

Factfinding Report and Recommendations

STATE EMPLOYMENT
RELATIONS BOARD

2003 DEC 30 A 11:03

In the Matter of Factfinding

Between

The City of Wellston

And

Fraternal Order of Police Ohio Labor Council, Inc.

SERB Case No.: 03-MED-09-0864
03-MED-09-0865
03-MED-09-0900

Marcus Hart Sandver, Ph.D.
Factfinder

Hearing Date: December 18, 2003

Decision Issued: December 30, 2003

Representing the City:

Mr. Dennis Dupree
Director of Public Safety and Service
And
Mr. John Stabler
Mayor, City of Wellston
Wellston, Ohio

Representing the FOP – OLC:

Mr. Mark E. Drum
Staff Representative
FOP – OLC, Inc.
Columbus, Ohio

2. John Stabler Mayor, City of Wellston
3. Dennis Dupree Service Director, City of Wellston

The following were submitted into evidence as Union exhibits.

1. Union Exhibit # 1 Multi-tab notebook outlining Union position on each issue.
Received December 17, 2003.
2. Union Exhibit # 2 Agreement between City of Wellston and OCSEA Local
11/AFSCME Chapter 4010.

The following were submitted into evidence as City exhibits:

1. City Exhibit # 1 Factfinding position statement City of Wellston, received
December 18, 2003.
2. City Exhibit # 2 General Fund Police Department. Printed December 18,
2003.
3. City Exhibit # 3 Income Tax Fund. Printed December 18, 2003.

The factfinder notified the parties that the hearing would be conducted in accordance with the provisions of O.R.C. 4117 and the rules for factfinding as promulgated by SERB. Mr. Drum raised an objection to the timeliness of the employers pre-hearing submission under the 24-hour rule as outlined in O.R.C. 4117-9-05. The factfinder asked Mr. Drum if he would object to the submission of the evidence by the employer at the hearing. Mr. Drum stated that in the interests

of resolving the dispute, he would not object to the employer introducing evidence at the hearing. The parties proceeded directly to a discussion of the issues.

III. THE ISSUES

A. Wages

(1) Union Position

The union position on this issue was to ask for a \$0.60 per hour (approximately 5%) across the board increase in wages for each year of the agreement. In addition, the FOP proposal calls for a rank differential of 10% for the sergeant over the patrol officer. Finally, the FOP proposal requests that the designated Terminal Agency Coordinator (TAC), dispatcher receive a \$0.50 per hour differential which is now \$0.25 per hour. Both the FOP proposal and City proposal agree that the wage increase should be retroactive to January 1, 2004.

In support of its proposal, the FOP cites data from the SERB database, which shows that of the 205 police agencies in Ohio, the Wellston police are the lowest paid in Ohio. The FOP data further shows that in only 2 of the 205 (other than Wellston), are top step patrol officers paid less than \$29,000 per year (Logan and Ironton). The FOP data shows that even

with the \$0.60 per hour increase, Wellston still will be the lowest paid municipal police department in the State of Ohio.

(2) City Position

The City position on this issue is to offer a 3% across the board increase in wages to the patrol officers. The city position on the sergeant's wage issue is to make the sergeant a salaried employee at \$30,500 per year with 100% employer paid health insurance, all holidays off unless no one else is available to work, and fully paid assault liability insurance. The City proposal did not address the TAC dispatcher.

In support of its position, the City representative pointed out that Wellston, unlike many other cities in Ohio, does not have a separate law enforcement levy. This means that in Wellston all monies to fund the police department must come from the general fund. The City representative pointed out to the factfinder that the police department budget has increased over 50% in the last three years and that much new equipment has been purchased including new cruisers, vests, and assault rifles. Furthermore, the police department has invested in training and professional development for the officers in recent years.

In rebuttal, the FOP representative directed the factfinders attention to Union Exhibit # 2. The FOP representative pointed out that the AFSCME workers received a 7% increase in 2002 and a 4% increase in 2003, and a 4% increase in 2004. The FOP representative emphasized that in 2004, a truck driver – garbage would be making \$11.52 per hour, but under the FOP contract, a Step 1 Patrol Officer would be making \$11.36 per hour (even after the 5% wage raise).

