues in comparable jurisdictions. Consequently, this proposal is not recommended.

§ 11.19

Here again, no specific evidence was presented to indicate a need for the proposed Shift differential. Accordingly, none can be recommended.