

IN THE MATTER OF FACT-FINDING

2003 FEB 25 A 10: 35

BETWEEN

THE FRATERNAL ORDER OF POLICE

AND

CITY OF URBANA

BEFORE: Robert G. Stein

SERB CASE NO. 02-MED-10-0971
(Sergeants unit)

PRINCIPAL ADVOCATE FOR THE UNION:

Dennis E. Sterling, Staff Representative
FRATERNAL ORDER OF POLICE OLC, Inc.
222 East Town Street
Columbus OH 43215

and

PRINCIPAL ADVOCATE FOR THE CITY:

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INTRODUCTION

The bargaining unit is comprised of four (4) employees holding the classification of Sergeant. The parties successfully resolved all but three (3) issues during the negotiations process. The issues brought to impasse were: Article 23, Health Insurance; Article 27, Educational Incentive Plan; and Article 33, Residency. The parties reached tentative agreement on all of the issues brought to the bargaining table; however, the bargaining unit voted the contract down by a 3 to 1 margin. The City objects to what it considers an expansion of the unresolved issues brought to fact-finding.

Both Advocates represented their respective parties well and clearly articulated the position of their clients on each issue in dispute. In order to expedite the issuance of this report, the Fact-finder shall not restate the actual text of the parties' proposals on each issue but will instead reference the Position Statement of each party. The Union's Position Statement shall be referred to as "UPS" and the Employer's Position Statement shall be referred to as "EPS".

CRITERIA

OHIO REVISED CODE

In the finding of fact, the Ohio Revised Code, Section 4117.14 (C)(4)(E) establishes the criteria to be considered for fact-finders. For the purposes of review, the criteria are as follows:

1. Past collective bargaining agreements
2. Comparisons
3. The interest and welfare of the public and the ability of the employer to finance the settlement.
4. The lawful authority of the employer
5. Any stipulations of the parties
6. Any other factors not itemized above, which are normally or traditionally used in disputes of this nature.

These criteria are limited in their utility, given the lack of statutory direction in assigning each relative weight. Nevertheless, they provide the basis upon which the following recommendations are made:

ISSUE 1 Article 23 HEALTH INSURANCE

Union's position

SEE UPS

Employer's position

SEE EPS

Discussion

All of the other bargaining units in the City agreed to changes in the healthcare premium that included employees paying a portion of monthly premiums. Healthcare coverage is arguably the single most difficult issue, other than the possible exception of wages, that unions and managements are dealing with in the current economic times.

All of the other bargaining units have agreed to a 10% co-payment for healthcare coverage. In addition, all non-bargaining unit employees will be paying a 10% co-pay. Internal comparables are important factors in dealing with a cost shift of this nature. The healthcare plan is the same for all employees, and the fact that all other employees will be paying the same share of the premium supports the City's position.

This 90%-10% split between what the City pays and what the employee must pay monthly is not out of line with what many public sector bargaining units in Ohio are experiencing. The move from a fully paid plan to sharing the premium is never an easy transition. However, it is usual for employees to be willing to readily accept substantially

less comprehensive health coverage in order to contain costs. In these times of escalating healthcare costs, it is far more common for public or private sector employers to maintain quality coverage by having employees share a portion of the costs.

Recommendation

The position of the City. See Appendix A of EPS for specific language covering remainder of Article 23 that is not in dispute. The recommended change in premium payments that is the subject of fact-finding is as follows:

When an employee elects family or single coverage, the City shall pay 90% and each employee shall pay the remaining ten percent (10%) of the monthly premiums by payroll deduction, for family or single coverage for medical, hospitalization and major medical insurance.

ISSUE 2 Article 27 INCENTIVE PLAN

Union's position

See UPS

Employer's position

See EPS

Discussion

The incentive plan for educational achievement has been in the collective bargaining agreement for several years. The City argues that in order to provide a competitive wage increase that will be sufficient to retain current employees and eventually recruit new ones, it needs to maintain a competitive wage position with

comparable cities within its definable labor market. The Union argues that a commitment to education advancement is critical to the success of the position of Sergeant.

