

STATE EMPLOYMENT
RELATIONS BOARD

STATE EMPLOYMENT RELATIONS BOARD
STATE OF OHIO

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In the Matter of]	
Fact-finding Between:]	
]	
]	
City of Lima,]	
EMPLOYER]	
]	SERB Case No. 02-MED-04-0412
]	SERB Case No. 02-MED-04-0413
and]	SERB Case No. 02-MED-04-0414
]	
]	Raymond J. Navarre,
FRATERNAL ORDER of POLICE,]	Fact-finder
OHIO LABOR COUNCIL, INC.]	
EMPLOYEE ORGANIZATION]	
]	
]	

FACT-FINDING REPORT
and
RECOMMENDATIONS

Date of Issuance: January 22, 2003

SERB Cases Nos. 02-MED-04-0412, 02-MED-04-0413, 02-MED-04-0414

Date of Hearings: January 6, 2003

Location of Hearing: City Building
Lima, Ohio

Present for the Fact-finding: Dennis E. Sterling, Staff Representative
FOP/OLC

Representing the Union:

Joe Nolan

Bev Leary

Ron Meister

Donald J. Binkley, Regional Manager
Clemans, Nelson & Associates, Inc.

Representing the Employer:

Vince Ozier, Director of Human Resources

Patrick Hire, CNA/Account Manager

Steven Cleaves, Finance Director

Catherine A. Garlock, Chief of Staff

Greg Garlock, Chief of LPD

Jim Thorburn

Larry A. Winegardner

Anthony Gladen

Robert Hillard

Note that for purposes of identification in this document, the City of Lima and the representative, Donald J. Binkley, will be referred to as the Employer and Dennis Sterling, FOP/OLC, Staff Representative, will be referred to as the Union.

The Fact-finding started about 9:00 AM and concluded at approximately 11:30 AM.

BACKGROUND

Case No. 02-MED-04-0412 includes Patrol Officers, Detectives, and ID Officers. The approximate numbers of persons involved are 67.

Case No. 02-MED-04-0413 includes Communication Operators and Technology Coordinator and approximately 10 in number.

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Background (continued)

Case No. 02-MED-04-0414 includes Corrections Officers and has approximately 4 members.

The Employer is the city of Lima (Ohio) Police Department, a Law Enforcement Agency.

The parties have met to negotiate 8 to 10 times, depending on the source.

NOTES

Both parties agreed that the three above listed cases would be heard as one case.

Also, both parties asked that the Articles in the Collective Bargaining Agreement that were unopened and those tentatively agreed to, be listed. They are as follows:

Unopened

Article 4	Management Rights
Article 7	No Strike/No Lockout
Article 10	Layoff and Recall
Article 11	Labor Manag. Mtgs.
Article 13	Drug/Alcohol Testing
Article 14	Personnel Files
Article 15	Ordins., Rules, & Regs.
Article 17	Hours of Work & Overtime
Article 26	Work out of Rank
Article 27	Tuition Reimbursement
Article 30	Waiver in Case of Emerg.

Tentatively Agreed To

Article 1	Agreement
Article 2	Recognition
Article 3	Security
Article 5	Non-Discrimination - Gender
Article 6	Representation Release Time
Article 8	Grievance Procedures
Article 9	Seniority
Article 12	Investigations and Discipline
Article 16	Misc. Non-Economic
Article 19	Holidays
Article 20	Priority Holidays
Article 21	Vacations
Article 22	Leaves
Article 23	Family and Medical Leave
Article 24	Uniform & Equip. Allowance
Article 28	Miscellaneous Economic
Article 29	Promotion
Article 31	Duration

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Before the fact-finding started, the parties were asked about mediation but both agreed there was no possibility, at that time, for further negotiations. However, during the hearing a recess was taken to allow the parties involved and the representatives to meet and discuss separately some points and issues.

This matter came for a hearing on January 6, 2003, before Raymond J. Navarre, who had been appointed as Fact-finder in a letter dated November 29, 2002, in compliance with Ohio Revised Code Section 4117.14 (C)(3) and Ohio Administrative Code Section 4117-9-05.

At the beginning of the fact-finding, all present were asked to affirm that what they say would be the whole truth. They so affirmed.

FACT-FINDING CRITERIA

In determining the facts and making the recommendations contained in this document, the Fact-finder considered the applicable criteria as required by the Ohio Revised Code Section 4117.14 and the Ohio Administrative Code Section 4117-9-05. These criteria are:

- (1) Past collectively bargained agreements, if any between the parties;
- (2) Comparison of 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;
- (3) The interest and welfare of the public, and 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;
- (4) The lawful authority of the public employer;
- (5) Any stipulations of the parties; and,
- (6) Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

FINDING of FACT and RECOMMENDATIONS

The unresolved issues submitted by the Union and the Employer to the Fact-finder will be considered in what follows.

