

STATE OF OHIO  
THE STATE EMPLOYEE RELATIONS BOARD  
FACT FINDING REPORT

STATE EMPLOYMENT  
RELATIONS BOARD

2002 DEC -9 A 9:05

In Re: :  
:  
Ohio Patrolmen's Benevolent Association : Case No. 02-MED-08-0700  
(Patrol Officers)/City of Wapakoneta :  
:  
:

The undersigned, Steven L. Ball, appointed as State Employee Relations Board fact-finder, makes the following report:

I. Hearing

This matter was heard at the Municipal Building, City of Wapakoneta commencing at 9:00 a.m., November 13, 2002. The following were present:

For the Ohio Patrolmen's Benevolent Assn.

For City of Wapakoneta

Joseph M. Hegedus

Patrick Hire, Senior Consultant

II Criteria

Consideration was given to the criteria listed in §4117.14 O.R.C. and Rule 4117.9-05(K) of the State Employee Relations Board, as follows:

1. Past collectively bargained agreements, if any, between the parties;
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;
3. The interest 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;
4. The lawful authority of the public employer;
5. Any stipulations of the parties;

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.

### III Issues and Recommendations

#### Finding of Fact #1 - Wages

The Union proposes a 5% increase for each year of a proposed three year agreement. The City proposes a 2% increase for the first year, and a 2.25% increase the second year and third years. The Union cites the city of St. Marys as a comparable locale, where the top step wages for a patrolman is currently \$37,502.40, to \$34,216.00 for Wapakoneta, a difference of approximately \$1.58 per hour or about 9%. The Union also cites to eleven locales, including St. Marys to demonstrate an average 3.75% wage increase for 2002, from a high of 7% to a low of 3%; and an average difference in entry rate and top rates of -2.1% and -11.7%, respectively, between wages for those locales and Wapakoneta. The Union also cites general wage increases for public employees for the year 2001 which show average regional increases ranging from 3.53% to 4.22%.

The City argues a "limited ability to pay" larger increases than proposed because of a loss of tax revenues attendant to the loss of the City's major employer, JB Tool, and E.P.A. problems relating to a landfill. The City negotiated 2% increases for firefighters and all other City employees. A fact finder recommended 2%, 2%, and 2.25%, in the Utility Workers' Union of America agreement, effectively splitting the difference between proposals. The firefighters have accepted a 2% wage increase. The City compares itself to St. Marys (among other locales) to show comparable revenues, but higher expenditures for Wapakoneta for 2001. The City's

figures acknowledge lower police wages in Wapakoneta than in St. Marys. The Police Department budget increased 3.14% in 2001 and 5.3% in 2002; though wages increased 3.0% and 2.0% in the last two years of the current agreement. The difference in the City's wage proposal versus that of the Union would amount to a total of \$75,000 over three years. The City cites consumer price index figures showing overall 1.5% increases for consumer prices for the past year in the U.S.

The fact finder sympathizes with the City's budget problems, but finds no persuasive evidence that its budget problems should result in altering otherwise reasonable pay increases. The City also argues that a five percent increase would appear excessive, given the 2% increases negotiated with all other employees. This fact finder cannot evaluate the agreements of all City employees to determine how they might compare with the patrolmen's overall package. Nor can this fact finder subscribe to the proposition that parity among city workers is necessarily a high priority. However, the 2% increases to all other employees has been considered, in the light of all other factors.

Wage increases for the last agreement, as dictated through arbitration, average 3.5% (5.5%, 3%, and 2%). This is roughly in keeping with the average increases in public employee wages in 2001. The pay as ordered in the arbitration did not result in any unusual loss of employees, and, in fact, the City and Union described little if any attrition during the last agreement, other than through retirement and promotion. This would seem to evidence no large disparity between current wages, benefits, and working conditions from those in comparable positions in the area, including St. Marys.

