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STATE EMPLOYMENT
RELATIONS BOARD

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STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD
BEFORE THE FACT FINDER

In the Matter of the Fact Finding between:

LAKE TOWNSHIP TRUSTEES

Employer

-and-

SERB Case Nos. 03-MED-10-1219
03-MED-10-1220

OHIO PATROLMEN'S BENEVOLENT ASSOCIATION

Union

Hearing convened on the 15th day of December, 2003, before Fact Finder Stanley T. Dobry at the Lake Township Hall,
County of Wood, in the State of Ohio.

APPEARANCES:

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Representative for the Union

Representative for the Employer

Date of Report: January 16th 2004

Fact Finding
Case Nos. 03-MED-10-1219 and 03-MED-10-1220

I. BACKGROUND.

This case is before the Fact Finder on a number of issues for which the Employer and the Ohio Patrolmen's Benevolent Association ("Union") on a re-opener in their collective bargaining agreements ("Agreement"). Those issues are wages and health care benefits.

The parties mutually selected Stanley T. Dobry as Fact Finder through the State Employment Relations Board. The parties timely filed their position statements.

The parties did execute a waiver of statutory and administrative time limits.

II. MEDIATION EFFORTS.

The parties participated in mediation and fact finding with Fact Finder Dobry on December 15, 19 and 22, 2003. The mediation resulted in both parties changing their originally-presented Position Statement proposals, and some tentative agreements were made. The mediation efforts also allowed Fact Finder Dobry to become familiar with the issues and interests. .

III. THE HEARING.

The Employer and Union were both ably represented. They engaged in good faith mediation and mutual gains bargaining, so that we could solve the problem based upon the parties long term interests.

I recognize the effort to prepare and present positions at the hearing was expensive, labor intensive, and time-consuming. I appreciate the parties' work in that regard. I write this opinion with the hope that the parties will avoid the effort, losses, risks and consequences of work-action and conciliatin. However, that decision is for the parties themselves to make after they review this recommendation.

IV. FACT-FINDER'S AUTHORITY AND STATUTORY CRITERIA.

The following findings and recommendations are offered for the parties' consideration and are the result of careful deliberation of the mutual interests and concerns of the parties and the statutory criteria as applied to the record before me. The applicable statute, Ohio Revised Code Section 4117.14(c), and SERB regulation, Ohio Administrative Code Section 4117-9-05, governs this proceeding. It requires that the fact-finder in making his recommendations consider:

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 the public service;
4. The lawful authority of the public employer;
5. Any stipulation(s) of the parties; and
6. Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determinations of the issues submitted to mutually agree upon dispute settlement procedures in the public service or in private employment.

V. DISCUSSION OF UNRESOLVED ISSUE.

The parties have had the good sense to resolve many other issues, both economic and noneconomic. Those tentative agreements are part of the context in which this recommendation is made. They are incorporated by reference into my recommendation as though set forth in full.

The Fact Finder has evaluated each party's proposal as part of the larger agreements to which the Employer and employees are bound, *i.e.*, that the ability of either side to pay for its proposal, or the necessity of passing increasing health care costs onto the other party, must be considered in light of cost implications of the entire collective bargaining agreement. Such consideration is a double-edged sword: The Employer argues it can only absorb a certain amount of health care costs, and that it must achieve deeper provider discounts, because it has limited financial resources, including the ability to tax, and is faced with health care benefit cost increases that are substantial. At the same time, employees argue they can little afford to absorb increased costs because their wages will not be increased if their health care costs are increased, resulting in a wash or a loss as far as take-home pay. Health care is the most serious issue facing the parties. It is fundamental, divisive, and can be controlled in the short term, but may not be controllable by these parties in the long term. In effect, Lake Township and its employees are a 'mere flea on the national health care dog.'