The finding of fact will be presented for each issue, followed by the Fact-finder's recommendation in respect to that issue. When applicable, the recommended language for the Agreement will be given. The Fact-finder's report needs to be considered in its entirety as to the overall effect on the parties and their bargaining positions

UNRESOLVED ISSUES

Unresolved Issue No. 1

Article 18-WAGES. Section 18.1. Wage Steps

Unresolved Issue No. 2

Article 25-INSURANCE. Section 25.1. Health Insurance

Since both of these unresolved issues involve economic considerations and since both parties presented very excellent and pertinent arguments for their positions in respect to the economics, the Fact-finder will present these positions in summary form before addressing the individual issues.

The Union using comparables, wage comparisons, concluded that there was almost a 17% deficit in the top wages of the patrol officers. The bargaining unit realizes that this deficit cannot be made up in one agreement but are willing to make it up a little at a time.

Bargaining unit members have lived with minimal wage increases over the last few years but are trying to remain competitive with other law enforcement agencies both to retain and recruit personnel.

The bargaining unit bargaining committee agrees that the percentage increases should be the same for each component of the bargaining unit.

Prior to negotiations, the Mayor stated that it was imperative that the City of Lima provides increases in wages. Also, the different indicators used by both the public and private sectors indicate the increases proposed are reasonable.

A number of news articles were included as support for the Union's position.

The Union asked that if the Fact-finder rules in the favor of the Employer, favorable consideration be given in the insurance issue.

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Economic (continued)

The Employer stated the City had limited ability to pay wage increases and presented material to support this. The conclusion was that the City finances are in a precarious financial condition. A number of exhibits were presented to support this contention.

The population of Lima has decreased 12% from the 1990 census to the 2000 census.

The Employer presented a cost comparison of the Union's proposal and the Employer's proposal as to the wage increases.

The Employer presented comparables from the region as well as the Consumer Price Index to both explain and provide support for the position taken. A number of pertinent analyses were also presented.

Unresolved Issue No. 1
Article 18 Wages

The Union proposes that there be a five percent (5%) wage increase in each of the three (3) years of the Collective Bargaining Agreement.

The Employer proposes:

- Effective January 1, 2003, all employees covered by this Agreement receive a 2.0% general wage increase
- Effective January 1, 2004, all employees covered by this Agreement shall receive a 2.5% general wage increase
- Effective January 1, 2005, all employees covered by this Agreement shall receive a 3.0% general wage increase.

Taking into consideration such issues as the finances of the city and the comparable wages being paid to similar units, the Fact-finder makes the following recommendation.

RECOMMENDATION

After considering the findings of fact above and the statutory criteria, the Fact-Finder's recommendation is that the Collective Bargaining Agreement in Article 18, Section 18.1 the wage increase shall be as follows.

- January 1, 2003 an increase of 2.75% (two and three quarter percent)
- January 1, 2004 an increase of 3.00% (three percent)
- January 1, 2005 an increase of 3.25% (three and one quarter percent)

Please note that the wage increases are general wage increases should be calculated on the rates contained in the present Collective Bargaining Agreement.

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Unresolved Issue No.2

Article 25 Section 25.1

It is to be noted that this unresolved issue is not only an economic issue but also a philosophical issue. Employers, in the public or private sector, feel and want the employees to contribute to the health insurance being offered. However, the levels of contribution being proposed by these entities vary.

As was done with unresolved issue No. 1, the Fact-finder will give a summary of the positions of both parties but will take into account the financial summaries previously stated.

The Union points out that the city established an insurance committee which was representative of the city employees. The task was to reduce insurance costs so that the savings could be passed on to the employees in the form of no employee contribution to health insurance. Some of the changes are listed and the Union indicated some of the realized savings from these changes.

The Union states that as of October the total cost for the insurance is \$3, 030,795.24 and when these costs are projected for the entire year, the total should be about \$3,900,000 which is below the amount the city asked the committee to achieve.

The Mayor stated the employees need to pay a contribution to their health insurance to force the employees to be more aware of health insurance costs. The Union says the committee has made the employees aware of the health insurance costs.

The City stated that their proposal would not provide a significant amount of money to impact the insurance budget.

The Union provided insurance comparisons, financial information, the ideas that were presented by the committee to save costs in respect to the health insurance, and news articles concerning the health insurance.