Finally, consideration of the overall compensation package, i.e. wages and benefits (as recommended in the insurance benefits section) seems to this fact-finder to justify larger increases in wages than proposed by the City.

#### Recommendation

The fact finder recommends an increase of 3.0%, 3.25%, and 3.50% for the life of the agreement, as stated in the attached Exhibit A, to be retroactively applied starting November 1, 2002.

#### Finding of Fact #2 - Insurance Benefits

The Union compares the benefit packages of St. Mary's to the city's current agreement to show that the plans are virtually identical, with the city's current portion totalling \$390.00 for family coverage, with St. Mary's at \$400.00 per month. The employee contributions for the City have averaged \$146.66 per month, and St. Mary's employee contributions total \$142.13 per month. The Union cites to other comparable cities from the SERB benefits report which indicate that most municipalities fund a higher percentage of health benefits than St. Mary's or Wapakoneta. The average contribution for public employees in Ohio, per the 2001 annual report is \$87.36 per month. For cities under 25,000 population the average employee contribution is \$34.78. In 2001 insurance premiums increased 14.9% for family coverage for cities under 25,000 population. The City's current agreement has 27.2% of the premium paid by the employee, to an average 11.4% for cities with less than a 25,000 population. The Union seeks an increase in the employer monthly premium caps of \$50.00 for each of the three years of the agreement.

The City argues that the current formula was devised in 1989, and permits all employees to determine (by representatives on a committee) the scope of coverage and benefits. The City says that the past practice of dividing equally amounts over a cap permits the employees to choose extensive benefits, as they have done, but protects the City from incurring excessive costs. The City cites to the City of St. Mary's family premium cap of \$416.00 per month to prove the reasonableness of its offer.

The City also argues that different caps for policemen and other City workers would be a morale problem given the joint participation in the benefits committee. The City also claims that the difference in percentages from that agreed to after fact-finding would cause an administrative burden.

The City argues for \$5.00/\$10.00 increases in the caps for individual and family coverage for each year of the agreement.

Insofar as the Union has accepted a city-wide process of determining benefits, it appears to this fact-finder that any increase to the caps over that negotiated for other employees would not be practicable, though the "administrative" difficulties argued by the City is much less determinative than the morale issue. Moreover, the City of St. Mary's situation appears to give support to the City's proposal (the City of St. Mary's contract will apparently be up next year, however).

This fact-finder does find the Union's argument persuasive that the benefits and wages must be considered in tandem, as there is no issue as to the scope of benefits. Health insurance premiums will go up. The employees will be paying more. Accordingly, the pay increase

recommended in the wages discussion is intended to maintain an overall compensation package that keeps step with those benefits and wages currently received.

Recommendation

The fact-finder recommends adoption of the City's proposal, attached hereto as Exhibit B.

Finding of Fact #3 - Longevity

The City wishes to grandfather longevity pay (for 4 employees now receiving it) of \$150.00 per year after five years of service (plus \$30.00 for each year thereafter). All employees hired after January 1, 1998 would not receive longevity pay. The Union proposes the longevity pay to increase to \$250.00, plus \$50.00 for additional service years. The City contends that the deletion of this pay is necessary to lessen the impact of pay increases and to be consistent with other bargaining units.

The fact-finder does not see any appreciable effect on the City's budget for such payments. Moreover, those employees hired after 1998 have worked with the expectation of such payments when they qualify. Thus, grandfathering, if it is to be fair, should apply to all employees.

The City has an interest in promoting a stable work force, and a partolman's loyalty to the City over 5 years should be recognized, especially given the past history of such pay. However, the increases proposed by the Union appear excessive.

## Recommendation

Article 18.1 of the current collective bargaining agreement should be modified to provide an additional \$50.00 longevity pay after six full years of service as in the attached Exhibit C, effective November 1, 2002. All other provisions of Article 18 should remain the same as in the 1999-2002 agreement.