This recommendation is changing the very principles upon which health care is being provided. We are initiating much greater premium and cost sharing, where previously the employer carried a proportionately greater portion of the increases. This is in line with the response of comparable communities and bargaining units in the area. It is also closer to the private sector model, as health care premiums and costs have spiraled out of control

I note that any settlement with the OPBA will likely have a corresponding effect on the other bargaining units in the Township, and on the unrepresented employees too. This is because the Township has tried to maintain in a rough fashion the historical parity between these employees. In any event, the first orbit of comparison must be with the other employees of this employer. Further, the need for a small employer to maintain a unitary system of health care benefits is virtually overwhelming

On the one hand, the employer's revenues are down, and its health care costs are up, too.

The economy is suffering from a general malaise; federal revenue sharing has gone down, and state revenue sharing has followed. The post 9/11 economy, and the continuing war on Iraq has retarded economic growth. Further, increased federal mandates for homeland security have hardly materialized into monetary contributions to municipalities. In short, the employer is being expected to do more with less resources.

On the other hand, the employees have to work in this environment. They have their own economic challenges, which are serious. Employee morale here is good, but realistic and fair wages and benefits are absolutely necessary.

The wage scale itself is being substantially revamped, or at least tweaked, to better address the issues of costs, recruitment and retention of employees. These are difficult issues, since the short term interests of employees may diverge. Nevertheless, this has been accomplished with an eye toward better fulfilling the needs of the employer, the employees, the union and the public in the long term.

In light of the hard economic reality facing both parties, the fact finder makes the following recommendations.

VI. RECOMMENDATIONS

Article 29, WAGES

The current non-command bargaining agreement covers Part-time Patrol Officers, Full-time Patrol Officers and Corporals each of which is paid a separate flat hourly wage rate. The ability for a Full-time Patrol Officer to reach the rank of Corporal is highly dependent upon an opening. There is also a separate longevity system.

In order to provide for more orderly career path and a pay progression that includes longevity as a central component, and to off-set substantial health care cost increases, a single multi-tier system for Patrol Officers that eliminates the separate rank of Corporal is needed. To accomplish such goals, the Employer shall implement a multiple-tier wage tier covering all non-command Patrol Officers as follows:

Year	2004 Base Rate	2005 Base Rate	2006 Base Rate
FTO	\$10.27	\$10.48	\$10.89
FTO to 1 yr	\$13.25	\$13.51	\$14.05
1-3 yrs	\$14.40	\$14.74	\$15.31
3-6 yrs	\$15.41	\$15.71	\$16.35
6-10 yrs	\$16.91	\$17.25	\$17.93
12-15 yrs	\$18.41	\$18.77	\$19.53
15-20 yrs	\$18.81	\$19.18	\$19.97
20 + yrs	\$19.22	\$19.60	\$20.39

All new Full-time Patrol Officers and/or Part-time Patrol officers shall be paid as set out above. A Part-time Patrol Officer shall accrue seniority as follows: an Officer working 1,000 or more hours in any calendar year shall be given a full-year of seniority for that year, otherwise he shall be given pro-rata credit.

At the same time, some transition is needed in order fairly treat the existing force. Toward that end, all current Corporals shall retain the rank of Corporal and their current seniority but shall be paid at the 20 + years rate as shown above, regardless of their seniority. The rank of corporal is otherwise abolished, and the Employer shall appoint no new Corporals.

All current -time Full-time Patrol Officers shall retain their current seniority but shall

be compensated as follows, regardless of their seniority:

2004 Base Rate	2005 Base Rate	2006 Base Rate
\$18.61	\$19.08	\$19.97

All current Part-time Patrol Officers shall be compensated as follows, regardless of their seniority:

2004 Base Rate	2005 Base Rate	2006 Base Rate
\$17.51	\$18.12	\$19.15

All current Part-time Patrol Officers' seniority shall be calculated as follows: an Officer who works 1,000 or more hours in a calendar year shall be given a full-year of seniority for that year, otherwise the Officer will be given pro-rata credit for the hours worked.

Sergeants and Lieutenants shall receive wages increases to their base wages in the following amounts each year of this Agreement: 2004, two percent (2%); 2005, two percent (2%); and 2006, four percent (4%), each increase to be effective in the first pay period of the calendar year(s). Specifically, this shall be as follows:

POSITION	01/01/04 Rate	01//01/05 Rate	01/01/06 Rate
Sergeants	\$20.05	\$20.35	\$21.05
Lieutenants	\$20.54	\$20.95	\$21.79

Bonus pay as identified in Article 29, Section 1, and longevity pay, as identified at Article 29, Section 2, in the current contracts for both bargaining units, are eliminated.