The Employer presented a report from SERB and compared the costs listed in the report to those being paid by the City for the bargaining unit employees. The City costs are higher.

The Employer feels that participating in the costs of the insurance makes the employees take some ownership as to its use. The Employer makes a number of points concerning the issue, such as the contributions of other bargaining units in the City.

The Employer provided comparisons concerning the health insurance. Also, the Employer included the 2001 SERB Report on the cost of health insurance in Ohio's public sector. Materials from the Health Care Cost Committee were included with a report on the health care crisis by the New York Times.

The Union proposes that the wording of Article 25, Section 25.1 remain the same as in the present Collective Bargaining Agreement.

The Employer would add a Section 25.2 that would be as follows.

Effective January 1, 2003, the employees shall contribute ten dollars (\$10.00) premium to the single plan, twenty dollar (\$20.00) premium to the single plus one plan, and thirty dollars (\$30.00) premium to the family plan on a monthly basis.

Effective January 1, 2004, the employees shall contribute twelve dollars-fifty cents (\$12.50) premium to the single plan, twenty-five dollars (\$25.00) premium to the single plus one plan, and thirty-five dollars (\$35.00) premium to the family plan on a monthly basis.

Effective January 1, 2005, the employees shall contribute fifteen dollars (\$15.00) premium to the single plan, thirty dollars (\$30.00) premium to the single plus one plan, and forty dollars (\$40.00) premium to the family plan on a monthly basis.

Taking into account the costs involved, the work of the Health Care Cost Committee, the saving already achieved, costs projections for the future as to health insurance costs and many other considerations, the Fact-finder makes the following recommendation.

RECOMMENDATION

After considering the findings of fact above and the statutory criteria, the Fact-finder's recommendation is that the Collective Bargaining Agreement in Article 25, Section 25.1 remains the same. A new Section 25.2 shall be added to Article 25 with the following language in the new Collective Bargaining Agreement.

Effective January 1, 2003, the employees shall contribute five dollars (\$5.00) premium to the single plan, ten dollars (\$10.00) premium to the single plus one plan, and twenty dollars (\$20.00) premium to the family plan on a monthly basis.

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Issue No. 2 (continued)

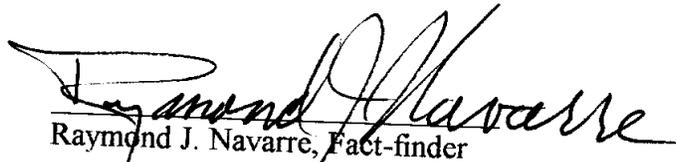
Effective January 1, 2004, the employees shall contribute seven dollars-fifty cents (\$7.50) premium to the single plan, fifteen dollars (\$15.00) premium to the single plus one plan, and twenty-five dollars (\$25.00) premium to the family plan on a monthly basis.

Effective January 1, 2005, the employees shall contribute ten dollars (\$10.00) premium to the single plan, thirty dollars (\$30.00) premium to the single plus one plan, and forty dollars (\$40.00) premium to the family plan on a monthly basis.

Duration of the contract

The parties agreed that the contract should be in force from January 1, 2003 to December 31, 2005.

The Fact-finder recommends that issues recommended above be retroactive to January 1, 2003.


Raymond J. Navarre, Fact-finder

Dated 1/22/03

STATE EMPLOYMENT
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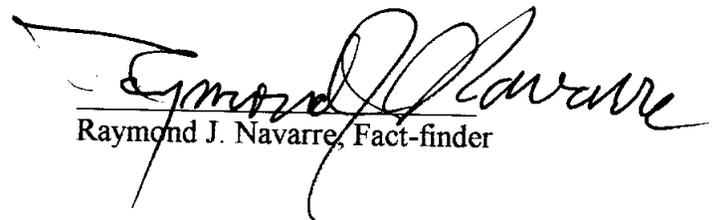
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CERTIFICATE OF SERVICE

Originals of the foregoing Fact-finding Report and Recommendations were served upon Dennis Sterling, Fraternal Order of Police, Ohio Labor Council, Inc., Staff Representative, State Office, 222 East Town Street, Columbus, Ohio 43215-4611 and upon Donald J. Binkley, Regional Manager, Clemans, Nelson & Associates, Inc., 417 North West Street, Lima, Ohio 45801 and upon Dale A. Zimmer, Administrator, Bureau of Mediation, Ohio State Employment Relations Board, 65 East State St., 12th Floor, Columbus, Ohio 43215-4213, each by United States mail, sufficient postage prepaid, this 22nd day of January, 2003.


Raymond J. Navarre, Fact-finder