## Finding of Fact #4 - Hours of Work/Overtime

The City wishes to implement the maximum ratio of 171 hours/28 days as contained in §207(K) FLSA, and do away with compensatory time. The Union proposes deleting certain language as to the compounding of hours, the exemption of sick leave hours or holiday pay, and other miscellaneous language not appearing as significant to this fact-finder.

The City argues that \$42,000 was paid this year in overtime pay and maintains that this is an excessive amount.

This fact-finder was not presented with any example of the “compounding of hours worked” or the “pyramiding of premium pay” prohibited by current language. Perhaps those phrases in the current agreement have no real application. However, the fact-finder was presented with no rationale to consider sick leave or holiday hours in computing overtime, as urged by the union. Compensatory time is a tool to avoid overtime pay and is a concept only applicable to public employees. Thus, the City’s proposal to delete it appears counter productive. If the City is paying what it considers to be extraordinary overtime, then perhaps staffing needs to be increased. Such overtime payments do not justify increased work hours for employees who have historically operated under a 40 hour/8 hour day/week schedule.

The fact-finder sees nothing to “fix” in the current language of Article 23.

Recommendation

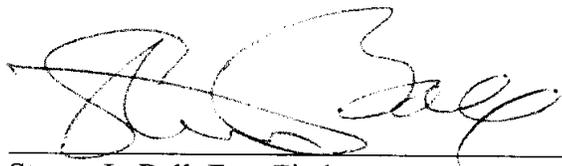
Article 23 of the current agreement (Exhibit D) should remain unchanged in the new agreement.

Finding of Fact #5 - Duration of the Agreement

Both parties continue to seek a three year agreement. However, the union wishes to modify §46.2 to permit notice of an intent to modify no earlier than 90 days nor later than 60 days prior to expiration, with regular mail notice. The more expansive dates (120/90 days) in the current agreement certainly did not appear to facilitate these negotiations. Insofar as the proposed revisions would be more consistent with current minimum legal notice requirements, the fact-finder believes it to be in the interest of both parties to accept the union's proposal.

Recommendation

The fact-finder recommends the union's proposal as to Article 46.2, attached hereto as Exhibit E. All other provisions of Article 46 contained in the 1999-2002 agreement should remain unchanged.



---

Steven L. Ball, Fact-Finder  
December 6, 2002

CERTIFICATE OF MAILING

I hereby certify that the Fact-Finding Report has been sent by fax and overnight mail to Joseph M. Hegedus, Climaco, Lefkowitz, Peca, Wilcox & Garafoli Co., L.P.A., 175 South Third Street, Suite 820, Columbus, Ohio 43215; and Patrick Hire, Clemans, Nelson & Associates, Inc., 417 North West St., Lima, Ohio 45801; and the original Report has been sent by ordinary U.S. mail, postage prepaid, to Dale A. Zimmer, Administrator, Bureau of Mediation, SERB, 12<sup>th</sup> Floor, 65 East State Street, Columbus, Ohio 43215, on this 6<sup>th</sup> day of December, 2002.

A handwritten signature in cursive script, appearing to read "S. L. Ball", written in black ink on a white background.

---

Steven L. Ball

**CITY OF WAPAKONETA  
FACTFINDING PROPOSAL  
OPBA-PATROL**

**ARTICLE 17**

**WAGES**

**Section 17.1.** Effective November 1, 2002, bargaining unit employees shall receive a three (3) percent wage increase.

Effective November 1, 2003, bargaining units employees shall receive a three and a quarter (3.25) percent wage increase.

Effective November 1, 2004, bargaining unit employees shall receive a three and one-half (3.50) percent wage increase.