A clarification to officer in charge pay is also needed.

Section 2: Whenever the rank of Sergeant is vacated on any shift, and there is no other higher Command Officer (including Chief) working on the same shift, the Patrol Officer with the most seniority on that shift shall be designated Officer in Charge during the absence of the Sergeant. A Patrol Officer who serves as Officer in Charge shall receive an additional fifty cents (\$0.50) per hour on his base rate of pay for all hours worked as Officer in Charge.

Article 27, Section 3: WORK SCHEDULES

Section 3: Part-time Employees must notify the Chief on a monthly basis, as to the availability to work during the next month. Any part-time employee who refuses opportunities to work and as a result fails to work one hundred eighty (180) hours any six month period shall be placed on probation for the subsequent one year period.

ARTICLE 39: HOLIDAYS

Full-time Employees who are eligible shall receive (8) eight hours compensatory time or pay for each designated holiday. To be eligible, a Full-time Employee must be employed at least sixty (60) days in a full-time status prior to the holiday and not on a leave of absence including Family and Medical Leave Absence on the designated holiday. In the event that a Full-time Employee works on a designated Holiday, the Employee shall receive (in addition to his regular pay) compensatory time at time and one half (1-1/2) or pay at time and one half (1-1/2) which ever applies.

1. New Year's Day
2. Martin Luther King Day
3. Washington-Lincoln's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Columbus Day
8. Veteran's Day
9. Thanksgiving Day
10. Christmas Day

Article 42, HEALTH INSURANCE

Section 1 shall be revised to reflect that for each year of this Agreement, an employee who elects to receive health insurance coverage through the Employer shall pay the following monthly payroll contributions toward the monthly premium for the health insurance plan offered by the Employer:

- | | |
|--------------|---|
| 2004: | three percent (3%) of the monthly premium |
| 2005: | five percent (5%) of the monthly premium |
| 2006: | seven percent (7%) of the monthly premium |

Furthermore, Section 4 shall be revised as follows:

Section 4: Any part-time officer who has completed his probationary period shall have the right, upon written request to the Employer, to participate at the Officer's own expense in the group health insurance program which is available to full-time officers subject to the conditions which follow. First, the Officer must meet the eligibility requirements of the current Lake Township group health insurance program. Second, the Officer must make his written request to participate by December 15 in any year (the "open enrollment period") for coverage to begin January 1 of the next year. Third the Officer agrees and commits to pay for a full-year of coverage and premiums, and the failure of the part-time Officer to pay the monthly premiums for health insurance coverage shall result in the Officer's being excluded from the coverage and denied the benefit of this provision for the remainder of the Agreement.

Article 43: TRAVEL AND ALLOWANCE

In order to correct a typographical error in the current Agreement, Article 43 shall be revised in part to read as follows at item #3:

3. Meals up to twenty dollars (\$20) per day.

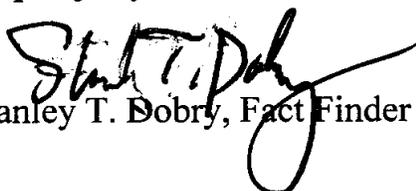
I carefully considered and analyzed *all* of the record, even though I found it inappropriate to mention each item specifically. I gave weight to the total fabric of the presentation in light of the entire record.

Additionally, I weighed all of the statutory criteria as they might apply to each of the issues and the record before me, even if I did not specifically refer to them. My recommendations are meant to fix the problem, not fix the

blame. It is time for the parties to move on and work together for their common interests, and the good of the public.

This Report and Recommendations of the Fact Finder is based upon all of the foregoing considerations as set forth above. It is based upon the evidence and testimony presented to me at the fact finding hearing. This award is made and entered this 16th day of January, 2004.

Respectfully Submitted,


Stanley T. Dobry, Fact Finder

Dated: January 16th 2004