(3) Discussion

The City of Wellston is just scraping along to balance the municipal budget. With the economic recovery beginning maybe next year will be better. But I don't anticipate that Wellston will "take off" economically like Marysville or Delaware anytime soon. To hear the Mayor talk enviously about "prosperous" towns like Nelsonville made me aware of the financial plight of the community.

At the same time, maybe there is some good news in the police department budget. Many of the big budget outlays that the Mayor spoke of in the hearing (cruisers, vests) have been made and don't have to be made again for three or four years. The training and development monies could be cut back, if need be and spent on wages and insurance. In other words, in any budget it is a matter of setting priorities and spending the money

accordingly. I think wages and benefits need to be the top priority for the Wellston police department budget for the next three years.

The external comparables certainly justify an increase at Wellston. The statewide comparison cities of 5,000-10,000 (non-suburban) and the South-East Ohio cities, even correcting for pension pick-up, all show Wellston far behind in wage rates.

The sergeants wage differential for the cities of 5,000-10,000 population averages 10.58%; for the South East Ohio cities it averages 10%. The wage level differential in Wellston places the sergeant 19% less than the average for the South East Ohio group, and 35% less than the average for the 5,000-10,000 population group.

The internal comparability data for the AFSCME contract show a 7% increase in 2003, a 4% increase in 2003, and a 4% increase in 2004. It is somewhat difficult to evaluate the AFSCME contract in the abstract, without knowing what the previous raises were, and without knowing how the wages in Wellston compared to the other municipalities, but it does provide some useful information.

The past collective bargaining agreement (included in the Union exhibit # 1) seems to indicate a 3.25% increase in wages from 2001 to 2002 and a 3.5% increase in wages from 2002 to 2003 for the patrol officers.

I do not have any data on what private sector wages were increasing in Wellston in 2003. I was not furnished any data on cost of living data in Wellston or per officer productivity or other measures of performance, which may justify an increase in wages.

I was given general fund data from the Mayor. The total general fund budget was \$1,297,826 of which \$930,735 (71%) went to the police department. Of this figure, \$775,925 (83%) went to pay wages and benefits.

By almost any criteria found in 4117.14 g-7 (a-f), you can justify a wage increase for the patrol officers, dispatchers, and sergeant at the Wellston police department. There is some ability to pay but it would have to come from things like supplies, materials, and maintenance in the current police department budget or from other funds in the income tax fund (City Exhibit # 3). The mechanics of funding the recommendations included herein are beyond the jurisdiction of the factfinder, but never the less, I find that there is an ability to pay the recommended wage raises which follow.

(4) Recommendation

- a. There shall be a 3.5 percent increase in wage rates for the patrol officers and dispatchers in 2004, 2005, and 2006.
- b. There shall be a further increase in the sergeant's wage differential of 3.5 percent in 2004, 3.5 percent in 2005 and 3 percent in 2006 such that in 2006, the sergeant will be making 10 percent more than the top step patrol officer.
- c. The wage differential for the TAC dispatcher shall remain at \$0.25 per hour.

B. Longevity

(1) Union Position

The FOP position on this issue is to increase the current longevity schedule to an amended schedule, which would read as follows:

Effective January 1, 2004, all bargaining unit members shall receive the following longevity payments.

3 through 4 years of continuous service	\$0.20 per hour
5 through 6 years of continuous service	\$0.35 per hour

7 through 9 years of continuous service	\$0.55 per hour
10 through 14 years of continuous service	\$0.70 per hour
15 through 19 years of continuous service	\$0.85 per hour
20 through 24 years of continuous service	\$1.00 per hour
25 through 29 years of continuous service	\$1.15 per hour

After thirty years of service, bargaining unit members shall receive an additional \$0.04 per hour for every year over fifteen years service in addition to the above longevity schedule.

In support of its position, the FOP representative pointed out in FOP Exhibit # 1 that the most recent AFSCME contract with the City had almost the exact same longevity pay plan that the FOP was proposing here. In addition, the FOP representative pointed out that the cost difference between the FOP's proposal and the City's proposal on longevity was only \$2,746 over a 3-year period (\$35,776 vs. \$33,030).

(2) City Position

The city position on this issue is to maintain current contract language on longevity but to add \$0.04 per hour for every year over 15 years of service in addition to the current longevity schedule.

In support of its position, the City representative pointed out to the fact-finder that the difference between the FOP cost estimate and the City cost estimate on the longevity pay total cost was \$21,000; much more than the \$2,700 the union had estimated. This error was caused by the fact that the union had neglected to include ten hours of overtime pay per employee per

week, which also includes the longevity pay premium in its total cost calculations.