The facts indicate that the other bargaining units have agreed to the City's proposal that "grandfathers" employees into maintaining their educational incentives, but eliminates the benefit from any new hires in the future. The evidence at the hearing indicates that there may not be any new hires in the City (assuming no turnover) for the next two years. Assuming this scenario, the City's proposal is not expected to impact the Sergeants' bargaining unit for several years. This is due to the fact that turnover in the position of Sergeant is not expected, and there is no expectation that new Sergeant positions are going to be created. Moreover, the candidates for future Sergeant positions will most likely be current Police Officers who have also had their education benefits grandfathered in.

The one difference between the City's position with the Sergeants and those of the Patrol Officers is the inclusion of a "sunrise clause" in the language of the Patrol Officers' contract. The clause is contained in Joint Exhibit 1 and reads as follows:

"Section 26.7 The parties agree that for the purposes of negotiating a successor Agreement only, Section 26.6 shall have no force and effect, and Sections 26.1 through 26.5 shall be considered current contract language and a mandatory subject of bargaining during successor negotiations."

It is likely that the Sergeants' bargaining unit will only contain members that have a grandfathered education incentive for the next round of negotiations. The current members of the bargaining unit suffer no loss from the negotiated change, once tentatively agreed to by the bargaining unit's negotiating team. The Patrol Officers' unit also accepted the identical language that appears in Sections 27.1 through 27.6, but added

one additional section cited above. During the next round of bargaining, occurring in less than three (3) years, the issue of education incentive is likely to once again be proposed by both police bargaining units within the City. In order that consistency be maintained between them, it is not unreasonable for the language in both units to be the same.

Each bargaining unit is unique by virtue of the experience, values, and chemistry of its members. The City proposed the removal of a long-term benefit that encourages bargaining unit members to become better educated. On its face, the suggestion of removing such a benefit appears to be contrary to the best interests of both parties. However, the parties to collective bargaining do not operate in a vacuum. Their actions are affected by the economic, social, political, and moral environment of the times in which they live.

The “grandfather” guarantee provided to all current bargaining unit members preserves the value that the bargaining unit members place on education. What the City is proposing is economic relief from this benefit in order to fund wages of current and future bargaining unit members. However, the practical reality of the three-year cycle of collective bargaining process will allow the parties to revisit this decision regularly. Most importantly, educational benefits over time will be revisited by new bargaining members who will bring into the collective bargaining process their own values and priorities during social economic times that are not foreseeable at present. For example, less than three short years ago, the government and citizens of the United States of America did not foresee the political and economic realities that are shaping today’s thinking and actions. For these reasons, I find that the City’s proposal represents a pragmatic shift in emphasis that is justified by the uncertain economic times we all are experiencing.

Recommendation

The original tentative agreement reached by the parties with the addition of the language contained in Section 26.7 of the Patrol Officer's Incentive Plan Article (see above).

ISSUE 3 Article 26 RESIDENCY

Union's positions

See UPS

Employer's position

See EPS.

Discussion

With the exception of the Fire Fighter's bargaining unit and the Sergeant's bargaining unit, the other bargaining units, including Patrol Officers and Dispatchers, have agreed to the inclusion of a residency requirement for City employees. All current employees are grandfathered in and are not subject to the residency requirement. The City's requirement is based upon response time and not distance. The response time of twenty-five (25) minutes is reasonable in light of the need for safety forces to respond to emergency situations. The City also makes a persuasive argument regarding the emphasis placed upon comparable residency requirements for higher-ranking Officers (See SERB data). I find that the welfare of the public is better served by a reasonable residency

requirement that creates a balance between the needs of the public and the ability of the bargaining unit members to establish desirable residency.

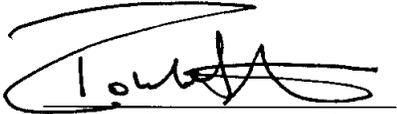
Recommendation

The position of the City to establish residency according to the tentatively agreed upon language contained in the EPS.

TENTATIVE AGREEMENTS

During negotiations the parties reached tentative agreement on several issues. These tentative agreements are part of the recommendations contained in this report.

The Fact-finder respectfully submits the above recommendations to the parties this 24th day of February, 2003 in Portage County, Ohio.



Robert G. Stein, Fact-finder