EXHIBIT A

**CITY OF WAPAKONETA  
FACTFINDING PROPOSAL  
OPBA-PATROL**

**ARTICLE 35**

**INSURANCE**

**Section 35.1.** Current Agreement.

**Section 35.2.** Group hospitalization insurance, including medical coverage and prescription drug will be provided for the employee and dependents as defined by the plan. The City will pay the monthly premium for individual or family coverage for each full-time bargaining unit employee up to the following maximums:

	<b><u>Individual Coverage</u></b>	<b><u>Family Coverage</u></b>
	\$135.00	\$390.00
effective 11/1/02	\$140.00	\$400.00
effective 11/1/03	\$145.00	\$410.00
effective 11/1/04	\$150.00	\$420.00

Any monthly premium costs which exceed the maximums established above shall be paid equally by the Employer and the employee (50% of additional cost paid by the Employer and 50% of additional cost paid by the employee through payroll deduction).

**Section 35.3.** Current Agreement.

**Section 35.4.** Current Agreement.

**Section 35.5.** Current Agreement.

FOR THE EMPLOYER:

FOR THE UNION:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE SUBMITTED: \_\_\_\_\_

DATE SIGNED: \_\_\_\_\_

**ARTICLE 18**

**LONGEVITY**

**Section 18.1.** Each full time employee with five (5) or more years of continuous employment with the City shall receive, in addition to the employee's regular salary or hourly wage, longevity compensation at the following rates:

Less than five (5) years of service	-0-
Five (5) full years of service	\$150.00

An additional fifty dollars (\$50.00) shall be added for each year of continuous service over five (5) years (i.e., \$200.00 after six (6) full years of service).

**ARTICLE 23**  
**HOURS OF WORK/OVERTIME**

**Section 23.1.** The normal workday shall consist of eight (8) hours with a one-half (½) hour paid lunch period during which the employee shall remain subject to call. The normal workweek shall consist of forty (40) hours in five (5) consecutive days. This Article shall not, however, be construed as a guarantee of work hours or days by the Employer.

**Section 23.2.** Overtime shall be paid at the rate of one and one-half (1½) times an employee's straight-time base hourly rate for all hours worked in excess of forty (40) hours during the seven (7) day work period. For purposes of computing overtime, the seven (7) day work period shall begin at 12:01 a.m. on Monday and end at 12:00 midnight on the following Sunday. There shall be no compounding of hours worked or pyramiding of premium pay for hours worked in the calculation of an employee's entitlement to overtime. For purposes of calculating overtime, all hours in active pay status shall be considered as hours worked except for paid sick leave hours or holiday option pay.

**Section 23.3.** Any bargaining unit employee may request to accumulate compensatory time off in lieu of receiving overtime pay for any authorized overtime worked. Compensatory time shall be authorized at the Employer's discretion. If the employee wishes to request compensatory time, the employee shall designate such request in writing to the Employer prior to the end of the pay period in which the overtime is worked.

Compensatory time, if authorized, will be accumulated on a time and one-half (1½) basis for each hour of overtime worked. Employees may accumulate up to a maximum of forty (40) hours of compensatory time. Employees wishing to use compensatory time off must request such time off in advance. Any compensatory time off must be scheduled at a time mutually agreeable to both the Employer and the employee.

**Section 23.4.** When the Employer determines it is necessary to work bargaining unit employees overtime, the Employer will make a concerted effort to distribute overtime opportunities in an equitable manner. Any bargaining unit employee may be required to work overtime in situations where adequate staffing cannot otherwise be obtained.

## ARTICLE 46

### DURATION

**Section 46.1.** Except as otherwise specified in the particular Articles herein, this Agreement shall be effective upon signing by both parties and shall continue in full force and effect until 12:00 midnight October 31, 2005. It shall be renewed automatically on its termination date for another year in the form in which it has been written unless one party gives written notice as provided herein.

**Section 46.2** If either party desires to modify, amend or terminate this Agreement, it shall notify the other in writing of such intent no earlier than ninety (90) calendar days prior to the expiration date, nor later than sixty (60) calendar days prior to the expiration date of this Agreement. Such notice of intent shall be given by regular U.S. mail.

EXHIBIT E