(3) Discussion

The longevity pay issue is a cost issue. The argument supporting the union position is comparability; namely that AFSCME has this schedule in its most recent contract. The employer's argument is cost. The union's proposal would cost much more than estimated according to the City's calculations. Under the employer's proposal, the only change in longevity pay costs that I can see would be the additional \$0.02 per hour increase for those with 15 years of service or more, which would be Officers Kessler, McKenzie, Ackley, and Spurgeon. The employer argues that the benefit would accrue to the most senior officers; precisely those whom longevity pay is designed to reward. I find this argument persuasive.

(4) Recommendation

The language in Article 23 shall remain unchanged, except that section 1 shall be changed to read "after 15 years service, bargaining unit members shall receive an additional \$0.04 per hour for every year over fifteen years service in addition to the above longevity schedule".

C. Health Insurance

(1) Union Position

The union position on this issue is that the employer should pay 90% of the premium and that the employee should pay 10% of the premium of the health insurance. Presently, employees pay \$44.97 per pay period for their health insurance coverage, regardless of whether they are single or married with children.

In support of its position, the FOP provided SERB data from comparable cities of 5,000-10,000 population that are not suburban cities. The SERB data showed that of the 14 cities, the employees in Wellston paid the highest premium co-pay (\$89.94 per month both single and family) and that the next highest was Gallipolis (\$80 family, \$32 single) and the next highest was Martins Ferry (\$75 family, \$50 single). At the other extreme, in Belpre and Uhrichsville, insurance is provided at no cost to the employee. In the middle are Kenton and Logan, where the City pays 90% and employee pays 10%.

(2) City Position

The city position on this issue is that the city will pay 85% of the premium for health insurance and the employees will pay 15% of the premium. The City sees this as a major cost issue and wants to maintain its standing as a structural group with the supplier.

(3) Discussion

Both sides want to change to a percentage share of the premium from the current \$89.94 per month flat rate system. The current system is obviously unfair especially to the single status officers who pay more than 30% of the costs of their monthly premium. As I understand it, the City has gone from a health insurance program where the employees paid nothing, to a program where all employees (single or married with children) pay almost \$90 per month within a year's time. The employer stated at the hearing that the FOP had signed an M.O.U. in the spring agreeing to these changes in the financing of the health insurance premium, but no M.O.U. was produced at the hearing.

The employer voiced great concern about losing its status as a structural group for insurance purposes and stated that if the group fell much below the 43 it currently has (city wide) this may happen. It seems to me that if the \$90 per month premium contribution continues much longer, the group may start to shrink sooner rather than later.

The FOP representative pointed out, quite correctly, that it doesn't matter to the insurer, or to the city for that matter, in principle how the premium is financed. For example, as I understand it, the Mayor pays no health insurance premium. In its proposal, on the sergeant's salary package, the City proposed that the sergeant would pay nothing for his health insurance premium. In the same spirit, I would recommend that the health insurance premium share for the patrol officers, dispatchers, and sergeant in the Wellston police department be 10% and the employer share be 90%. It is a relatively small unit, the difference between the employers 85-15 offer and the union's 90-10 request is a relatively small sum and I find that the comparability data justify the 90-10- split.

(4) Recommendation

Article 23 shall be changed such that the employer shall pay 90% of the premium for the health, dental, and optical insurance and the employee shall pay 10%.

Further, if any committee is established to seek employee input on any insurance benefit provided to bargaining unit members, the bargaining unit members shall have the right to choose their own representative.

D. All Articles that have been tentatively agreed to and signed by both parties.

It is the intention of this factfinding report and recommendation that all articles that have been tentatively agreed to and signed by both parties shall be included in this report.

IV. CERTIFICATION

This factfinding report and recommendations is based upon evidence and testimony presented to me at a factfinding hearing conducted in Wellston, Ohio on December 18, 2003. This hearing was conducted in accordance with the rules for factfinding as found in O.R.C. 4117 and the associated administrative rules as developed by the State Employment Relations Board of the State of Ohio.

A handwritten signature in cursive script, reading "Marcus Hart Sandver", is written over a horizontal line.

Marcus Hart Sandver, PhD

Columbus, Ohio

December 30, 2003